

---

SENATE BILL 5931

---

State of Washington

62nd Legislature

2011 Regular Session

By Senators Baumgartner and Zarelli

Read first time 04/11/11. Referred to Committee on Ways & Means.

1 AN ACT Relating to reorganizing and streamlining central service  
2 functions, powers, and duties of state government; amending RCW  
3 43.17.010, 43.17.020, 42.17A.705, 42.17.2401, 43.19.011, 43.19.025,  
4 43.19.035, 43.19.125, 43.19.180, 43.19.185, 43.19.190, 43.19.1905,  
5 43.19.19052, 43.19.1906, 43.19.1908, 43.19.1913, 43.19.1915,  
6 43.19.1917, 43.19.1919, 43.19.19191, 43.19.1920, 43.19.19201,  
7 43.19.1921, 43.19.1932, 43.19.200, 43.19.450, 43.19.455, 43.19.500,  
8 43.19.501, 43.19.530, 43.19.534, 43.19.538, 43.19.539, 43.19.560,  
9 43.19.565, 43.19.585, 43.19.600, 43.19.610, 43.19.620, 43.19.635,  
10 43.19.646, 43.19.663, 43.19.685, 43.19.702, 43.19.704, 43.19.708,  
11 43.19.710, 19.27.070, 19.27A.140, 39.34.055, 39.35.030, 39.35C.010,  
12 39.35D.020, 43.19A.010, 43.19A.022, 39.32.035, 43.01.225, 43.82.120,  
13 43.82.125, 43.99H.070, 73.24.020, 1.08.039, 28A.300.040, 28B.10.029,  
14 40.06.030, 43.08.061, 41.06.020, 41.06.076, 41.06.080, 41.06.093,  
15 41.06.110, 41.06.120, 41.06.142, 41.06.152, 41.06.167, 41.06.169,  
16 41.06.170, 41.06.220, 41.06.260, 41.06.270, 41.06.280, 41.06.285,  
17 41.06.350, 41.06.395, 41.06.400, 41.06.410, 41.06.420, 41.06.476,  
18 41.06.490, 41.06.510, 41.06.530, 34.05.030, 41.04.340, 41.04.385,  
19 41.04.395, 41.04.670, 41.04.680, 41.04.685, 41.04.720, 41.04.770,  
20 41.07.020, 41.07.030, 41.60.015, 41.80.005, 41.80.020, 42.16.010,  
21 42.17.370, 43.01.040, 43.01.135, 43.03.028, 43.03.120, 43.03.130,

1 43.06.013, 43.06.410, 43.06.425, 43.33A.100, 43.130.060, 43.131.090,  
2 48.37.060, 49.46.010, 49.74.020, 49.74.030, 49.90.010, 50.13.060,  
3 28A.345.060, 28A.400.201, 34.12.100, 36.21.011, 41.04.020, 41.04.460,  
4 41.60.050, 41.68.030, 41.68.040, 41.68.050, 47.28.251, 43.41.290,  
5 43.41.300, 43.41.310, 43.41.320, 43.41.330, 43.41.340, 43.41.360,  
6 43.41.370, 43.41.380, 43.41.110, 4.92.006, 4.92.040, 4.92.130,  
7 4.92.150, 4.92.160, 4.92.210, 4.92.270, 4.92.280, 10.92.020, 48.62.021,  
8 48.64.010, 39.29.011, 39.29.016, 39.29.018, 39.29.025, 39.29.055,  
9 39.29.065, 39.29.075, 39.29.090, 39.29.100, 39.29.110, 39.29.120,  
10 43.88.580, 43.105.080, 43.105.320, 43.105.370, 43.105.372, 43.105.374,  
11 43.105.376, 43.105.380, 43.105.382, 43.105.390, 43.105.400, 41.07.030,  
12 43.99I.040, 43.105.835, 43.105.290, 28A.650.015, 40.14.020, 42.17.460,  
13 42.17.467, 42.17.469, 42.17.471, 42.17A.060, 43.88.092, 43.105.410,  
14 43.105.020, 43.105.047, 43.105.052, 43.19.190, 43.105.057, 43.105.060,  
15 19.34.231, 19.34.420, 46.20.157, 2.36.054, 29A.08.760, 43.63A.550, and  
16 41.80.020; reenacting and amending RCW 41.06.133, 41.06.150, 41.04.665,  
17 42.17A.110, 49.46.010, 39.29.068, 39.94.040, 39.29.040, and 41.06.070;  
18 adding new sections to chapter 43.19 RCW; adding new sections to  
19 chapter 41.06 RCW; adding new sections to chapter 43.41 RCW; adding new  
20 sections to chapter 43.330 RCW; adding new sections to chapter 43.105  
21 RCW; adding a new section to chapter 41.80 RCW; adding a new chapter to  
22 Title 43 RCW; adding a new chapter to Title 41 RCW; creating new  
23 sections; recodifying RCW 43.41.280, 43.41.290, 43.41.300, 43.41.310,  
24 43.41.320, 43.41.330, 43.41.340, 43.41.350, 43.41.360, 43.105.080,  
25 43.105.320, 43.105.410, 43.105.370, 43.105.372, 43.105.374, 43.105.376,  
26 43.105.380, 43.105.382, 43.105.390, 43.105.400, 43.105.052, 43.105.172,  
27 43.105.250, 43.105.260, 43.105.270, 43.105.280, 43.105.290, 43.105.310,  
28 and 43.105.835; decodifying RCW 43.19.123, 41.06.136, 43.31.086,  
29 41.80.900, 41.80.901, 41.80.902, 41.80.903, and 41.80.904; repealing  
30 RCW 43.19.010, 43.19.1923, 43.19.1925, 43.19.590, 43.19.595, 43.19.615,  
31 43.19.675, 43.19.680, 43.78.010, 43.78.020, 43.78.030, 43.78.040,  
32 43.78.050, 43.78.070, 43.78.080, 43.78.090, 43.78.100, 43.78.105,  
33 43.78.110, 43.78.170, 15.24.085, 15.62.190, 16.67.170, 40.04.030,  
34 40.07.050, 41.06.030, 41.06.111, 41.06.130, 41.06.139, 41.06.480,  
35 41.07.900, 43.105.300, 43.105.360, 43.105.005, 43.105.013, 43.105.019,  
36 43.105.032, 43.105.041, 43.105.095, 43.105.105, 43.105.160, 43.105.170,  
37 43.105.180, 43.105.190, 43.105.200, 43.105.210, 43.105.330, 43.105.805,  
38 43.105.815, and 43.105.820; repealing 2010 c 271 s 301; providing

1 effective dates; providing expiration dates; and declaring an  
2 emergency.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **PART I**

5 **DEPARTMENT OF ENTERPRISE SERVICES CREATED**

6 NEW SECTION. **Sec. 101.** To maximize the benefits to the public,  
7 state government should be operated in an efficient and effective  
8 manner. The department of enterprise services is created to provide  
9 centralized leadership in efficiently and cost-effectively managing  
10 resources necessary to support the delivery of state government  
11 services. The mission of the department is to implement a world-class,  
12 customer-focused organization that provides valued products and  
13 services to government and state residents.

14 NEW SECTION. **Sec. 102.** A new section is added to chapter 43.19  
15 RCW to read as follows:

16 The definitions in this section apply throughout this chapter  
17 unless the context clearly requires otherwise.

18 (1) "Department" means the department of enterprise services.

19 (2) "Director" means the director of enterprise services.

20 NEW SECTION. **Sec. 103.** A new section is added to chapter 43.19  
21 RCW to read as follows:

22 (1) The department of enterprise services is created as an  
23 executive branch agency. The department is vested with all powers and  
24 duties transferred to it under this act and such other powers and  
25 duties as may be authorized by law.

26 (2) In addition to the powers and duties as provided in this act,  
27 the department shall:

28 (a) Provide products and services to support state agencies, and  
29 may enter into agreements with any other governmental entity or a  
30 nonprofit organization to furnish such products and services as deemed  
31 appropriate by both parties. The agreement shall provide for the  
32 reimbursement to the department of the reasonable cost of the products

1 and services furnished. All governmental entities of this state may  
2 enter into such agreements, unless otherwise prohibited; and

3 (b) Make available to state, local, and federal agencies, local  
4 governments, and public benefit nonprofit corporations on a full cost-  
5 recovery basis information services to include equipment acquisition  
6 assistance, including leasing, brokering, and establishing master  
7 contracts. For the purposes of this section "public benefit nonprofit  
8 corporation" means a public benefit nonprofit corporation as defined in  
9 RCW 24.03.005 that is receiving local, state, or federal funds either  
10 directly or through a public agency other than an Indian tribe or  
11 political subdivision of another state.

12 NEW SECTION. **Sec. 104.** A new section is added to chapter 43.19  
13 RCW to read as follows:

14 (1) The executive head and appointing authority of the department  
15 is the director. The director is appointed by the governor, subject to  
16 confirmation by the senate. The director serves at the pleasure of the  
17 governor. The director is paid a salary fixed by the governor in  
18 accordance with RCW 43.03.040. If a vacancy occurs in the position of  
19 director while the senate is not in session, the governor shall make a  
20 temporary appointment until the next meeting of the senate at which  
21 time he or she shall present to that body his or her nomination for the  
22 position.

23 (2) The director may employ staff members, who are exempt from  
24 chapter 41.06 RCW, and any additional staff members as are necessary to  
25 administer this chapter, and such other duties as may be authorized by  
26 law. The director may delegate any power or duty vested in him or her  
27 by this act or other law, including authority to make final decisions  
28 and enter final orders in hearings conducted under chapter 34.05 RCW.

29 (3) The internal affairs of the department are under the control of  
30 the director in order that the director may manage the department in a  
31 flexible and intelligent manner as dictated by changing contemporary  
32 circumstances. Unless specifically limited by law, the director has  
33 complete charge and supervisory powers over the department. The  
34 director may create the administrative structures as the director deems  
35 appropriate, except as otherwise specified by law, and the director may  
36 employ personnel as may be necessary in accordance with chapter 41.06  
37 RCW, except as otherwise provided by law.

1        NEW SECTION.    **Sec. 105.**    A new section is added to chapter 43.19  
2    RCW to read as follows:

3        (1) At the beginning of each fiscal year, the director shall  
4    conduct a review of the programs and services that are performed by the  
5    department to determine whether the program or service may be performed  
6    by the private sector in a more cost-efficient and effective manner  
7    than being performed by the agency. In conducting this review, the  
8    director shall:

9        (a) Examine the existing activities currently being performed by  
10   the agency, including but not limited to an examination of services for  
11   their performance, staffing, capital requirements, and mission.  
12   Programs may be broken down into discrete services or activities or  
13   reviewed as a whole; and

14        (b) Examine the activities to determine which specific services are  
15   available in the marketplace and what potential for efficiency gains or  
16   savings exist.

17        (2) The director shall select at least four activities or services  
18   that have been determined as an activity that may be provided by the  
19   private sector at an effective and cost-efficient manner. For each of  
20   the selected activities, the director shall direct the use of a  
21   competitive contracting process to determine if a contract for the  
22   activity would result in the activity being provided at a reduced cost  
23   and with greater efficiency. The director may contract with one or  
24   more vendors to provide the service as a result of the competitive  
25   contracting process.

26        (3) If the competitive contracting process determines that the  
27   activity cannot be provided by the private sector at a reduced cost and  
28   greater efficiency, the director may cancel the competitive contracting  
29   process without entering into a contract.

30        (4) The director shall prepare an annual report summarizing the  
31   results of the examination of the agency's programs and services. In  
32   addition to the programs and services examined and the result of the  
33   examination, the report shall provide information on any competitive  
34   process that does not result in a contract for the services.

35        NEW SECTION.    **Sec. 106.**    (1) The department of enterprise services  
36   has powers and duties related to state contracting as provided in  
37   chapters 43.19 and 39.29 RCW. The process and procedures in each

1 chapter differ from each other in many respects. In addition, the  
2 process and procedures may not represent the best practices for the  
3 agency or the public.

4 (2) In order to effect reform and consolidation of procurement  
5 practices, the department shall review current state procurement  
6 practices, not including public works, and provide a report to the  
7 governor with procurement reform recommendations. The department  
8 should review national best practices and the procedures used in other  
9 states and by the federal government. The department may also review  
10 private sector procedures and model codes such as the American bar  
11 association model procurement code. The department shall seek input  
12 from stakeholders and interested parties. The department shall submit  
13 a report to the governor and the office of financial management by  
14 October 30, 2011. The report shall include any draft legislation  
15 needed to accomplish the report's recommendations.

16 NEW SECTION. **Sec. 107.** A new section is added to chapter 41.06  
17 RCW to read as follows:

18 In addition to the exemptions under RCW 41.06.070, this chapter  
19 does not apply in the department of enterprise services to the  
20 director, the director's confidential secretary, deputy and assistant  
21 directors, and any other exempt staff members provided for in section  
22 104 of this act.

23 **Sec. 108.** RCW 43.17.010 and 2009 c 565 s 25 are each amended to  
24 read as follows:

25 There shall be departments of the state government which shall be  
26 known as (1) the department of social and health services, (2) the  
27 department of ecology, (3) the department of labor and industries, (4)  
28 the department of agriculture, (5) the department of fish and wildlife,  
29 (6) the department of transportation, (7) the department of licensing,  
30 (8) the department of (~~general administration~~) enterprise services,  
31 (9) the department of commerce, (10) the department of veterans  
32 affairs, (11) the department of revenue, (12) the department of  
33 retirement systems, (13) the department of corrections, (14) the  
34 department of health, (15) the department of financial institutions,  
35 (16) the department of archaeology and historic preservation, (17) the  
36 department of early learning, and (18) the Puget Sound partnership,

1 which shall be charged with the execution, enforcement, and  
2 administration of such laws, and invested with such powers and required  
3 to perform such duties, as the legislature may provide.

4 **Sec. 109.** RCW 43.17.020 and 2009 c 565 s 26 are each amended to  
5 read as follows:

6 There shall be a chief executive officer of each department to be  
7 known as: (1) The secretary of social and health services, (2) the  
8 director of ecology, (3) the director of labor and industries, (4) the  
9 director of agriculture, (5) the director of fish and wildlife, (6) the  
10 secretary of transportation, (7) the director of licensing, (8) the  
11 director of (~~general administration~~) enterprise services, (9) the  
12 director of commerce, (10) the director of veterans affairs, (11) the  
13 director of revenue, (12) the director of retirement systems, (13) the  
14 secretary of corrections, (14) the secretary of health, (15) the  
15 director of financial institutions, (16) the director of the department  
16 of archaeology and historic preservation, (17) the director of early  
17 learning, and (18) the executive director of the Puget Sound  
18 partnership.

19 Such officers, except the director of fish and wildlife, shall be  
20 appointed by the governor, with the consent of the senate, and hold  
21 office at the pleasure of the governor. The director of fish and  
22 wildlife shall be appointed by the fish and wildlife commission as  
23 prescribed by RCW 77.04.055.

24 **Sec. 110.** RCW 42.17A.705 and 2010 c 204 s 902 are each amended to  
25 read as follows:

26 For the purposes of RCW 42.17A.700, "executive state officer"  
27 includes:

28 (1) The chief administrative law judge, the director of  
29 agriculture, the director of the department of services for the blind,  
30 the chief information officer of the office of chief information  
31 officer, the director of the state system of community and technical  
32 colleges, the director of commerce, the director of the consolidated  
33 technology services agency, the secretary of corrections, the director  
34 of early learning, the director of ecology, the commissioner of  
35 employment security, the chair of the energy facility site evaluation  
36 council, the director of enterprise services, the secretary of the

1 state finance committee, the director of financial management, the  
2 director of fish and wildlife, the executive secretary of the forest  
3 practices appeals board, the director of the gambling commission, (~~the~~  
4 ~~director of general administration,~~) the secretary of health, the  
5 administrator of the Washington state health care authority, the  
6 executive secretary of the health care facilities authority, the  
7 executive secretary of the higher education facilities authority, the  
8 executive secretary of the horse racing commission, the human resources  
9 director, the executive secretary of the human rights commission, the  
10 executive secretary of the indeterminate sentence review board, (~~the~~  
11 ~~director of the department of information services,~~) the executive  
12 director of the state investment board, the director of labor and  
13 industries, the director of licensing, the director of the lottery  
14 commission, the director of the office of minority and women's business  
15 enterprises, the director of parks and recreation, (~~the director of~~  
16 ~~personnel,~~) the executive director of the public disclosure  
17 commission, the executive director of the Puget Sound partnership, the  
18 director of the recreation and conservation office, the director of  
19 retirement systems, the director of revenue, the secretary of social  
20 and health services, the chief of the Washington state patrol, the  
21 executive secretary of the board of tax appeals, the secretary of  
22 transportation, the secretary of the utilities and transportation  
23 commission, the director of veterans affairs, the president of each of  
24 the regional and state universities and the president of The Evergreen  
25 State College, and each district and each campus president of each  
26 state community college;

27 (2) Each professional staff member of the office of the governor;

28 (3) Each professional staff member of the legislature; and

29 (4) Central Washington University board of trustees, the boards of  
30 trustees of each community college and each technical college, each  
31 member of the state board for community and technical colleges, state  
32 convention and trade center board of directors, Eastern Washington  
33 University board of trustees, Washington economic development finance  
34 authority, Washington energy northwest executive board, The Evergreen  
35 State College board of trustees, executive ethics board, fish and  
36 wildlife commission, forest practices appeals board, forest practices  
37 board, gambling commission, Washington health care facilities  
38 authority, higher education coordinating board, higher education



1 facilities authority, horse racing commission, state housing finance  
2 commission, human rights commission, indeterminate sentence review  
3 board, board of industrial insurance appeals, (~~information services~~  
4 ~~board,~~) state investment board, commission on judicial conduct,  
5 legislative ethics board, life sciences discovery fund authority board  
6 of trustees, liquor control board, lottery commission, Pacific  
7 Northwest electric power and conservation planning council, parks and  
8 recreation commission, Washington personnel resources board, board of  
9 pilotage commissioners, pollution control hearings board, public  
10 disclosure commission, public employees' benefits board, recreation and  
11 conservation funding board, salmon recovery funding board, shorelines  
12 hearings board, board of tax appeals, transportation commission,  
13 University of Washington board of regents, utilities and transportation  
14 commission, Washington State University board of regents, and Western  
15 Washington University board of trustees.

16 **Sec. 111.** RCW 42.17.2401 and 2009 c 565 s 24 are each amended to  
17 read as follows:

18 For the purposes of RCW 42.17.240, the term "executive state  
19 officer" includes:

20 (1) The chief administrative law judge, the director of  
21 agriculture, the administrator of the Washington basic health plan, the  
22 director of the department of services for the blind, the chief  
23 information officer of the office of chief information officer, the  
24 director of the state system of community and technical colleges, the  
25 director of commerce, the director of the consolidated technology  
26 services agency, the secretary of corrections, the director of early  
27 learning, the director of ecology, the commissioner of employment  
28 security, the chair of the energy facility site evaluation council, the  
29 secretary of the state finance committee, the director of financial  
30 management, the director of fish and wildlife, the executive secretary  
31 of the forest practices appeals board, the director of the gambling  
32 commission, the director of (~~general administration~~) enterprise  
33 services, the secretary of health, the administrator of the Washington  
34 state health care authority, the executive secretary of the health care  
35 facilities authority, the executive secretary of the higher education  
36 facilities authority, the executive secretary of the horse racing  
37 commission, the human resources director, the executive secretary of

1 the human rights commission, the executive secretary of the  
2 indeterminate sentence review board, (~~the director of the department~~  
3 ~~of information services,~~) the executive director of the state  
4 investment board, the director of labor and industries, the director of  
5 licensing, the director of the lottery commission, the director of the  
6 office of minority and women's business enterprises, the director of  
7 parks and recreation, (~~the director of personnel,~~) the executive  
8 director of the public disclosure commission, the executive director of  
9 the Puget Sound partnership, the director of the recreation and  
10 conservation office, the director of retirement systems, the director  
11 of revenue, the secretary of social and health services, the chief of  
12 the Washington state patrol, the executive secretary of the board of  
13 tax appeals, the secretary of transportation, the secretary of the  
14 utilities and transportation commission, the director of veterans  
15 affairs, the president of each of the regional and state universities  
16 and the president of The Evergreen State College, and each district and  
17 each campus president of each state community college;

18 (2) Each professional staff member of the office of the governor;

19 (3) Each professional staff member of the legislature; and

20 (4) Central Washington University board of trustees, the boards of  
21 trustees of each community college and each technical college, each  
22 member of the state board for community and technical colleges, state  
23 convention and trade center board of directors, committee for deferred  
24 compensation, Eastern Washington University board of trustees,  
25 Washington economic development finance authority, The Evergreen State  
26 College board of trustees, executive ethics board, forest practices  
27 appeals board, forest practices board, gambling commission, life  
28 sciences discovery fund authority board of trustees, Washington health  
29 care facilities authority, each member of the Washington health  
30 services commission, higher education coordinating board, higher  
31 education facilities authority, horse racing commission, state housing  
32 finance commission, human rights commission, indeterminate sentence  
33 review board, board of industrial insurance appeals, (~~information~~  
34 ~~services board,~~) recreation and conservation funding board, state  
35 investment board, commission on judicial conduct, legislative ethics  
36 board, liquor control board, lottery commission, marine oversight  
37 board, Pacific Northwest electric power and conservation planning  
38 council, parks and recreation commission, board of pilotage

1 commissioners, pollution control hearings board, public disclosure  
2 commission, public pension commission, shorelines hearings board,  
3 public employees' benefits board, salmon recovery funding board, board  
4 of tax appeals, transportation commission, University of Washington  
5 board of regents, utilities and transportation commission, Washington  
6 state maritime commission, Washington personnel resources board,  
7 Washington public power supply system executive board, Washington State  
8 University board of regents, Western Washington University board of  
9 trustees, and fish and wildlife commission.

10 NEW SECTION. **Sec. 112.** Section 110 of this act takes effect  
11 January 1, 2012.

12 NEW SECTION. **Sec. 113.** Section 111 of this act expires January 1,  
13 2012.

14 **PART II**

15 **POWERS AND DUTIES TRANSFERRED FROM THE DEPARTMENT**  
16 **OF GENERAL ADMINISTRATION**

17 **Sec. 201.** RCW 43.19.011 and 1999 c 229 s 2 are each amended to  
18 read as follows:

19 (1) The director of (~~general administration~~) enterprise services  
20 shall supervise and administer the activities of the department of  
21 (~~general administration~~) enterprise services and shall advise the  
22 governor and the legislature with respect to matters under the  
23 jurisdiction of the department.

24 (2) In addition to other powers and duties granted to the director,  
25 the director shall have the following powers and duties:

26 (a) Enter into contracts on behalf of the state to carry out the  
27 purposes of this chapter;

28 (b) Accept and expend gifts and grants that are related to the  
29 purposes of this chapter, whether such grants be of federal or other  
30 funds;

31 (c) Appoint (~~a~~) deputy (~~director~~) and (~~such~~) assistant  
32 directors and such other special assistants as may be needed to  
33 administer the department. These employees are exempt from the  
34 provisions of chapter 41.06 RCW;

1 (d) Adopt rules in accordance with chapter 34.05 RCW and perform  
2 all other functions necessary and proper to carry out the purposes of  
3 this chapter;

4 (e) Delegate powers, duties, and functions as the director deems  
5 necessary for efficient administration, but the director shall be  
6 responsible for the official acts of the officers and employees of the  
7 department; (~~and~~))

8 (f) Apply for grants from public and private entities, and receive  
9 and administer any grant funding received for the purpose and intent of  
10 this chapter; and

11 (g) Perform other duties as are necessary and consistent with law.

12 (3) The director may establish additional advisory groups as may be  
13 necessary to carry out the purposes of this chapter.

14 (~~(4) The internal affairs of the department shall be under the~~  
15 ~~control of the director in order that the director may manage the~~  
16 ~~department in a flexible and intelligent manner as dictated by changing~~  
17 ~~contemporary circumstances. Unless specifically limited by law, the~~  
18 ~~director shall have complete charge and supervisory powers over the~~  
19 ~~department. The director may create such administrative structures as~~  
20 ~~the director deems appropriate, except as otherwise specified by law,~~  
21 ~~and the director may employ such personnel as may be necessary in~~  
22 ~~accordance with chapter 41.06 RCW, except as otherwise provided by~~  
23 ~~law.))~~

24 **Sec. 202.** RCW 43.19.025 and 2002 c 332 s 3 are each amended to  
25 read as follows:

26 The (~~general administration~~) enterprise services account is  
27 created in the custody of the state treasurer and shall be used for all  
28 activities previously budgeted and accounted for in the following  
29 internal service funds: The motor transport account, the (~~general~~  
30 ~~administration~~) enterprise services management fund, the (~~general~~  
31 ~~administration~~) enterprise services facilities and services revolving  
32 fund, the central stores revolving fund, the surplus property purchase  
33 revolving fund, and the energy efficiency services account. Only the  
34 director or the director's designee may authorize expenditures from the  
35 account. The account is subject to the allotment procedures under  
36 chapter 43.88 RCW.

1       **Sec. 203.** RCW 43.19.035 and 2005 c 16 s 1 are each amended to read  
2 as follows:

3       (1) The commemorative works account is created in the custody of  
4 the state treasurer and shall be used by the department of (~~general~~  
5 ~~administration~~) enterprise services for the ongoing care, maintenance,  
6 and repair of commemorative works on the state capitol grounds. Only  
7 the director or the director's designee may authorize expenditures from  
8 the account. The account is subject to the allotment procedures under  
9 chapter 43.88 RCW, but an appropriation is not necessary for  
10 expenditures.

11       (2) For purposes of this section, "state capitol grounds" means  
12 buildings and land owned by the state and otherwise designated as state  
13 capitol grounds, including the west capitol campus, the east capitol  
14 campus, the north capitol campus, the Tumwater campus, the Lacey  
15 campus, Sylvester Park, Centennial Park, the Old Capitol Building, and  
16 Capitol Lake.

17       **Sec. 204.** RCW 43.19.125 and 2007 c 520 s 6014 are each amended to  
18 read as follows:

19       (1) The director of (~~general administration, through the division~~  
20 ~~of capitol buildings,~~) enterprise services shall have custody and  
21 control of the capitol buildings and grounds, supervise and direct  
22 proper care, heating, lighting and repairing thereof, and designate  
23 rooms in the capitol buildings to be occupied by various state  
24 officials.

25       (2) During the 2007-2009 biennium, responsibility for development  
26 of the "Wheeler block" on the capitol campus as authorized in section  
27 6013, chapter 520, Laws of 2007 shall be transferred from the  
28 department of general administration to the department of information  
29 services. (~~The department of general administration and the~~  
30 ~~department of information services shall develop a joint operating~~  
31 ~~agreement for the new facilities on the "Wheeler block" and provide~~  
32 ~~copies of that agreement to the appropriate committees of the~~  
33 ~~legislature by December 30, 2008.~~

34       ~~(3) During the 2007-2009 biennium, responsibility for development~~  
35 ~~of the Pritchard building rehabilitation on the capitol campus as~~  
36 ~~authorized in section 1090, chapter 520, Laws of 2007 shall be~~

1 transferred from the department of general administration to the  
2 statute law committee.))

3 **Sec. 205.** RCW 43.19.180 and 2009 c 549 s 5063 are each amended to  
4 read as follows:

5 The director of (~~general administration shall appoint and deputize~~  
6 ~~an assistant director to be known as the state purchasing and material~~  
7 ~~control director, who shall have charge and supervision of the division~~  
8 ~~of purchasing. In this capacity he or she~~) enterprise services shall  
9 ensure that overall state purchasing and material control policy is  
10 implemented by state agencies, including educational institutions,  
11 within established time limits.

12 (~~With the approval of the director of general administration, he~~  
13 ~~or she may appoint and employ such assistants and personnel as may be~~  
14 ~~necessary to carry on the work of the division.~~)

15 **Sec. 206.** RCW 43.19.185 and 1987 c 47 s 1 are each amended to read  
16 as follows:

17 (1) The director (~~of general administration through the state~~  
18 ~~purchasing and material control director~~) shall develop a system for  
19 state agencies and departments to use credit cards or similar devices  
20 to make purchases. The director may contract to administer the credit  
21 cards.

22 (2) The director (~~of general administration through the state~~  
23 ~~purchasing and material control director~~) shall adopt rules for:

- 24 (a) The distribution of the credit cards;
- 25 (b) The authorization and control of the use of the credit cards;
- 26 (c) The credit limits available on the credit cards;
- 27 (d) Instructing users of gasoline credit cards to use self-service
- 28 islands whenever possible;
- 29 (e) Payments of the bills; and
- 30 (f) Any other rule necessary to implement or administer the program
- 31 under this section.

32 **Sec. 207.** RCW 43.19.190 and 2002 c 200 s 3 are each amended to  
33 read as follows:

34 The director (~~of general administration, through the state~~  
35 ~~purchasing and material control director,~~) shall:

1           (1) (~~Establish and staff such administrative organizational units~~  
2 ~~within the division of purchasing as may be necessary for effective~~  
3 ~~administration of the provisions of RCW 43.19.190 through 43.19.1939~~)  
4 Develop rules and standards governing the acquisition and disposition  
5 of goods and services;

6           (2) (~~Purchase all material, supplies, services, and equipment~~  
7 ~~needed for the support, maintenance, and use of all state institutions,~~  
8 ~~colleges, community colleges, technical colleges, college districts,~~  
9 ~~and universities, the offices of the elective state officers, the~~  
10 ~~supreme court, the court of appeals, the administrative and other~~  
11 ~~departments of state government, and the offices of all appointive~~  
12 ~~officers of the state)) Enter into contracts on behalf of the state to  
13 carry out the following: To purchase, lease, rent or otherwise  
14 acquire, dispose of, and maintain assets, licenses, purchased goods and  
15 services, client services, and personal services, or to delegate to  
16 other agencies and institutions of state government, under appropriate  
17 standards, the authority to purchase, lease, rent or otherwise acquire,  
18 dispose of, and maintain assets, licenses, purchased goods and  
19 services, client services, and personal services. Agencies and  
20 institutions of state government are expressly prohibited from  
21 acquiring or disposing of such assets, licenses, purchased services,  
22 and personal services without such delegation of authority: PROVIDED,  
23 That the provisions of RCW 43.19.190 through 43.19.1937 do not apply in  
24 any manner to the operation of the state legislature except as  
25 requested by the legislature: PROVIDED, That any agency may purchase  
26 material, supplies, services, and equipment for which the agency has  
27 notified the purchasing and material control director that it is more  
28 cost-effective for the agency to make the purchase directly from the  
29 vendor: PROVIDED, That primary authority for the purchase of  
30 specialized equipment, instructional, and research material for their  
31 own use shall rest with the colleges, community colleges, and  
32 universities: PROVIDED FURTHER, That universities operating hospitals  
33 and the (~~state purchasing and material control~~) director, as the  
34 agent for state hospitals as defined in RCW 72.23.010, and for health  
35 care programs provided in state correctional institutions as defined in  
36 RCW 72.65.010(3) and veterans' institutions as defined in RCW 72.36.010  
37 and 72.36.070, may make purchases for hospital operation by  
38 participating in contracts for materials, supplies, and equipment~~

1 entered into by nonprofit cooperative hospital group purchasing  
2 organizations: PROVIDED FURTHER, That primary authority for the  
3 purchase of materials, supplies, and equipment for resale to other than  
4 public agencies shall rest with the state agency concerned: PROVIDED  
5 FURTHER, That authority to purchase services as included herein does  
6 not apply to personal services as defined in chapter 39.29 RCW, unless  
7 such organization specifically requests assistance from the (~~division~~  
8 ~~of purchasing~~) department of enterprise services in obtaining personal  
9 services and resources are available within the (~~division~~) department  
10 to provide such assistance: (~~PROVIDED FURTHER, That the authority for~~  
11 ~~the purchase of insurance and bonds shall rest with the risk manager~~  
12 ~~under RCW 43.19.1935~~) PROVIDED FURTHER, That, except for the  
13 authority of the risk manager to purchase insurance and bonds, the  
14 director is not required to provide purchasing services for  
15 institutions of higher education that choose to exercise independent  
16 purchasing authority under RCW 28B.10.029: PROVIDED FURTHER, That the  
17 authority to purchase interpreter services and interpreter brokerage  
18 services on behalf of limited-English speaking or sensory-impaired  
19 applicants and recipients of public assistance shall rest with the  
20 department of social and health services in consultation with the  
21 department;

22 (3) Have authority to delegate to state agencies authorization to  
23 purchase or sell, which authorization shall specify restrictions as to  
24 dollar amount or to specific types of material, equipment, services,  
25 and supplies. Acceptance of the purchasing authorization by a state  
26 agency does not relieve such agency from conformance with other  
27 sections of RCW 43.19.190 through 43.19.1939, or from policies  
28 established by the director. Also, delegation of such authorization to  
29 a state agency, including an educational institution to which this  
30 section applies, to purchase or sell material, equipment, services, and  
31 supplies shall not be granted, or otherwise continued under a previous  
32 authorization, if such agency is not in substantial compliance with  
33 overall state purchasing and material control policies as established  
34 herein;

35 (4) Contract for the testing of material, supplies, and equipment  
36 with public and private agencies as necessary and advisable to protect  
37 the interests of the state;



1           (5) ~~((Prescribe the manner of inspecting all deliveries of~~  
2 ~~supplies, materials, and equipment purchased through the division))~~  
3 Develop statewide or interagency procurement policies, standards, and  
4 procedures;

5           (6) ~~((Prescribe the manner in which supplies, materials, and~~  
6 ~~equipment purchased through the division shall be delivered, stored,~~  
7 ~~and distributed))~~ Provide direction concerning strategic planning goals  
8 and objectives related to state purchasing and contracts activities.  
9 The director shall seek input from the legislature and the judiciary;

10          (7) ~~((Provide for the maintenance of a catalogue library,~~  
11 ~~manufacturers' and wholesalers' lists, and current market information))~~  
12 Develop and implement a process for the resolution of appeals by:

13           (a) Vendors concerning the conduct of an acquisition process by an  
14 agency or the department; or

15           (b) A customer agency concerning the provision of services by the  
16 department or by other state providers;

17          (8) Establish policies for the periodic review by the department of  
18 agency performance which may include but are not limited to analysis  
19 of:

20           (a) Planning, management, purchasing control, and use of purchased  
21 services and personal services;

22           (b) Training and education; and

23           (c) Project management;

24          ~~((+8))~~ (9) Provide for a commodity classification system and may,  
25 in addition, provide for the adoption of standard specifications;

26          ~~((+9) Provide for the maintenance of inventory records of supplies,~~  
27 ~~materials, and other property;))~~

28          (10) Prepare rules and regulations governing the relationship and  
29 procedures between the ~~((division of purchasing))~~ department and state

30 agencies and vendors;  
31          (11) Publish procedures and guidelines for compliance by all state  
32 agencies, including those educational institutions to which this  
33 section applies, which implement overall state purchasing and material  
34 control policies;

35          (12) Advise state agencies, including educational institutions,  
36 regarding compliance with established purchasing and material control  
37 policies under existing statutes.

1       **Sec. 208.** RCW 43.19.1905 and 2009 c 486 s 10 are each amended to  
2 read as follows:

3       (1) The director of (~~general administration~~) enterprise services  
4 shall establish overall state policy for compliance by all state  
5 agencies, including educational institutions, regarding the following  
6 purchasing and material control functions:

7       (a) Development of a state commodity coding system(~~, including~~  
8 ~~common stock numbers for items maintained in stores for reissue;~~

9       ~~(b) Determination where consolidations, closures, or additions of~~  
10 ~~stores operated by state agencies and educational institutions should~~  
11 ~~be initiated;~~

12       ~~(c) Institution of standard criteria for determination of when and~~  
13 ~~where an item in the state supply system should be stocked;~~

14       ~~(d) Establishment of stock levels to be maintained in state stores,~~  
15 ~~and formulation of standards for replenishment of stock;~~

16       ~~(e) Formulation of an overall distribution and redistribution~~  
17 ~~system for stock items which establishes sources of supply support for~~  
18 ~~all agencies, including interagency supply support;~~

19       ~~(f) Determination of what function data processing equipment,~~  
20 ~~including remote terminals, shall perform in statewide purchasing and~~  
21 ~~material control for improvement of service and promotion of economy;~~

22       ~~(g) Standardization of records and forms used statewide for supply~~  
23 ~~system activities involving purchasing, receiving, inspecting, storing,~~  
24 ~~requisitioning, and issuing functions, including a));~~

25       (b) A standard notification form for state agencies to report cost-  
26 effective direct purchases, which shall at least identify the price of  
27 the goods as available through the (~~division of purchasing~~)  
28 department, the price of the goods as available from the alternative  
29 source, the total savings, and the signature of the notifying agency's  
30 director or the director's designee;

31       ~~((h))~~ (c) Screening of supplies, material, and equipment excess  
32 to the requirements of one agency for overall state need before sale as  
33 surplus;

34       ~~((i) Establishment of warehouse operation and storage standards to~~  
35 ~~achieve uniform, effective, and economical stores operations;~~

36       ~~(j) Establishment of time limit standards for the issuing of~~  
37 ~~material in store and for processing requisitions requiring purchase;~~

38       ~~(k) Formulation of criteria for)~~

1        (d) Determining when centralized rather than decentralized  
2 purchasing shall be used to obtain maximum benefit of volume buying of  
3 identical or similar items, including procurement from federal supply  
4 sources;

5        ~~((+l))~~ (e) Development of criteria for use of leased, rather than  
6 state owned, warehouse space based on relative cost and accessibility;

7        ~~((+m) Institution of standard criteria for purchase and placement  
8 of state furnished materials, carpeting, furniture, fixtures, and  
9 nonfixed equipment, in newly constructed or renovated state buildings;~~

10        ~~(+n))~~ (f) Determination of how transportation costs incurred by the  
11 state for materials, supplies, services, and equipment can be reduced  
12 by improved freight and traffic coordination and control;

13        ~~((+o))~~ (g) Establishment of a formal certification program for  
14 state employees who are authorized to perform purchasing functions as  
15 agents for the state under the provisions of chapter 43.19 RCW;

16        ~~((+p))~~ (h) Development of performance measures for the reduction  
17 of total overall expense for material, supplies, equipment, and  
18 services used each biennium by the state;

19        ~~((+q))~~ (i) Establishment of a standard system for all state  
20 organizations to record and report dollar savings and cost avoidance  
21 which are attributable to the establishment and implementation of  
22 improved purchasing and material control procedures;

23        ~~((+r))~~ (j) Development of procedures for mutual and voluntary  
24 cooperation between state agencies, including educational institutions,  
25 and political subdivisions for exchange of purchasing and material  
26 control services;

27        ~~((+s))~~ (k) Resolution of all other purchasing and material matters  
28 which require the establishment of overall statewide policy for  
29 effective and economical supply management;

30        ~~((+t))~~ (l) Development of guidelines and criteria for the purchase  
31 of vehicles, high gas mileage vehicles, alternate vehicle fuels and  
32 systems, equipment, and materials that reduce overall energy-related  
33 costs and energy use by the state, including investigations into all  
34 opportunities to aggregate the purchasing of clean technologies by  
35 state and local governments, and including the requirement that new  
36 passenger vehicles purchased by the state meet the minimum standards  
37 for passenger automobile fuel economy established by the United States

1 secretary of transportation pursuant to the energy policy and  
2 conservation act (15 U.S.C. Sec. 2002);

3 ((+u)) (m) Development of goals for state use of recycled or  
4 environmentally preferable products through specifications for products  
5 and services, processes for requests for proposals and requests for  
6 qualifications, contractor selection, and contract negotiations;

7 ((+v)) (n) Development of procurement policies and procedures,  
8 such as unbundled contracting and subcontracting, that encourage and  
9 facilitate the purchase of products and services by state agencies and  
10 institutions from Washington small businesses to the maximum extent  
11 practicable and consistent with international trade agreement  
12 commitments;

13 ((+w)) (o) Development of food procurement procedures and  
14 materials that encourage and facilitate the purchase of Washington  
15 grown food by state agencies and institutions to the maximum extent  
16 practicable and consistent with international trade agreement  
17 commitments; and

18 ((+x)) (p) Development of policies requiring all food contracts to  
19 include a plan to maximize to the extent practicable and consistent  
20 with international trade agreement commitments the availability of  
21 Washington grown food purchased through the contract.

22 (2) ~~((The department of general administration shall convene a  
23 working group including representatives of the office of financial  
24 management, the department of information services, and the state  
25 printer. The purpose of the working group is to work collaboratively  
26 to develop common policies and procedures that encourage and facilitate  
27 state government purchases from Washington small businesses, as  
28 required in subsection (1)(v) of this section, and in RCW 39.29.065,  
29 43.78.110, and 43.105.041(1)(j). By December 1, 2009, these central  
30 services agencies shall jointly provide a written progress report to  
31 the governor and legislature on actions taken and planned, barriers  
32 identified, and solutions recommended to reach this goal.~~

33 (+3)) The definitions in this subsection apply throughout this  
34 section and RCW 43.19.1908.

35 (a) "Common vendor registration and bid notification system" has  
36 the definition in RCW 39.29.006.

37 (b) "Small business" has the definition in RCW 39.29.006.

38 (c) "Washington grown" has the definition in RCW 15.64.060.

1           **Sec. 209.** RCW 43.19.19052 and 1998 c 245 s 54 are each amended to  
2 read as follows:

3           Initial policy determinations for the functions described in RCW  
4 43.19.1905 shall be developed and published within the 1975-77 biennium  
5 by the director for guidance and compliance by all state agencies,  
6 including educational institutions, involved in purchasing and material  
7 control. Modifications to these initial supply management policies  
8 established during the 1975-77 biennium shall be instituted by the  
9 director in future biennia as required to maintain an efficient and up-  
10 to-date state supply management system.

11           It is the intention of the legislature that measurable improvements  
12 in the effectiveness and economy of supply management in state  
13 government shall be achieved during the 1975-77 biennium, and each  
14 biennium thereafter. All agencies, departments, offices, divisions,  
15 boards, and commissions and educational, correctional, and other types  
16 of institutions are required to cooperate with and support the  
17 development and implementation of improved efficiency and economy in  
18 purchasing and material control. To effectuate this legislative  
19 intention, the director(~~(, through the state purchasing and material~~  
20 ~~control director, shall have)) has the authority to direct and require  
21 the submittal of data from all state organizations concerning  
22 purchasing and material control matters.~~

23           **Sec. 210.** RCW 43.19.1906 and 2008 c 215 s 5 are each amended to  
24 read as follows:

25           Insofar as practicable, all purchases and sales shall be based on  
26 competitive bids, and a formal sealed, electronic, or web-based bid  
27 procedure, subject to RCW 43.19.1911, shall be used as standard  
28 procedure for all purchases and contracts for purchases and sales  
29 executed by the (~~(state purchasing and material control))~~ director and  
30 under the powers granted by RCW 43.19.190 through 43.19.1939. This  
31 requirement also applies to purchases and contracts for purchases and  
32 sales executed by agencies, including educational institutions, under  
33 delegated authority granted in accordance with provisions of RCW  
34 43.19.190 or under RCW 28B.10.029. However, formal sealed, electronic,  
35 or web-based competitive bidding is not necessary for:

36           (1) Emergency purchases made pursuant to RCW 43.19.200 if the

1 sealed bidding procedure would prevent or hinder the emergency from  
2 being met appropriately;

3       (2) (~~Purchases not exceeding thirty five thousand dollars, or~~  
4 ~~subsequent limits as calculated by the office of financial management:~~  
5 ~~PROVIDED, That the state director of general administration shall~~  
6 ~~establish procedures to assure that purchases made by or on behalf of~~  
7 ~~the various state agencies shall not be made so as to avoid the thirty-~~  
8 ~~five thousand dollar bid limitation, or subsequent bid limitations as~~  
9 ~~calculated by the office of financial management: PROVIDED FURTHER,~~  
10 ~~That the state purchasing and material control director is authorized~~  
11 ~~to reduce the formal sealed bid limits of thirty five thousand dollars,~~  
12 ~~or subsequent limits as calculated by the office of financial~~  
13 ~~management, to a lower dollar amount for purchases by individual state~~  
14 ~~agencies if considered necessary to maintain full disclosure of~~  
15 ~~competitive procurement or otherwise to achieve overall state~~  
16 ~~efficiency and economy in purchasing and material control. Quotations~~  
17 ~~from three thousand dollars to thirty five thousand dollars, or~~  
18 ~~subsequent limits as calculated by the office of financial management,~~  
19 ~~shall be secured from at least three vendors to assure establishment of~~  
20 ~~a competitive price and may be obtained by telephone or written~~  
21 ~~quotations, or both. The agency shall invite at least one quotation~~  
22 ~~each from a certified minority and a certified women owned vendor who~~  
23 ~~shall otherwise qualify to perform such work. Immediately after the~~  
24 ~~award is made, the bid quotations obtained shall be recorded and open~~  
25 ~~to public inspection and shall be available by telephone inquiry. A~~  
26 ~~record of competition for all such purchases from three thousand~~  
27 ~~dollars to thirty five thousand dollars, or subsequent limits as~~  
28 ~~calculated by the office of financial management, shall be documented~~  
29 ~~for audit purposes. Purchases up to three thousand dollars may be made~~  
30 ~~without competitive bids based on buyer experience and knowledge of the~~  
31 ~~market in achieving maximum quality at minimum cost)) Direct buy  
32 purchases and informal competitive bidding, as designated by the  
33 director of enterprise services. The director of enterprise services  
34 shall establish policies annually to define criteria and dollar  
35 thresholds for direct buy purchases and informal competitive bidding  
36 limits. These criteria may be adjusted to accommodate special market  
37 conditions and to promote market diversity for the benefit of the  
38 citizens of the state of Washington;~~

1 (3) Purchases which are clearly and legitimately limited to a  
2 single source of supply and purchases involving special facilities,  
3 services, or market conditions, in which instances the purchase price  
4 may be best established by direct negotiation;

5 (4) Purchases of insurance and bonds by the risk management  
6 (~~(division)~~) office under RCW 43.41.310 (as recodified by this act);

7 (5) Purchases and contracts for vocational rehabilitation clients  
8 of the department of social and health services: PROVIDED, That this  
9 exemption is effective only when the (~~(state purchasing and material~~  
10 ~~control)~~) director of enterprise services, after consultation with the  
11 director of the division of vocational rehabilitation and appropriate  
12 department of social and health services procurement personnel,  
13 declares that such purchases may be best executed through direct  
14 negotiation with one or more suppliers in order to expeditiously meet  
15 the special needs of the state's vocational rehabilitation clients;

16 (6) Purchases by universities for hospital operation or biomedical  
17 teaching or research purposes and by the (~~(state purchasing and~~  
18 ~~material control)~~) director of enterprise services, as the agent for  
19 state hospitals as defined in RCW 72.23.010, and for health care  
20 programs provided in state correctional institutions as defined in RCW  
21 72.65.010(3) and veterans' institutions as defined in RCW 72.36.010 and  
22 72.36.070, made by participating in contracts for materials, supplies,  
23 and equipment entered into by nonprofit cooperative hospital group  
24 purchasing organizations;

25 (7) Purchases for resale by institutions of higher education to  
26 other than public agencies when such purchases are for the express  
27 purpose of supporting instructional programs and may best be executed  
28 through direct negotiation with one or more suppliers in order to meet  
29 the special needs of the institution;

30 (8) Purchases by institutions of higher education not exceeding  
31 thirty-five thousand dollars: PROVIDED, That for purchases between  
32 three thousand dollars and thirty-five thousand dollars quotations  
33 shall be secured from at least three vendors to assure establishment of  
34 a competitive price and may be obtained by telephone or written  
35 quotations, or both. For purchases between three thousand dollars and  
36 thirty-five thousand dollars, each institution of higher education  
37 shall invite at least one quotation each from a certified minority and  
38 a certified women-owned vendor who shall otherwise qualify to perform

1 such work. A record of competition for all such purchases made from  
2 three thousand to thirty-five thousand dollars shall be documented for  
3 audit purposes; and

4 (9) Off-contract purchases of Washington grown food when such food  
5 is not available from Washington sources through an existing contract.  
6 However, Washington grown food purchased under this subsection must be  
7 of an equivalent or better quality than similar food available through  
8 the contract and be able to be paid from the agency's existing budget.  
9 This requirement also applies to purchases and contracts for purchases  
10 executed by state agencies, including institutions of higher education,  
11 under delegated authority granted in accordance with RCW 43.19.190 or  
12 under RCW 28B.10.029(~~;~~and

13 ~~(10) Negotiation of a contract by the department of transportation,  
14 valid until June 30, 2001, with registered tow truck operators to  
15 provide roving service patrols in one or more Washington state patrol  
16 tow zones whereby those registered tow truck operators wishing to  
17 participate would cooperatively, with the department of transportation,  
18 develop a demonstration project upon terms and conditions negotiated by  
19 the parties)).~~

20 Beginning on July 1, 1995, and on July 1st of each succeeding odd-  
21 numbered year, the dollar limits specified in this section shall be  
22 adjusted as follows: The office of financial management shall  
23 calculate such limits by adjusting the previous biennium's limits by  
24 the appropriate federal inflationary index reflecting the rate of  
25 inflation for the previous biennium. Such amounts shall be rounded to  
26 the nearest one hundred dollars. However, the three thousand dollar  
27 figure in subsections (2) and (8) of this section may not be adjusted  
28 to exceed five thousand dollars.

29 As used in this section, "Washington grown" has the definition in  
30 RCW 15.64.060.

31 **Sec. 211.** RCW 43.19.1908 and 2009 c 486 s 11 are each amended to  
32 read as follows:

33 Competitive bidding required by RCW 43.19.190 through 43.19.1939  
34 shall be solicited by public notice, by posting of the contract  
35 opportunity on the state's common vendor registration and bid  
36 notification system, and through the sending of notices by mail,  
37 electronic transmission, or other means to bidders on the appropriate



1 list of bidders who shall have qualified by application to the  
2 (~~(division of purchasing))~~ department. Bids may be solicited by the  
3 (~~(purchasing division))~~ department from any source thought to be of  
4 advantage to the state. All bids shall be in written or electronic  
5 form and conform to rules of the (~~(division of purchasing))~~ department.

6 **Sec. 212.** RCW 43.19.1913 and 1965 c 8 s 43.19.1913 are each  
7 amended to read as follows:

8 The (~~(division of purchasing))~~ department may reject the bid of any  
9 bidder who has failed to perform satisfactorily a previous contract  
10 with the state.

11 **Sec. 213.** RCW 43.19.1915 and 2009 c 549 s 5064 are each amended to  
12 read as follows:

13 When any bid has been accepted, the (~~(division of purchasing))~~  
14 department may require of the successful bidder a bond payable to the  
15 state in such amount with such surety or sureties as determined by the  
16 (~~(division of purchasing))~~ department, conditioned that he or she will  
17 fully, faithfully and accurately execute the terms of the contract into  
18 which he or she has entered. The bond shall be filed in the (~~(office~~  
19 ~~of the division of purchasing))~~ department. Bidders who regularly do  
20 business with the state shall be permitted to file with the (~~(division~~  
21 ~~of purchasing))~~ department an annual bid bond in an amount established  
22 by the (~~(division))~~ department and such annual bid bond shall be  
23 acceptable as surety in lieu of furnishing surety with individual bids.

24 **Sec. 214.** RCW 43.19.1917 and 1979 c 88 s 3 are each amended to  
25 read as follows:

26 All state agencies, including educational institutions, shall  
27 maintain a perpetual record of ownership of state owned equipment,  
28 which shall be available for the inspection and check of those officers  
29 who are charged by law with the responsibility for auditing the records  
30 and accounts of the state organizations owning the equipment, or to  
31 such other special investigators and others as the governor may direct.  
32 In addition, these records shall be made available to members of the  
33 legislature, the legislative committees, and legislative staff on  
34 request.

1 All state agencies, including educational institutions, shall  
2 account to the office of financial management upon request for state  
3 equipment owned by, assigned to, or otherwise possessed by them and  
4 maintain such records as the office of financial management deems  
5 necessary for proper accountability therefor. The office of financial  
6 management shall publish a procedural directive for compliance by all  
7 state agencies, including educational institutions, which establishes  
8 a standard method of maintaining records for state owned equipment,  
9 including the use of standard state forms. This published directive  
10 also shall include instructions for reporting to the ~~((division of~~  
11 ~~purchasing))~~ department all state equipment which is excess to the  
12 needs of state organizations owning such equipment. The term "state  
13 equipment" means all items of machines, tools, furniture, or  
14 furnishings other than expendable supplies and materials as defined by  
15 the office of financial management.

16 **Sec. 215.** RCW 43.19.1919 and 2000 c 183 s 1 are each amended to  
17 read as follows:

18 The ~~((division of purchasing))~~ department shall sell or exchange  
19 personal property belonging to the state for which the agency, office,  
20 department, or educational institution having custody thereof has no  
21 further use, at public or private sale, and cause the moneys realized  
22 from the sale of any such property to be paid into the fund from which  
23 such property was purchased or, if such fund no longer exists, into the  
24 state general fund. This requirement is subject to the following  
25 exceptions and limitations:

26 (1) This section does not apply to property under RCW 27.53.045,  
27 28A.335.180, or 43.19.1920;

28 (2) Sales of capital assets may be made by the ~~((division of~~  
29 ~~purchasing))~~ department and a credit established ~~((in central stores))~~  
30 for future purchases of capital items as provided for in RCW 43.19.190  
31 through 43.19.1939;

32 (3) Personal property, excess to a state agency, including  
33 educational institutions, shall not be sold or disposed of prior to  
34 reasonable efforts by the ~~((division of purchasing))~~ department to  
35 determine if other state agencies have a requirement for such personal  
36 property. Such determination shall follow sufficient notice to all  
37 state agencies to allow adequate time for them to make their needs

1 known. Surplus items may be disposed of without prior notification to  
2 state agencies if it is determined by the director (~~(of general~~  
3 ~~administration)~~) to be in the best interest of the state. The  
4 (~~(division of purchasing)~~) department shall maintain a record of  
5 disposed surplus property, including date and method of disposal,  
6 identity of any recipient, and approximate value of the property;

7 (4) This section does not apply to personal property acquired by a  
8 state organization under federal grants and contracts if in conflict  
9 with special title provisions contained in such grants or contracts;

10 (5) A state agency having a surplus personal property asset with a  
11 fair market value of less than five hundred dollars may transfer the  
12 asset to another state agency without charging fair market value. A  
13 state agency conducting this action must maintain adequate records to  
14 comply with agency inventory procedures and state audit requirements.

15 **Sec. 216.** RCW 43.19.19191 and 1999 c 186 s 1 are each amended to  
16 read as follows:

17 (1) In addition to disposing of property under RCW 28A.335.180,  
18 39.33.010, 43.19.1919, and 43.19.1920, state-owned, surplus computers  
19 and computer-related equipment may be donated to any school district or  
20 educational service district under the guidelines and distribution  
21 standards established pursuant to subsection (2) of this section.

22 (2) (~~(By September 1, 1999,)~~) The department and office of the  
23 superintendent of public instruction shall jointly develop guidelines  
24 and distribution standards for the donation of state-owned, surplus  
25 computers and computer-related equipment to school districts and  
26 educational service districts. The guidelines and distribution  
27 standards shall include considerations for quality, school-district  
28 needs, and accountability, and shall give priority to meeting the  
29 computer-related needs of children with disabilities, including those  
30 disabilities necessitating the portability of laptop computers. The  
31 guidelines must be updated as needed.

32 **Sec. 217.** RCW 43.19.1920 and 1995 c 399 s 63 are each amended to  
33 read as follows:

34 The (~~(division of purchasing)~~) department may donate state-owned,  
35 surplus, tangible personal property to shelters that are: Participants  
36 in the department of (~~(community, trade, and economic development's)~~)

1 commerce's emergency shelter assistance program; and operated by  
2 nonprofit organizations or units of local government providing  
3 emergency or transitional housing for homeless persons. A donation may  
4 be made only if all of the following conditions have been met:

5 (1) The (~~division of purchasing~~) department has made reasonable  
6 efforts to determine if any state agency has a requirement for such  
7 personal property and no such agency has been identified. Such  
8 determination shall follow sufficient notice to all state agencies to  
9 allow adequate time for them to make their needs known;

10 (2) The agency owning the property has authorized the (~~division of~~  
11 ~~purchasing~~) department to donate the property in accordance with this  
12 section;

13 (3) The nature and quantity of the property in question is directly  
14 germane to the needs of the homeless persons served by the shelter and  
15 the purpose for which the shelter exists and the shelter agrees to use  
16 the property for such needs and purposes; and

17 (4) The director (~~of general administration~~) has determined that  
18 the donation of such property is in the best interest of the state.

19 **Sec. 218.** RCW 43.19.19201 and 1995 c 399 s 64 are each amended to  
20 read as follows:

21 (1) The department (~~of general administration~~) shall identify and  
22 catalog real property that is no longer required for department  
23 purposes and is suitable for the development of affordable housing for  
24 very low-income, low-income, and moderate-income households as defined  
25 in RCW 43.63A.510. The inventory shall include the location,  
26 approximate size, and current zoning classification of the property.  
27 The department (~~of general administration~~) shall provide a copy of  
28 the inventory to the department of (~~community, trade, and economic~~  
29 ~~development~~) commerce by November 1, 1993, and every November 1  
30 thereafter.

31 (2) By November 1 of each year, beginning in 1994, the department  
32 (~~of general administration~~) shall purge the inventory of real  
33 property of sites that are no longer available for the development of  
34 affordable housing. The department shall include an updated listing of  
35 real property that has become available since the last update. As used  
36 in this section, "real property" means buildings, land, or buildings  
37 and land.

1           **Sec. 219.** RCW 43.19.1921 and 1979 c 151 s 100 are each amended to  
2 read as follows:

3           The director (~~(of general administration, through the division of~~  
4 ~~purchasing,~~) shall:

5           (1) Establish and maintain warehouses (~~(hereinafter referred to as~~  
6 ~~"central stores"~~) for the centralized storage and distribution of such  
7 supplies, equipment, and other items of common use in order to effect  
8 economies in the purchase of supplies and equipment for state agencies.  
9 To provide (~~(central stores)~~) warehouse facilities the (~~(division of~~  
10 ~~purchasing)~~) department may, by arrangement with the state agencies,  
11 utilize any surplus available state owned space, and may acquire other  
12 needed warehouse facilities by lease or purchase of the necessary  
13 premises;

14           (2) Provide for the central salvage(~~(, maintenance, repair, and~~  
15 ~~servicing)~~) of equipment, furniture, or furnishings used by state  
16 agencies, and also by means of such a service provide an equipment pool  
17 for effecting sales and exchanges of surplus and unused property by and  
18 between state agencies. (~~(Funds derived from the sale and exchange of~~  
19 ~~property shall be placed to the account of the appropriate state agency~~  
20 ~~on the central stores accounts but such funds may not be expended~~  
21 ~~through central stores without prior approval of the office of~~  
22 ~~financial management.)~~)

23           **Sec. 220.** RCW 43.19.1932 and 1989 c 185 s 2 are each amended to  
24 read as follows:

25           The department of corrections shall be exempt from the following  
26 provisions of this chapter in respect to goods or services purchased or  
27 sold pursuant to the operation of correctional industries: RCW  
28 43.19.180, 43.19.190, 43.19.1901, 43.19.1905, 43.19.1906, 43.19.1908,  
29 43.19.1911, 43.19.1913, 43.19.1915, 43.19.1917, 43.19.1919, 43.19.1921,  
30 (~~(43.19.1925,~~) and 43.19.200.

31           **Sec. 221.** RCW 43.19.200 and 2009 c 549 s 5066 are each amended to  
32 read as follows:

33           (1) The governing authorities of the state's educational  
34 institutions, the elective state officers, the supreme court, the court  
35 of appeals, the administrative and other departments of the state  
36 government, and all appointive officers of the state, shall prepare

1 estimates of the supplies required for the proper conduct and  
2 maintenance of their respective institutions, offices, and departments,  
3 covering periods to be fixed by the director, and forward them to the  
4 director in accordance with his or her directions. No such  
5 authorities, officers, or departments, or any officer or employee  
6 thereof, may purchase any article for the use of their institutions,  
7 offices, or departments, except in case of emergency purchases as  
8 provided in subsection (2) of this section.

9 (2) The authorities, officers, and departments enumerated in  
10 subsection (1) of this section may make emergency purchases in response  
11 to unforeseen circumstances beyond the control of the agency which  
12 present a real, immediate, and extreme threat to the proper performance  
13 of essential functions or which may reasonably be expected to result in  
14 excessive loss or damage to property, bodily injury, or loss of life.  
15 When an emergency purchase is made, the agency head shall submit  
16 written notification of the purchase, within three days of the  
17 purchase, to the director (~~(of general administration)~~). This  
18 notification shall contain a description of the purchase, description  
19 of the emergency and the circumstances leading up to the emergency, and  
20 an explanation of why the circumstances required an emergency purchase.

21 (3) Purchases made for the state's educational institutions, the  
22 offices of the elective state officers, the supreme court, the court of  
23 appeals, the administrative and other departments of the state  
24 government, and the offices of all appointive officers of the state,  
25 shall be paid for out of the moneys appropriated for supplies,  
26 material, and service of the respective institutions, offices, and  
27 departments.

28 (4) The director (~~(of general administration)~~) shall submit, on an  
29 annual basis, the written notifications required by subsection (2) of  
30 this section to the director of financial management.

31 **Sec. 222.** RCW 43.19.450 and 1994 c 264 s 15 are each amended to  
32 read as follows:

33 The director (~~(of general administration)~~) shall appoint (~~(and~~  
34 ~~deputize an assistant director to be known as the)~~) a supervisor of  
35 engineering and architecture (~~(who shall have charge and supervision of~~  
36 ~~the division of engineering and architecture. With the approval of the~~

1 ~~director, the supervisor may appoint and employ such assistants and~~  
2 ~~personnel as may be necessary to carry out the work of the division)).~~

3 ((~~No~~)) A person ((~~shall be~~)) is not eligible for appointment as  
4 supervisor of engineering and architecture unless he or she is licensed  
5 to practice the profession of engineering or the profession of  
6 architecture in the state of Washington and for the last five years  
7 prior to his or her appointment has been licensed to practice the  
8 profession of engineering or the profession of architecture.

9 As used in this section, "state facilities" includes all state  
10 buildings, related structures, and appurtenances constructed for any  
11 elected state officials, institutions, departments, boards,  
12 commissions, colleges, community colleges, except the state  
13 universities, The Evergreen State College and regional universities.  
14 "State facilities" does not include facilities owned by or used for  
15 operational purposes and constructed for the department of  
16 transportation, department of fish and wildlife, department of natural  
17 resources, or state parks and recreation commission.

18 The director (~~of general administration, through the division of~~  
19 ~~engineering and architecture~~) or the director's designee shall:

20 (1) Prepare cost estimates and technical information to accompany  
21 the capital budget and prepare or contract for plans and specifications  
22 for new construction and major repairs and alterations to state  
23 facilities.

24 (2) Contract for professional architectural, engineering, and  
25 related services for the design of new state facilities and major  
26 repair or alterations to existing state facilities.

27 (3) Provide contract administration for new construction and the  
28 repair and alteration of existing state facilities.

29 (4) In accordance with the public works laws, contract on behalf of  
30 the state for the new construction and major repair or alteration of  
31 state facilities.

32 The director may delegate any and all of the functions under  
33 subsections (1) through (4) of this section to any agency upon such  
34 terms and conditions as considered advisable.

35 (~~The director may delegate the authority granted to the department~~  
36 ~~under RCW 39.04.150 to any agency upon such terms as considered~~  
37 ~~advisable.~~))

1       **Sec. 223.** RCW 43.19.455 and 2005 c 36 s 6 are each amended to read  
2 as follows:

3       Except as provided under RCW 43.17.210, the Washington state arts  
4 commission shall determine the amount to be made available for the  
5 purchase of art under RCW 43.17.200 in consultation with the director  
6 (~~(of general administration)~~), and payments therefor shall be made in  
7 accordance with law. The designation of projects and sites, selection,  
8 contracting, purchase, commissioning, reviewing of design, execution  
9 and placement, acceptance, maintenance, and sale, exchange, or  
10 disposition of works of art shall be the responsibility of the  
11 Washington state arts commission in consultation with the director (~~(of~~  
12 ~~general administration)~~).

13       **Sec. 224.** RCW 43.19.500 and 2005 c 330 s 6 are each amended to  
14 read as follows:

15       The (~~(general administration)~~) enterprise services account shall be  
16 used by the department (~~(of general administration)~~) for the payment of  
17 certain costs, expenses, and charges, as specified in this section,  
18 incurred by it in the operation and administration of the department in  
19 the rendering of services, the furnishing or supplying of equipment,  
20 supplies and materials, and for providing or allocating facilities,  
21 including the operation, maintenance, rehabilitation, or furnishings  
22 thereof to other agencies, offices, departments, activities, and other  
23 entities enumerated in RCW 43.01.090 and including the rendering of  
24 services in acquiring real estate under RCW 43.82.010 and the operation  
25 and maintenance of public and historic facilities at the state capitol,  
26 as defined in RCW 79.24.710. The department shall treat the rendering  
27 of services in acquiring real estate and the operation and maintenance  
28 of state capitol public and historic facilities as separate operating  
29 entities within the account for financial accounting and control.

30       The schedule of services, facilities, equipment, supplies,  
31 materials, maintenance, rehabilitation, furnishings, operations, and  
32 administration to be so financed and recovered shall be determined  
33 jointly by the director (~~(of general administration)~~) and the director  
34 of financial management, in equitable amounts which, together with any  
35 other income or appropriation, will provide the department (~~(of general~~  
36 ~~administration)~~) with funds to meet its anticipated expenditures during  
37 any allotment period.



1 The director (~~(of general administration)~~) may adopt rules  
2 governing the provisions of RCW 43.01.090 and this section and the  
3 relationships and procedures between the department (~~(of general~~  
4 ~~administration)~~) and such other entities.

5 **Sec. 225.** RCW 43.19.501 and 2009 c 564 s 932 are each amended to  
6 read as follows:

7 The Thurston county capital facilities account is created in the  
8 state treasury. The account is subject to the appropriation and  
9 allotment procedures under chapter 43.88 RCW. Moneys in the account  
10 may be expended for capital projects in facilities owned and managed by  
11 the department (~~(of general administration)~~) in Thurston county. For  
12 the 2007-2009 biennium, moneys in the account may be used for predesign  
13 identified in section 1037, chapter 328, Laws of 2008.

14 During the 2009-2011 fiscal biennium, the legislature may transfer  
15 from the Thurston county capital facilities account to the state  
16 general fund such amounts as reflect the excess fund balance of the  
17 account.

18 **Sec. 226.** RCW 43.19.530 and 2005 c 204 s 2 are each amended to  
19 read as follows:

20 The state agencies and departments are hereby authorized to  
21 purchase products and/or services manufactured or provided by(  
22 ~~(1))~~) community rehabilitation programs of the department of social  
23 and health services(~~(; and~~  
24 ~~(2) Until December 31, 2009, businesses owned and operated by~~  
25 ~~persons with disabilities)~~).

26 Such purchases shall be at the fair market price of such products  
27 and services as determined by the (~~(division of purchasing of the)~~)  
28 department of (~~(general administration)~~) enterprise services. To  
29 determine the fair market price the (~~(division)~~) department shall use  
30 the last comparable bid on the products and/or services or in the  
31 alternative the last price paid for the products and/or services. The  
32 increased cost of labor, materials, and other documented costs since  
33 the last comparable bid or the last price paid are additional cost  
34 factors which shall be considered in determining fair market price.  
35 Upon the establishment of the fair market price as provided for in this  
36 section the (~~(division)~~) department is hereby empowered to negotiate

1 directly for the purchase of products or services with officials in  
2 charge of the community rehabilitation programs of the department of  
3 social and health services (~~(and, until December 31, 2007, businesses~~  
4 ~~owned and operated by persons with disabilities)~~).

5 **Sec. 227.** RCW 43.19.534 and 2009 c 470 s 717 are each amended to  
6 read as follows:

7 (1) State agencies, the legislature, and departments shall purchase  
8 for their use all goods and services required by the legislature,  
9 agencies, or departments that are produced or provided in whole or in  
10 part from class II inmate work programs operated by the department of  
11 corrections through state contract. These goods and services shall not  
12 be purchased from any other source unless, upon application by the  
13 department or agency: (a) The department (~~(of general administration)~~)  
14 finds that the articles or products do not meet the reasonable  
15 requirements of the agency or department, (b) are not of equal or  
16 better quality, or (c) the price of the product or service is higher  
17 than that produced by the private sector. However, the criteria  
18 contained in (a), (b), and (c) of this (~~(section)~~) subsection for  
19 purchasing goods and services from sources other than correctional  
20 industries do not apply to goods and services produced by correctional  
21 industries that primarily replace goods manufactured or services  
22 obtained from outside the state. The department of corrections and  
23 department (~~(of general administration)~~) shall adopt administrative  
24 rules that implement this section.

25 (2) During the 2009-2011 fiscal biennium, and in conformance with  
26 section 223(11), chapter 470, Laws of 2009, this section does not apply  
27 to the purchase of uniforms by the Washington state ferries.

28 **Sec. 228.** RCW 43.19.538 and 1991 c 297 s 5 are each amended to  
29 read as follows:

30 (1) The director (~~(of general administration, through the state~~  
31 ~~purchasing director,)~~) shall develop specifications and adopt rules for  
32 the purchase of products which will provide for preferential purchase  
33 of products containing recycled material by:

34 (a) The use of a weighting factor determined by the amount of  
35 recycled material in a product, where appropriate and known in advance  
36 to potential bidders, to determine the lowest responsible bidder. The

1 actual dollars bid shall be the contracted amount. If the department  
2 determines, according to criteria established by rule that the use of  
3 this weighting factor does not encourage the use of more recycled  
4 material, the department shall consider and award bids without regard  
5 to the weighting factor. In making this determination, the department  
6 shall consider but not be limited to such factors as adequate  
7 competition, economics or environmental constraints, quality, and  
8 availability.

9 (b) Requiring a written statement of the percentage range of  
10 recycled content from the bidder providing products containing recycled  
11 [material]. The range may be stated in five percent increments.

12 (2) The director shall develop a directory of businesses that  
13 supply products containing significant quantities of recycled  
14 materials. This directory may be combined with and made accessible  
15 through the database of recycled content products to be developed under  
16 RCW 43.19A.060.

17 (3) The director shall encourage all parties using the state  
18 purchasing office to purchase products containing recycled materials.

19 (4) The rules, specifications, and bid evaluation shall be  
20 consistent with recycled content standards adopted under RCW  
21 43.19A.020.

22 **Sec. 229.** RCW 43.19.539 and 2006 c 183 s 36 are each amended to  
23 read as follows:

24 (1) The department (~~(of general administration)~~) shall establish  
25 purchasing and procurement policies that establish a preference for  
26 electronic products that meet environmental performance standards  
27 relating to the reduction or elimination of hazardous materials.

28 (2) The department (~~(of general administration)~~) shall ensure that  
29 their surplus electronic products, other than those sold individually  
30 to private citizens, are managed only by registered transporters and by  
31 processors meeting the requirements of RCW 70.95N.250 (~~(and section 26~~  
32 ~~of this act)~~).

33 (3) The department (~~(of general administration)~~) shall ensure that  
34 their surplus electronic products are directed to legal secondary  
35 materials markets by requiring a chain of custody record that documents  
36 to whom the products were initially delivered through to the end use  
37 manufacturer.

1       **Sec. 230.** RCW 43.19.560 and 1983 c 187 s 3 are each amended to  
2 read as follows:

3       As used in RCW 43.19.565 through 43.19.635, 43.41.130 and  
4 43.41.140, the following definitions shall apply:

5       (1) "Passenger motor vehicle" means any sedan, station wagon, bus,  
6 or light truck which is designed for carrying ten passengers or less  
7 and is used primarily for the transportation of persons;

8       (2) "State agency" shall include any state office, agency,  
9 commission, department, or institution financed in whole or in part  
10 from funds appropriated by the legislature. It shall also include the  
11 Washington state school director's association (~~and the state~~  
12 ~~printer~~), but it shall not include (a) the state supreme court or any  
13 agency of the judicial branch or (b) the legislature or any of its  
14 statutory, standing, special, or interim committees, other than at the  
15 option of the judicial or legislative agency or committee concerned;

16       (3) "Employee commuting" shall mean travel by a state officer or  
17 employee to or from his or her official residence or other domicile to  
18 or from his or her official duty station or other place of work;

19       (4) "Motor vehicle transportation services" shall include but not  
20 be limited to the furnishing of motor vehicles for the transportation  
21 of persons or property, with or without drivers, and may also include  
22 furnishing of maintenance, storage, and other support services to state  
23 agencies for the conduct of official state business.

24       **Sec. 231.** RCW 43.19.565 and 2005 c 214 s 1 are each amended to  
25 read as follows:

26       The department (~~of general administration~~) shall establish a  
27 motor vehicle transportation service which is hereby empowered to:

28       (1) Provide suitable motor vehicle transportation services to  
29 (~~any~~) state (~~agency~~) agencies on either a temporary or permanent  
30 basis (~~upon requisition from a state agency~~) and upon such  
31 demonstration of need as the department may require;

32       (2) Provide motor pools for the use of state agencies located in  
33 the Olympia area and such additional motor pools at other locations in  
34 the state as may be necessary to provide economic, efficient, and  
35 effective motor vehicle transportation services to state agencies.  
36 Such additional motor pools may be under either the direct control of

1 the department or under the supervision of another state agency by  
2 agreement with the department;

3 (3) Establish an equitable schedule of rental and mileage charges  
4 to agencies for motor vehicle transportation services furnished which  
5 shall be designed to provide funds to (~~cover replacement of vehicles,~~  
6 ~~the purchase of additional vehicles, and to~~) recover the actual total  
7 costs of motor pool operations including but not limited to vehicle  
8 operation expense, depreciation expense, overhead, and nonrecoverable  
9 collision or other damage to vehicles; and

10 (4) Establish guidelines, procedures, and standards for fleet  
11 operations that other state agencies and institutions of higher  
12 education may adopt. The guidelines, procedures, and standards shall  
13 be consistent with and carry out the objectives of any general policies  
14 adopted by the office of financial management under RCW 43.41.130.

15 Unless otherwise determined by the director after consultation with  
16 the office of financial management, vehicles owned and managed by the  
17 department of transportation, the department of natural resources, and  
18 the Washington state patrol are exempt from the requirements of  
19 subsections (1), (2), and (4) of this section.

20 **Sec. 232.** RCW 43.19.585 and 1975 1st ex.s. c 167 s 7 are each  
21 amended to read as follows:

22 The director (~~of general administration shall appoint a supervisor~~  
23 ~~of motor transport, who~~) or the director's designee shall have general  
24 charge and supervision of state motor pools and motor vehicle  
25 transportation services under departmental administration and control.  
26 (~~The appointment of all personnel, except the supervisor, shall be~~  
27 ~~made pursuant to chapter 41.06 RCW, the state civil service law, as now~~  
28 ~~or hereafter amended.~~

29 ~~With the approval of~~) The director(~~, the supervisor shall (1)~~  
30 ~~appoint and employ such assistants and personnel as may be necessary,~~  
31 ~~(2)~~) or the director's designee shall (1) acquire by purchase or  
32 otherwise a sufficient number of motor vehicles to fulfill state agency  
33 needs for motor vehicle transportation service, (~~(+3)~~) (2) provide for  
34 necessary (~~storage,~~) upkeep(~~(,)~~) and repair, and (~~(+4)~~) (3) provide  
35 for servicing motor pool vehicles with fuel, lubricants, and other  
36 operating requirements.

1           **Sec. 233.** RCW 43.19.600 and 2009 c 549 s 5068 are each amended to  
2 read as follows:

3           (1) (~~On or after July 1, 1975,~~) Any passenger motor vehicles  
4 currently owned or hereafter acquired by any state agency(~~(, except~~  
5 ~~vehicles acquired from federal granted funds and over which the federal~~  
6 ~~government retains jurisdiction and control, may))~~ shall be purchased  
7 by or transferred to the department (~~(of general administration with~~  
8 ~~the consent of the state agency concerned)~~). The director (~~(of general~~  
9 ~~administration)~~) may accept vehicles subject to the provisions of RCW  
10 43.19.560 through 43.19.630, 43.41.130 and 43.41.140 prior to July 1,  
11 1975, if he or she deems it expedient to accomplish an orderly  
12 transition.

13           (2) The department, in cooperation with the office of financial  
14 management, shall study and ascertain current and prospective needs of  
15 state agencies for passenger motor vehicles and shall (~~(recommend)~~)  
16 direct the transfer to a state motor pool or other appropriate  
17 disposition of any vehicle found not to be required by a state agency.

18           (3) The department shall direct the transfer of passenger motor  
19 vehicles from a state agency to a state motor pool or other disposition  
20 as appropriate, based on a study under subsection (2) of this section,  
21 (~~(or after a public hearing held by the department,)~~) if a finding is  
22 made based on (~~(testimony and)~~) data therein submitted that the  
23 economy, efficiency, or effectiveness of state government would be  
24 improved by such a transfer or other disposition of passenger motor  
25 vehicles. Any dispute over the accuracy of (~~(testimony and)~~) data  
26 submitted as to the benefits in state governmental economy, efficiency,  
27 and effectiveness to be gained by such transfer shall be resolved by  
28 the (~~(governor or the governor's designee)~~) director and the director  
29 of financial management. Unless otherwise determined by the director  
30 after consultation with the office of financial management, vehicles  
31 owned and managed by the department of transportation, the department  
32 of natural resources, and the Washington state patrol are exempt from  
33 the requirements of subsections (1) through (3) of this section.

34           **Sec. 234.** RCW 43.19.610 and 1998 c 105 s 12 are each amended to  
35 read as follows:

36           All moneys, funds, proceeds, and receipts as (~~(provided in RCW~~  
37 ~~43.19.615 and as may otherwise be))~~ provided by law shall be paid into

1 the (~~general administration~~) enterprise services account.  
2 Disbursements therefrom shall be made in accordance with the provisions  
3 of RCW 43.19.560 through 43.19.630, 43.41.130 and 43.41.140 as  
4 authorized by the director or a duly authorized representative and as  
5 may be provided by law.

6 **Sec. 235.** RCW 43.19.620 and 2009 c 549 s 5069 are each amended to  
7 read as follows:

8 The director (~~of general administration, through the supervisor of~~  
9 ~~motor transport,~~) shall adopt(~~, promulgate,~~) and enforce (~~such~~  
10 ~~regulations~~) rules as may be deemed necessary to accomplish the  
11 purpose of RCW 43.19.560 through 43.19.630, 43.41.130, and 43.41.140.  
12 (~~Such regulations~~) The rules, in addition to other matters, shall  
13 provide authority for any agency director or his or her delegate to  
14 approve the use on official state business of personally owned or  
15 commercially owned rental passenger motor vehicles. Before such an  
16 authorization is made, it must first be reasonably determined that  
17 state owned passenger vehicles or other suitable transportation is not  
18 available at the time or location required or that the use of such  
19 other transportation would not be conducive to the economical,  
20 efficient, and effective conduct of business.

21 (~~Such regulations~~) The rules shall be consistent with and shall  
22 carry out the objectives of the general policies and guidelines adopted  
23 by the office of financial management pursuant to RCW 43.41.130.

24 **Sec. 236.** RCW 43.19.635 and 2009 c 549 s 5071 are each amended to  
25 read as follows:

26 (1) The governor, acting through the department (~~of general~~  
27 ~~administration~~) and any other appropriate agency or agencies as he or  
28 she may direct, is empowered to utilize all reasonable means for  
29 detecting the unauthorized use of state owned motor vehicles, including  
30 the execution of agreements with the state patrol for compliance  
31 enforcement. Whenever such illegal use is discovered which involves a  
32 state employee, the employing agency shall proceed as provided by law  
33 to establish the amount, extent, and dollar value of any such use,  
34 including an opportunity for notice and hearing for the employee  
35 involved. When such illegal use is so established, the agency shall  
36 assess its full cost of any mileage illegally used and shall recover

1 such amounts by deductions from salary or allowances due to be paid to  
2 the offending official or employee by other means. Recovery of costs  
3 by the state under this subsection shall not preclude disciplinary or  
4 other action by the appropriate appointing authority or employing  
5 agency under subsection (2) of this section.

6 (2) Any (~~wilful~~) willful and knowing violation of any provision  
7 of RCW 43.19.560 through 43.19.620, 43.41.130 and 43.41.140 shall  
8 subject the state official or employee committing such violation to  
9 disciplinary action by the appropriate appointing or employing agency.  
10 Such disciplinary action may include, but shall not be limited to,  
11 suspension without pay, or termination of employment in the case of  
12 repeated violations.

13 (3) Any casual or inadvertent violation of RCW 43.19.560 through  
14 43.19.620, 43.41.130 and 43.41.140 may subject the state official or  
15 employee committing such violation to disciplinary action by the  
16 appropriate appointing authority or employing agency. Such  
17 disciplinary action may include, but need not be limited to, suspension  
18 without pay.

19 **Sec. 237.** RCW 43.19.646 and 2006 c 338 s 12 are each amended to  
20 read as follows:

21 (1) The department (~~(of general administration)~~) must assist state  
22 agencies seeking to meet the biodiesel fuel requirements in RCW  
23 43.19.642 by coordinating the purchase and delivery of biodiesel if  
24 requested by any state agency. The department may use long-term  
25 contracts of up to ten years, when purchasing from in-state suppliers  
26 who use predominantly in-state feedstock, to secure a sufficient and  
27 stable supply of biodiesel for use by state agencies.

28 (2) The department shall compile and analyze the reports submitted  
29 under RCW 43.19.642(~~(+4)~~) (3) and report in an electronic format its  
30 findings and recommendations to the governor and committees of the  
31 legislature with responsibility for energy issues, within sixty days  
32 from the end of each reporting period. The governor shall consider  
33 these reports in determining whether to temporarily suspend minimum  
34 renewable fuel content requirements as authorized under RCW 19.112.160.

35 **Sec. 238.** RCW 43.19.663 and 2002 c 285 s 4 are each amended to  
36 read as follows:



1 (1) The department (~~of general administration~~), in cooperation  
2 with public agencies, shall investigate opportunities to aggregate the  
3 purchase of clean technologies with other public agencies to determine  
4 whether or not combined purchasing can reduce the unit cost of clean  
5 technologies.

6 (2) State agencies that are retail electric customers shall  
7 investigate opportunities to aggregate the purchase of electricity  
8 produced from generation resources that are fueled by wind or solar  
9 energy for their facilities located within a single utility's service  
10 area, to determine whether or not combined purchasing can reduce the  
11 unit cost of those resources.

12 (3) No public agency is required under this section to purchase  
13 clean technologies at prohibitive costs.

14 (4)(a) "Electric utility" shall have the same meaning as provided  
15 under RCW 19.29A.010.

16 (b) "Clean technology" includes, but may not be limited to,  
17 alternative fueled hybrid-electric and fuel cell vehicles, and  
18 distributive power generation.

19 (c) "Distributive power generation" means the generation of  
20 electricity from an integrated or stand-alone power plant that  
21 generates electricity from wind energy, solar energy, or fuel cells.

22 (d) "Retail electric customer" shall have the same meaning as  
23 provided under RCW 19.29A.010.

24 (e) "Facility" means any building owned or leased by a public  
25 agency.

26 **Sec. 239.** RCW 43.19.685 and 1982 c 48 s 4 are each amended to read  
27 as follows:

28 The director (~~of general administration~~) shall develop lease  
29 covenants, conditions, and terms which:

30 (1) Obligate the lessor to conduct or have conducted a walk-through  
31 survey of the leased premises;

32 (2) Obligate the lessor to implement identified energy conservation  
33 maintenance and operating procedures upon completion of the walk-  
34 through survey; and

35 (3) Obligate the lessor to undertake technical assistance studies  
36 and subsequent acquisition and installation of energy conservation  
37 measures if the director (~~of general administration~~), in accordance

1 with rules adopted by the department, determines that these studies and  
2 measures will both conserve energy and can be accomplished with a state  
3 funding contribution limited to the savings which would result in  
4 utility expenses during the term of the lease.

5 These lease covenants, conditions, and terms shall be incorporated  
6 into all specified new, renewed, and renegotiated leases executed on or  
7 after January 1, 1983. This section applies to all leases under which  
8 state occupancy is at least half of the facility space and includes an  
9 area greater than three thousand square feet.

10 **Sec. 240.** RCW 43.19.702 and 1983 c 183 s 2 are each amended to  
11 read as follows:

12 The director (~~((of general administration))~~) shall compile a list of  
13 the statutes and regulations, relating to state purchasing, of each  
14 state, which statutes and regulations the director believes grant a  
15 preference to vendors located within the state or goods manufactured  
16 within the state. At least once every twelve months the director shall  
17 update the list.

18 **Sec. 241.** RCW 43.19.704 and 1983 c 183 s 3 are each amended to  
19 read as follows:

20 The director (~~((of general administration))~~) shall adopt and apply  
21 rules designed to provide for some reciprocity in bidding between  
22 Washington and those states having statutes or regulations on the list  
23 under RCW 43.19.702. The director (~~((of general administration))~~) shall  
24 have broad discretionary power in developing these rules and the rules  
25 shall provide for reciprocity only to the extent and in those instances  
26 where the director considers it appropriate. For the purpose of  
27 determining the lowest responsible bidder pursuant to RCW 43.19.1911,  
28 such rules shall (1) require the director to impose a reciprocity  
29 increase on bids when appropriate under the rules and (2) establish  
30 methods for determining the amount of the increase. In no instance  
31 shall such increase, if any, be paid to a vendor whose bid is accepted.

32 **Sec. 242.** RCW 43.19.708 and 2010 c 5 s 5 are each amended to read  
33 as follows:

34 The department (~~((of general administration))~~) shall identify in the

1 department's vendor registry all vendors that are veteran-owned  
2 businesses as certified by the department of veterans affairs under RCW  
3 43.60A.195.

4 **Sec. 243.** RCW 43.19.710 and 1993 c 219 s 2 are each amended to  
5 read as follows:

6 Unless the context clearly requires otherwise, the definitions in  
7 this section apply throughout this section and RCW 43.19.715.

8 (1) "Consolidated mail service" means incoming, outgoing, and  
9 internal mail processing.

10 ~~(2) ("Department" means the department of general administration.~~

11 ~~(3) "Director" means the director of the department of general~~  
12 ~~administration.~~

13 ~~(4) "Agency" means:~~

14 ~~(a) The office of the governor; and~~

15 ~~(b) Any office, department, board, commission, or other separate~~  
16 ~~unit or division, however designated, of the state government, together~~  
17 ~~with all personnel thereof; Upon which the statutes confer powers and~~  
18 ~~impose duties in connection with operations of either a governmental or~~  
19 ~~proprietary nature; and that has as its chief executive officer a~~  
20 ~~person or combination of persons such as a commission, board, or~~  
21 ~~council, by law empowered to operate it, responsible either to: (i) No~~  
22 ~~other public officer or (ii) the governor.~~

23 ~~(5))~~ (5)) "Incoming mail" means mail, packages, or similar items  
24 received by an agency, through the United States postal service,  
25 private carrier services, or other courier services.

26 ~~((+6))~~ (3) "Outgoing mail" means mail, packages, or similar items  
27 processed for agencies to be sent through the United States postal  
28 service, private carrier services, or other courier services.

29 ~~((+7))~~ (4) "Internal mail" means interagency mail, packages, or  
30 similar items that are delivered or to be delivered to a state agency,  
31 the legislature, the supreme court, or the court of appeals, and their  
32 officers and employees.

33 **Sec. 244.** RCW 19.27.070 and 2010 c 275 s 1 are each amended to  
34 read as follows:

35 There is hereby established a state building code council, to be  
36 appointed by the governor.

1           (1) The state building code council shall consist of fifteen  
2 members:

3           (a) Two members must be county elected legislative body members or  
4 elected executives;

5           (b) Two members must be city elected legislative body members or  
6 mayors;

7           (c) One member must be a local government building code enforcement  
8 official;

9           (d) One member must be a local government fire service official;

10          (e) One member shall represent general construction, specializing  
11 in commercial and industrial building construction;

12          (f) One member shall represent general construction, specializing  
13 in residential and multifamily building construction;

14          (g) One member shall represent the architectural design profession;

15          (h) One member shall represent the structural engineering  
16 profession;

17          (i) One member shall represent the mechanical engineering  
18 profession;

19          (j) One member shall represent the construction building trades;

20          (k) One member shall represent manufacturers, installers, or  
21 suppliers of building materials and components;

22          (l) One member must be a person with a physical disability and  
23 shall represent the disability community; and

24          (m) One member shall represent the general public.

25          (2) At least six of these fifteen members shall reside east of the  
26 crest of the Cascade mountains.

27          (3) The council shall include: Two members of the house of  
28 representatives appointed by the speaker of the house, one from each  
29 caucus; two members of the senate appointed by the president of the  
30 senate, one from each caucus; and an employee of the electrical  
31 division of the department of labor and industries, as ex officio,  
32 nonvoting members with all other privileges and rights of membership.

33          (4)(a) Terms of office shall be for three years, or for so long as  
34 the member remains qualified for the appointment.

35          (b) The council shall elect a member to serve as chair of the  
36 council for one-year terms of office.

37          (c) Any member who is appointed by virtue of being an elected

1 official or holding public employment shall be removed from the council  
2 if he or she ceases being such an elected official or holding such  
3 public employment.

4 (d) Any member who is appointed to represent a specific private  
5 sector industry must maintain sufficiently similar employment or  
6 circumstances throughout the term of office to remain qualified to  
7 represent the specified industry. Retirement or unemployment is not  
8 cause for termination. However, if a councilmember enters into  
9 employment outside of the industry he or she has been appointed to  
10 represent, then he or she shall be removed from the council.

11 (e) Any member who no longer qualifies for appointment under this  
12 section may not vote on council actions, but may participate as an ex  
13 officio, nonvoting member until a replacement member is appointed. A  
14 member must notify the council staff and the governor's office within  
15 thirty days of the date the member no longer qualifies for appointment  
16 under this section. The governor shall appoint a qualified replacement  
17 for the member within sixty days of notice.

18 (5) Before making any appointments to the building code council,  
19 the governor shall seek nominations from recognized organizations which  
20 represent the entities or interests identified in this section.

21 (6) Members shall not be compensated but shall receive  
22 reimbursement for travel expenses in accordance with RCW 43.03.050 and  
23 43.03.060.

24 (7) The department of (~~commerce~~) enterprise services shall  
25 provide administrative and clerical assistance to the building code  
26 council.

27 **Sec. 245.** RCW 19.27A.140 and 2010 c 271 s 305 are each amended to  
28 read as follows:

29 The definitions in this section apply to RCW 19.27A.130 through  
30 19.27A.190 and 19.27A.020 unless the context clearly requires  
31 otherwise.

32 (1) "Benchmark" means the energy used by a facility as recorded  
33 monthly for at least one year and the facility characteristics  
34 information inputs required for a portfolio manager.

35 (2) "Conditioned space" means conditioned space, as defined in the  
36 Washington state energy code.

1 (3) "Consumer-owned utility" includes a municipal electric utility  
2 formed under Title 35 RCW, a public utility district formed under Title  
3 54 RCW, an irrigation district formed under chapter 87.03 RCW, a  
4 cooperative formed under chapter 23.86 RCW, a mutual corporation or  
5 association formed under chapter 24.06 RCW, a port district formed  
6 under Title 53 RCW, or a water-sewer district formed under Title 57  
7 RCW, that is engaged in the business of distributing electricity to one  
8 or more retail electric customers in the state.

9 (4) "Cost-effectiveness" means that a project or resource is  
10 forecast:

11 (a) To be reliable and available within the time it is needed; and

12 (b) To meet or reduce the power demand of the intended consumers at  
13 an estimated incremental system cost no greater than that of the least-  
14 cost similarly reliable and available alternative project or resource,  
15 or any combination thereof.

16 (5) "Council" means the state building code council.

17 (6) "Embodied energy" means the total amount of fossil fuel energy  
18 consumed to extract raw materials and to manufacture, assemble,  
19 transport, and install the materials in a building and the life-cycle  
20 cost benefits including the recyclability and energy efficiencies with  
21 respect to building materials, taking into account the total sum of  
22 current values for the costs of investment, capital, installation,  
23 operating, maintenance, and replacement as estimated for the lifetime  
24 of the product or project.

25 (7) "Energy consumption data" means the monthly amount of energy  
26 consumed by a customer as recorded by the applicable energy meter for  
27 the most recent twelve-month period.

28 (8) "Energy service company" has the same meaning as in RCW  
29 43.19.670.

30 (9) "~~((General administration))~~ Enterprise services" means the  
31 department of ~~((general administration))~~ enterprise services.

32 (10) "Greenhouse gas" and "greenhouse gases" includes carbon  
33 dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons,  
34 and sulfur hexafluoride.

35 (11) "Investment grade energy audit" means an intensive engineering  
36 analysis of energy efficiency and management measures for the facility,  
37 net energy savings, and a cost-effectiveness determination.

1 (12) "Investor-owned utility" means a corporation owned by  
2 investors that meets the definition of "corporation" as defined in RCW  
3 80.04.010 and is engaged in distributing either electricity or natural  
4 gas, or both, to more than one retail electric customer in the state.

5 (13) "Major facility" means any publicly owned or leased building,  
6 or a group of such buildings at a single site, having ten thousand  
7 square feet or more of conditioned floor space.

8 (14) "National energy performance rating" means the score provided  
9 by the energy star program, to indicate the energy efficiency  
10 performance of the building compared to similar buildings in that  
11 climate as defined in the United States environmental protection agency  
12 "ENERGY STAR® Performance Ratings Technical Methodology."

13 (15) "Net zero energy use" means a building with net energy  
14 consumption of zero over a typical year.

15 (16) "Portfolio manager" means the United States environmental  
16 protection agency's energy star portfolio manager or an equivalent tool  
17 adopted by the department of (~~general administration~~) enterprise  
18 services.

19 (17) "Preliminary energy audit" means a quick evaluation by an  
20 energy service company of the energy savings potential of a building.

21 (18) "Qualifying public agency" includes all state agencies,  
22 colleges, and universities.

23 (19) "Qualifying utility" means a consumer-owned or investor-owned  
24 gas or electric utility that serves more than twenty-five thousand  
25 customers in the state of Washington.

26 (20) "Reporting public facility" means any of the following:

27 (a) A building or structure, or a group of buildings or structures  
28 at a single site, owned by a qualifying public agency, that exceed ten  
29 thousand square feet of conditioned space;

30 (b) Buildings, structures, or spaces leased by a qualifying public  
31 agency that exceeds ten thousand square feet of conditioned space,  
32 where the qualifying public agency purchases energy directly from the  
33 investor-owned or consumer-owned utility;

34 (c) A wastewater treatment facility owned by a qualifying public  
35 agency; or

36 (d) Other facilities selected by the qualifying public agency.

37 (21) "State portfolio manager master account" means a portfolio

1 manager account established to provide a single shared portfolio that  
2 includes reports for all the reporting public facilities.

3 **Sec. 246.** RCW 39.34.055 and 1994 c 98 s 1 are each amended to read  
4 as follows:

5 The (~~office of state procurement within the~~) department of  
6 (~~general administration~~) enterprise services may enter into an  
7 agreement with a public benefit nonprofit corporation to allow the  
8 public benefit nonprofit corporation to participate in state contracts  
9 for purchases administered by the (~~office of state procurement~~)  
10 department. Such agreement must comply with the requirements of RCW  
11 39.34.030 through 39.34.050. For the purposes of this section "public  
12 benefit nonprofit corporation" means a public benefit nonprofit  
13 corporation as defined in RCW 24.03.005 that is receiving local, state,  
14 or federal funds either directly or through a public agency other than  
15 an Indian tribe or a political subdivision of another state.

16 **Sec. 247.** RCW 39.35.030 and 2001 c 214 s 16 are each amended to  
17 read as follows:

18 For the purposes of this chapter the following words and phrases  
19 shall have the following meanings unless the context clearly requires  
20 otherwise:

21 (1) "Public agency" means every state office, officer, board,  
22 commission, committee, bureau, department, and all political  
23 subdivisions of the state.

24 (2) "Department" means the state department of (~~general~~  
25 ~~administration~~) enterprise services.

26 (3) "Major facility" means any publicly owned or leased building  
27 having twenty-five thousand square feet or more of usable floor space.

28 (4) "Initial cost" means the moneys required for the capital  
29 construction or renovation of a major facility.

30 (5) "Renovation" means additions, alterations, or repairs within  
31 any twelve-month period which exceed fifty percent of the value of a  
32 major facility and which will affect any energy system.

33 (6) "Economic life" means the projected or anticipated useful life  
34 of a major facility as expressed by a term of years.

35 (7) "Energy management system" means a program, energy efficiency  
36 equipment, technology, device, or other measure including, but not



1 limited to, a management, educational, or promotional program, smart  
2 appliance, meter reading system that provides energy information  
3 capability, computer software or hardware, communications equipment or  
4 hardware, thermostat or other control equipment, together with related  
5 administrative or operational programs, that allows identification and  
6 management of opportunities for improvement in the efficiency of energy  
7 use, including but not limited to a measure that allows:

8 (a) Energy consumers to obtain information about their energy usage  
9 and the cost of energy in connection with their usage;

10 (b) Interactive communication between energy consumers and their  
11 energy suppliers;

12 (c) Energy consumers to respond to energy price signals and to  
13 manage their purchase and use of energy; or

14 (d) For other kinds of dynamic, demand-side energy management.

15 (8) "Life-cycle cost" means the initial cost and cost of operation  
16 of a major facility over its economic life. This shall be calculated  
17 as the initial cost plus the operation, maintenance, and energy costs  
18 over its economic life, reflecting anticipated increases in these costs  
19 discounted to present value at the current rate for borrowing public  
20 funds, as determined by the office of financial management. The energy  
21 cost projections used shall be those provided by the department. The  
22 department shall update these projections at least every two years.

23 (9) "Life-cycle cost analysis" includes, but is not limited to, the  
24 following elements:

25 (a) The coordination and positioning of a major facility on its  
26 physical site;

27 (b) The amount and type of fenestration employed in a major  
28 facility;

29 (c) The amount of insulation incorporated into the design of a  
30 major facility;

31 (d) The variable occupancy and operating conditions of a major  
32 facility; and

33 (e) An energy-consumption analysis of a major facility.

34 (10) "Energy systems" means all utilities, including, but not  
35 limited to, heating, air-conditioning, ventilating, lighting, and the  
36 supplying of domestic hot water.

37 (11) "Energy-consumption analysis" means the evaluation of all  
38 energy systems and components by demand and type of energy including

1 the internal energy load imposed on a major facility by its occupants,  
2 equipment, and components, and the external energy load imposed on a  
3 major facility by the climatic conditions of its location. An energy-  
4 consumption analysis of the operation of energy systems of a major  
5 facility shall include, but not be limited to, the following elements:

6 (a) The comparison of three or more system alternatives, at least  
7 one of which shall include renewable energy systems, and one of which  
8 shall comply at a minimum with the sustainable design guidelines of the  
9 United States green building council leadership in energy and  
10 environmental design silver standard or similar design standard as may  
11 be adopted by rule by the department;

12 (b) The simulation of each system over the entire range of  
13 operation of such facility for a year's operating period; and

14 (c) The evaluation of the energy consumption of component equipment  
15 in each system considering the operation of such components at other  
16 than full or rated outputs.

17 The energy-consumption analysis shall be prepared by a professional  
18 engineer or licensed architect who may use computers or such other  
19 methods as are capable of producing predictable results.

20 (12) "Renewable energy systems" means methods of facility design  
21 and construction and types of equipment for the utilization of  
22 renewable energy sources including, but not limited to, hydroelectric  
23 power, active or passive solar space heating or cooling, domestic solar  
24 water heating, windmills, waste heat, biomass and/or refuse-derived  
25 fuels, photovoltaic devices, and geothermal energy.

26 (13) "Cogeneration" means the sequential generation of two or more  
27 forms of energy from a common fuel or energy source. Where these forms  
28 are electricity and thermal energy, then the operating and efficiency  
29 standards established by 18 C.F.R. Sec. 292.205 and the definitions  
30 established by 18 C.F.R. 292.202 (c) through (m) as of July 28, 1991,  
31 shall apply.

32 (14) "Selected buildings" means educational, office, residential  
33 care, and correctional facilities that are designed to comply with the  
34 design standards analyzed and recommended by the department.

35 (15) "Design standards" means the heating, air-conditioning,  
36 ventilating, and renewable resource systems identified, analyzed, and  
37 recommended by the department as providing an efficient energy system  
38 or systems based on the economic life of the selected buildings.

1           **Sec. 248.** RCW 39.35C.010 and 2007 c 39 s 4 are each amended to  
2 read as follows:

3           Unless the context clearly requires otherwise, the definitions in  
4 this section apply throughout this chapter.

5           (1) "Cogeneration" means the sequential generation of two or more  
6 forms of energy from a common fuel or energy source. If these forms  
7 are electricity and thermal energy, then the operating and efficiency  
8 standards established by 18 C.F.R. Sec. 292.205 and the definitions  
9 established by 18 C.F.R. Sec. 292.202 (c) through (m) apply.

10           (2) "Conservation" means reduced energy consumption or energy cost,  
11 or increased efficiency in the use of energy, and activities, measures,  
12 or equipment designed to achieve such results, but does not include  
13 thermal or electric energy production from cogeneration.  
14 "Conservation" also means reductions in the use or cost of water,  
15 wastewater, or solid waste.

16           (3) "Cost-effective" means that the present value to a state agency  
17 or school district of the energy reasonably expected to be saved or  
18 produced by a facility, activity, measure, or piece of equipment over  
19 its useful life, including any compensation received from a utility or  
20 the Bonneville power administration, is greater than the net present  
21 value of the costs of implementing, maintaining, and operating such  
22 facility, activity, measure, or piece of equipment over its useful  
23 life, when discounted at the cost of public borrowing.

24           (4) "Energy" means energy as defined in RCW 43.21F.025(~~(+1)~~) (5).

25           (5) "Energy audit" has the definition provided in RCW 43.19.670,  
26 and may include a determination of the water or solid waste consumption  
27 characteristics of a facility.

28           (6) "Energy efficiency project" means a conservation or  
29 cogeneration project.

30           (7) "Energy efficiency services" means assistance furnished by the  
31 department to state agencies and school districts in identifying,  
32 evaluating, and implementing energy efficiency projects.

33           (8) "Department" means the state department of (~~general~~  
34 ~~administration~~) enterprise services.

35           (9) "Performance-based contracting" means contracts for which  
36 payment is conditional on achieving contractually specified energy  
37 savings.

1 (10) "Public agency" means every state office, officer, board,  
2 commission, committee, bureau, department, and all political  
3 subdivisions of the state.

4 (11) "Public facility" means a building or structure, or a group of  
5 buildings or structures at a single site, owned by a state agency or  
6 school district.

7 (12) "State agency" means every state office or department, whether  
8 elective or appointive, state institutions of higher education, and all  
9 boards, commissions, or divisions of state government, however  
10 designated.

11 (13) "State facility" means a building or structure, or a group of  
12 buildings or structures at a single site, owned by a state agency.

13 (14) "Utility" means privately or publicly owned electric and gas  
14 utilities, electric cooperatives and mutuals, whether located within or  
15 without Washington state.

16 (15) "Local utility" means the utility or utilities in whose  
17 service territory a public facility is located.

18 **Sec. 249.** RCW 39.35D.020 and 2006 c 263 s 330 are each amended to  
19 read as follows:

20 The definitions in this section apply throughout this chapter  
21 unless the context clearly requires otherwise.

22 (1) "Department" means the department of (~~general administration~~)  
23 enterprise services.

24 (2) "High-performance public buildings" means high-performance  
25 public buildings designed, constructed, and certified to a standard as  
26 identified in this chapter.

27 (3) "Institutions of higher education" means the state  
28 universities, the regional universities, The Evergreen State College,  
29 the community colleges, and the technical colleges.

30 (4) "LEED silver standard" means the United States green building  
31 council leadership in energy and environmental design green building  
32 rating standard, referred to as silver standard.

33 (5)(a) "Major facility project" means: (i) A construction project  
34 larger than five thousand gross square feet of occupied or conditioned  
35 space as defined in the Washington state energy code; or (ii) a  
36 building renovation project when the cost is greater than fifty percent

1 of the assessed value and the project is larger than five thousand  
2 gross square feet of occupied or conditioned space as defined in the  
3 Washington state energy code.

4 (b) "Major facility project" does not include: (i) Projects for  
5 which the department, public school district, or other applicable  
6 agency and the design team determine the LEED silver standard or the  
7 Washington sustainable school design protocol to be not practicable; or  
8 (ii) transmitter buildings, pumping stations, hospitals, research  
9 facilities primarily used for sponsored laboratory experimentation,  
10 laboratory research, or laboratory training in research methods, or  
11 other similar building types as determined by the department. When the  
12 LEED silver standard is determined to be not practicable for a project,  
13 then it must be determined if any LEED standard is practicable for the  
14 project. If LEED standards or the Washington sustainable school design  
15 protocol are not followed for the project, the public school district  
16 or public agency shall report these reasons to the department.

17 (6) "Public agency" means every state office, officer, board,  
18 commission, committee, bureau, department, and public higher education  
19 institution.

20 (7) "Public school district" means a school district eligible to  
21 receive state basic education moneys pursuant to RCW 28A.150.250 and  
22 28A.150.260.

23 (8) "Washington sustainable school design protocol" means the  
24 school design protocol and related information developed by the office  
25 of the superintendent of public instruction, in conjunction with school  
26 districts and the school facilities advisory board.

27 **Sec. 250.** RCW 43.19A.010 and 1992 c 174 s 12 are each amended to  
28 read as follows:

29 Unless the context clearly requires otherwise, the definitions in  
30 this section apply throughout this chapter.

31 (1) "Compost products" means mulch, soil amendments, ground cover,  
32 or other landscaping material derived from the biological or mechanical  
33 conversion of biosolids or cellulose-containing waste materials.

34 (2) "Department" means the department of (~~general administration~~)  
35 enterprise services.

36 (3) "Director" means the director of the department of (~~general  
37 administration~~) enterprise services.

1 (4) "Local government" means a city, town, county, special purpose  
2 district, school district, or other municipal corporation.

3 (5) "Lubricating oil" means petroleum-based oils for reducing  
4 friction in engine parts and other mechanical parts.

5 (6) "Mixed waste paper" means assorted low-value grades of paper  
6 that have not been separated into individual grades of paper at the  
7 point of collection.

8 (7) "Municipal sewage sludge" means a semisolid substance  
9 consisting of settled sewage solids combined with varying amounts of  
10 water and dissolved materials generated from a publicly owned  
11 wastewater treatment plant.

12 (8) "Biosolids" means municipal sewage sludge or septic tank  
13 septage sludge that meets the requirements of chapter 70.95J RCW.

14 (9) "Paper and paper products" means all items manufactured from  
15 paper or paperboard.

16 (10) "Postconsumer waste" means a material or product that has  
17 served its intended use and has been discarded for disposal or recovery  
18 by a final consumer.

19 (11) "Procurement officer" means the person that has the primary  
20 responsibility for procurement of materials or products.

21 (12) "State agency" means all units of state government, including  
22 divisions of the governor's office, the legislature, the judiciary,  
23 state agencies and departments, correctional institutions, vocational  
24 technical institutions, and universities and colleges.

25 (13) "Recycled content product" or "recycled product" means a  
26 product containing recycled materials.

27 (14) "Recycled materials" means waste materials and by-products  
28 that have been recovered or diverted from solid waste and that can be  
29 utilized in place of a raw or virgin material in manufacturing a  
30 product and consists of materials derived from postconsumer waste,  
31 manufacturing waste, industrial scrap, agricultural wastes, and other  
32 items, all of which can be used in the manufacture of new or recycled  
33 products.

34 (15) "Re-refined oils" means used lubricating oils from which the  
35 physical and chemical contaminants acquired through previous use have  
36 been removed through a refining process. Re-refining may include  
37 distillation, hydrotreating, or treatments employing acid, caustic,

1 solvent, clay, or other chemicals, or other physical treatments other  
2 than those used in reclaiming.

3 (16) "USEPA product standards" means the product standards of the  
4 United States environmental protection agency for recycled content  
5 published in the code of federal regulations.

6 **Sec. 251.** RCW 43.19A.022 and 2009 c 356 s 2 are each amended to  
7 read as follows:

8 (1) (~~By December 31, 2009,~~) All state agencies shall purchase one  
9 hundred percent recycled content white cut sheet bond paper used in  
10 office printers and copiers. State agencies are encouraged to give  
11 priority to purchasing from companies that produce paper in facilities  
12 that generate energy from a renewable energy source.

13 (2) State agencies that utilize office printers and copiers that,  
14 after reasonable attempts, cannot be calibrated to utilize such paper  
15 referenced in subsection (1) of this section, must for those models of  
16 equipment:

17 (a) Purchase paper at the highest recycled content that can be  
18 utilized efficiently by the copier or printer;

19 (b) At the time of lease renewal or at the end of the life-cycle,  
20 either lease or purchase a model that will efficiently utilize one  
21 hundred percent recycled content white cut sheet bond paper;

22 (3) Printed projects that require the use of high volume production  
23 inserters or high-speed digital devices, such as those used by (~~the~~  
24 ~~state printer, department of information services, and~~) the department  
25 of (~~general administration~~) enterprise services, are not required to  
26 meet the one hundred percent recycled content white cut sheet bond  
27 paper standard, but must utilize the highest recycled content that can  
28 be utilized efficiently by such equipment and not impede the business  
29 of agencies.

30 (4) The (~~state printer,~~) department of (~~general~~  
31 ~~administration,~~) enterprise services and the department of information  
32 services shall work together to identify for use by agencies one  
33 hundred percent recycled paper products that process efficiently  
34 through high-speed production equipment and do not impede the business  
35 of agencies.

1       **Sec. 252.** RCW 39.32.035 and 1998 c 105 s 3 are each amended to  
2 read as follows:

3       The ((~~general administration~~)) enterprise services account shall be  
4 administered by the director of ((~~general administration~~)) enterprise  
5 services and be used for the purchase, lease or other acquisition from  
6 time to time of surplus property from any federal, state, or local  
7 government surplus property disposal agency. The director may  
8 purchase, lease or acquire such surplus property on the requisition of  
9 an eligible donee and without such requisition at such time or times as  
10 he or she deems it advantageous to do so; and in either case he or she  
11 shall be responsible for the care and custody of the property purchased  
12 so long as it remains in his or her possession.

13       **Sec. 253.** RCW 43.01.225 and 1995 c 215 s 2 are each amended to  
14 read as follows:

15       There is hereby established an account in the state treasury to be  
16 known as the "state vehicle parking account." All parking rental  
17 income resulting from parking fees established by the department of  
18 ((~~general administration~~)) enterprise services under RCW 46.08.172 at  
19 state-owned or leased property shall be deposited in the "state vehicle  
20 parking account." Revenue deposited in the "state vehicle parking  
21 account" shall be first applied to pledged purposes. Unpledged parking  
22 revenues deposited in the "state vehicle parking account" may be used  
23 to:

24       (1) Pay costs incurred in the operation, maintenance, regulation,  
25 and enforcement of vehicle parking and parking facilities;

26       (2) Support the lease costs and/or capital investment costs of  
27 vehicle parking and parking facilities; and

28       (3) Support agency commute trip reduction programs under RCW  
29 70.94.521 through 70.94.551.

30       **Sec. 254.** RCW 43.82.120 and 1998 c 105 s 14 are each amended to  
31 read as follows:

32       All rental income collected by the department of ((~~general~~  
33 ~~administration~~)) enterprise services from rental of state buildings  
34 shall be deposited in the ((~~general administration~~)) enterprise  
35 services account.



1       **Sec. 255.** RCW 43.82.125 and 1998 c 105 s 15 are each amended to  
2 read as follows:

3       The ((~~general administration~~)) enterprise services account shall be  
4 used to pay all costs incurred by the department in the operation of  
5 real estate managed under the terms of this chapter. Moneys received  
6 into the ((~~general administration~~)) enterprise services account shall  
7 be used to pay rent to the owner of the space for occupancy of which  
8 the charges have been made and to pay utility and operational costs of  
9 the space utilized by the occupying agency: PROVIDED, That moneys  
10 received into the account for occupancy of space owned by the state  
11 where utilities and other operational costs are covered by  
12 appropriation to the department of ((~~general administration~~))  
13 enterprise services shall be immediately transmitted to the general  
14 fund.

15       **Sec. 256.** RCW 43.99H.070 and 1995 c 215 s 6 are each amended to  
16 read as follows:

17       In addition to any other charges authorized by law and to assist in  
18 the reimbursement of principal and interest payments on bonds issued  
19 for the purposes of RCW 43.99H.020(15), the following revenues may be  
20 collected:

21       (1) The director of ((~~general administration~~)) enterprise services  
22 may assess a charge against each state board, commission, agency,  
23 office, department, activity, or other occupant of the facility or  
24 building constructed with bonds issued for the purposes of RCW  
25 43.99H.020(15) for payment of a proportion of costs for each square  
26 foot of floor space assigned to or occupied by the entity. Payment of  
27 the amount billed to the entity for such occupancy shall be made  
28 quarterly during each fiscal year. The director of ((~~general~~  
29 ~~administration~~)) enterprise services shall deposit the payment in the  
30 capitol campus reserve account.

31       (2) The director of ((~~general administration~~)) enterprise services  
32 may pledge a portion of the parking rental income collected by the  
33 department of ((~~general administration~~)) enterprise services from  
34 parking space developed as a part of the facility constructed with  
35 bonds issued for the purposes of RCW 43.99H.020(15). The pledged  
36 portion of this income shall be deposited in the capitol campus reserve

1 account. The unpledged portion of this income shall continue to be  
2 deposited in the state vehicle parking account.

3 (3) The state treasurer shall transfer four million dollars from  
4 the capitol building construction account to the capitol campus reserve  
5 account each fiscal year from 1990 to 1995. Beginning in fiscal year  
6 1996, the director of (~~general administration~~) enterprise services,  
7 in consultation with the state finance committee, shall determine the  
8 necessary amount for the state treasurer to transfer from the capitol  
9 building construction account to the capitol campus reserve account for  
10 the purpose of repayment of the general fund of the costs of the bonds  
11 issued for the purposes of RCW 43.99H.020(15).

12 (4) Any remaining balance in the state building and parking bond  
13 redemption account after the final debt service payment shall be  
14 transferred to the capitol campus reserve account.

15 **Sec. 257.** RCW 73.24.020 and 1937 c 36 s 1 are each amended to read  
16 as follows:

17 The director of the department of (~~finance, budget and business~~)  
18 enterprise services is hereby authorized and directed to contract with  
19 Olympia Lodge No. 1, F.& A.M., a corporation for the improvement and  
20 perpetual care of the state veterans' plot in the Masonic cemetery at  
21 Olympia; such care to include the providing of proper curbs and walks,  
22 cultivating, reseeding and fertilizing grounds, repairing and resetting  
23 the bases and monuments in place on the ground, leveling grounds, and  
24 transporting and setting headstones for graves of persons hereafter  
25 buried on the plot.

26 NEW SECTION. **Sec. 258.** The following acts or parts of acts are  
27 each repealed:

28 (1) RCW 43.19.010 (Director--Authority, appointment, salary) and  
29 1999 c 229 s 1, 1993 c 472 s 19, 1988 c 25 s 10, 1975 1st ex.s. c 167  
30 s 1, & 1965 c 8 s 43.19.010;

31 (2) RCW 43.19.1923 (General administration services account--Use)  
32 and 2001 c 292 s 3, 1998 c 105 s 6, 1991 sp.s. c 16 s 921, 1987 c 504  
33 s 17, 1975-'76 2nd ex.s. c 21 s 12, 1967 ex.s. c 104 s 5, & 1965 c 8 s  
34 43.19.1923;

35 (3) RCW 43.19.1925 (Combined purchases of commonly used items--

1 Advance payments by state agencies--Costs of operating central stores)  
2 and 1998 c 105 s 7, 1975 c 40 s 8, 1973 c 104 s 2, & 1965 c 8 s  
3 43.19.1925;

4 (4) RCW 43.19.590 (Motor vehicle transportation service--Transfer  
5 of employees--Retention of employment rights) and 1975 1st ex.s. c 167  
6 s 8;

7 (5) RCW 43.19.595 (Motor vehicle transportation service--Transfer  
8 of motor vehicles, property, etc., from motor pool to department) and  
9 2009 c 549 s 5067 & 1975 1st ex.s. c 167 s 9;

10 (6) RCW 43.19.615 (Motor vehicle transportation service--Deposits--  
11 Disbursements) and 2005 c 214 s 2, 1998 c 105 s 13, & 1975 1st ex.s. c  
12 167 s 13;

13 (7) RCW 43.19.675 (Energy audits of state-owned facilities  
14 required--Completion dates) and 2001 c 214 s 26, 1982 c 48 s 2, & 1980  
15 c 172 s 4;

16 (8) RCW 43.19.680 (Implementation of energy conservation and  
17 maintenance procedures after walk-through survey--Investment grade  
18 audit--Reports--Contracts with energy service companies, staffing) and  
19 2001 c 214 s 27, 1996 c 186 s 506, 1986 c 325 s 2, 1983 c 313 s 1, 1982  
20 c 48 s 3, & 1980 c 172 s 5; and

21 (9) 2010 c 271 s 301.

22 NEW SECTION. **Sec. 259.** RCW 43.19.123 is decodified.

23 **PART III**  
24 **POWERS AND DUTIES TRANSFERRED FROM THE PUBLIC PRINTER**

25 **Sec. 301.** RCW 1.08.039 and 1955 c 235 s 8 are each amended to read  
26 as follows:

27 The committee may enter into contracts or otherwise arrange for the  
28 publication and/or distribution, provided for in RCW 1.08.038, with or  
29 without calling for bids, by the (~~public printer or by private~~  
30 ~~printer~~) department of enterprise services, upon specifications  
31 formulated under the authority of RCW 1.08.037, and upon such basis as  
32 the committee deems to be most expeditious and economical. Any such  
33 contract may be upon such terms as the committee deems to be most  
34 advantageous to the state and to potential purchasers of such

1 publications. The committee shall fix terms and prices for such  
2 publications.

3 **Sec. 302.** RCW 28A.300.040 and 2009 c 556 s 10 are each amended to  
4 read as follows:

5 In addition to any other powers and duties as provided by law, the  
6 powers and duties of the superintendent of public instruction shall be:

7 (1) To have supervision over all matters pertaining to the public  
8 schools of the state;

9 (2) To report to the governor and the legislature such information  
10 and data as may be required for the management and improvement of the  
11 schools;

12 (3) To prepare and have printed such forms, registers, courses of  
13 study, rules for the government of the common schools, and such other  
14 material and books as may be necessary for the discharge of the duties  
15 of teachers and officials charged with the administration of the laws  
16 relating to the common schools, and to distribute the same to  
17 educational service district superintendents;

18 (4) To travel, without neglecting his or her other official duties  
19 as superintendent of public instruction, for the purpose of attending  
20 educational meetings or conventions, of visiting schools, and of  
21 consulting educational service district superintendents or other school  
22 officials;

23 (5) To prepare and from time to time to revise a manual of the  
24 Washington state common school code, copies of which shall be made  
25 available online and which shall be sold at approximate actual cost of  
26 publication and distribution per volume to public and nonpublic  
27 agencies or individuals, said manual to contain Titles 28A and 28C RCW,  
28 rules related to the common schools, and such other matter as the state  
29 superintendent or the state board of education shall determine(~~-~~  
30 ~~Proceeds of the sale of such code shall be transmitted to the public~~  
31 ~~printer who shall credit the state superintendent's account within the~~  
32 ~~state printing plant revolving fund by a like amount));~~

33 (6) To file all papers, reports and public documents transmitted to  
34 the superintendent by the school officials of the several counties or  
35 districts of the state, each year separately. Copies of all papers  
36 filed in the superintendent's office, and the superintendent's official

1 acts, may, or upon request, shall be certified by the superintendent  
2 and attested by the superintendent's official seal, and when so  
3 certified shall be evidence of the papers or acts so certified to;

4 (7) To require annually, on or before the 15th day of August, of  
5 the president, manager, or principal of every educational institution  
6 in this state, a report as required by the superintendent of public  
7 instruction; and it is the duty of every president, manager, or  
8 principal, to complete and return such forms within such time as the  
9 superintendent of public instruction shall direct;

10 (8) To keep in the superintendent's office a record of all teachers  
11 receiving certificates to teach in the common schools of this state;

12 (9) To issue certificates as provided by law;

13 (10) To keep in the superintendent's office at the capital of the  
14 state, all books and papers pertaining to the business of the  
15 superintendent's office, and to keep and preserve in the  
16 superintendent's office a complete record of statistics, as well as a  
17 record of the meetings of the state board of education;

18 (11) With the assistance of the office of the attorney general, to  
19 decide all points of law which may be submitted to the superintendent  
20 in writing by any educational service district superintendent, or that  
21 may be submitted to the superintendent by any other person, upon appeal  
22 from the decision of any educational service district superintendent;  
23 and the superintendent shall publish his or her rulings and decisions  
24 from time to time for the information of school officials and teachers;  
25 and the superintendent's decision shall be final unless set aside by a  
26 court of competent jurisdiction;

27 (12) To administer oaths and affirmations in the discharge of the  
28 superintendent's official duties;

29 (13) To deliver to his or her successor, at the expiration of the  
30 superintendent's term of office, all records, books, maps, documents  
31 and papers of whatever kind belonging to the superintendent's office or  
32 which may have been received by the superintendent's for the use of the  
33 superintendent's office;

34 (14) To administer family services and programs to promote the  
35 state's policy as provided in RCW 74.14A.025;

36 (15) To promote the adoption of school-based curricula and policies  
37 that provide quality, daily physical education for all students, and to

1 encourage policies that provide all students with opportunities for  
2 physical activity outside of formal physical education classes;

3 (16) To perform such other duties as may be required by law.

4 **Sec. 303.** RCW 28B.10.029 and 2010 c 61 s 1 are each amended to  
5 read as follows:

6 (1)(a) An institution of higher education may exercise  
7 independently those powers otherwise granted to the director of  
8 (~~general administration~~) enterprise services in chapter 43.19 RCW in  
9 connection with the purchase and disposition of all material, supplies,  
10 services, and equipment needed for the support, maintenance, and use of  
11 the respective institution of higher education.

12 (b) Property disposition policies followed by institutions of  
13 higher education shall be consistent with policies followed by the  
14 department of (~~general administration~~) enterprise services.

15 (c) Purchasing policies and procedures followed by institutions of  
16 higher education shall be in compliance with chapters 39.19, 39.29, and  
17 43.03 RCW, and RCW 43.19.1901, 43.19.1906, 43.19.1911, 43.19.1917,  
18 43.19.1937, 43.19.534, 43.19.685, 43.19.700 through 43.19.704, and  
19 43.19.560 through 43.19.637.

20 (d) Purchases under chapter 39.29, 43.19, or 43.105 RCW by  
21 institutions of higher education may be made by using contracts for  
22 materials, supplies, services, or equipment negotiated or entered into  
23 by, for, or through group purchasing organizations.

24 (e) The community and technical colleges shall comply with RCW  
25 43.19.450.

26 (f) Except for the University of Washington, institutions of higher  
27 education shall comply with RCW 43.41.310, 43.41.290, and 43.41.350 (as  
28 recodified by this act).

29 (g) If an institution of higher education can satisfactorily  
30 demonstrate to the director of the office of financial management that  
31 the cost of compliance is greater than the value of benefits from any  
32 of the following statutes, then it shall be exempt from them: RCW  
33 43.19.685, 43.19.534, and 43.19.637.

34 (h) Any institution of higher education that chooses to exercise  
35 independent purchasing authority for a commodity or group of  
36 commodities shall notify the director of (~~general administration~~)  
37 enterprise services. Thereafter the director of (~~general~~

1 ~~administration))~~ enterprise services shall not be required to provide  
2 those services for that institution for the duration of the (~~general~~  
3 ~~administration))~~ enterprise services contract term for that commodity  
4 or group of commodities.

5 (2) The council of presidents and the state board for community and  
6 technical colleges shall convene its correctional industries business  
7 development advisory committee, and work collaboratively with  
8 correctional industries, to:

9 (a) Reaffirm purchasing criteria and ensure that quality, service,  
10 and timely delivery result in the best value for expenditure of state  
11 dollars;

12 (b) Update the approved list of correctional industries products  
13 from which higher education shall purchase; and

14 (c) Develop recommendations on ways to continue to build  
15 correctional industries' business with institutions of higher  
16 education.

17 (3) Higher education and correctional industries shall develop a  
18 plan to build higher education business with correctional industries to  
19 increase higher education purchases of correctional industries  
20 products, based upon the criteria established in subsection (2) of this  
21 section. The plan shall include the correctional industries'  
22 production and sales goals for higher education and an approved list of  
23 products from which higher education institutions shall purchase, based  
24 on the criteria established in subsection (2) of this section. Higher  
25 education and correctional industries shall report to the legislature  
26 regarding the plan and its implementation no later than January 30,  
27 2005.

28 (4) Institutions of higher education shall set as a target to  
29 contract, beginning not later than June 30, 2006, to purchase one  
30 percent of the total goods and services required by the institutions  
31 each year produced or provided in whole or in part from class II inmate  
32 work programs operated by the department of corrections. Institutions  
33 of higher education shall set as a target to contract, beginning not  
34 later than June 30, 2008, to purchase two percent of the total goods  
35 and services required by the institutions each year produced or  
36 provided in whole or in part from class II inmate work programs  
37 operated by the department of corrections.

1       ~~((5) An institution of higher education may exercise independently~~  
2 ~~those powers otherwise granted to the public printer in chapter 43.78~~  
3 ~~RCW in connection with the production or purchase of any printing and~~  
4 ~~binding needed by the respective institution of higher education.~~  
5 ~~Purchasing policies and procedures followed by institutions of higher~~  
6 ~~education shall be in compliance with chapter 39.19 RCW. Any~~  
7 ~~institution of higher education that chooses to exercise independent~~  
8 ~~printing production or purchasing authority shall notify the public~~  
9 ~~printer. Thereafter the public printer shall not be required to~~  
10 ~~provide those services for that institution.))~~

11       **Sec. 304.** RCW 40.06.030 and 2006 c 199 s 5 are each amended to  
12 read as follows:

13       (1) Every state agency shall promptly submit to the state library  
14 copies of published information that are state publications.

15       (a) For state publications available only in print format, each  
16 state agency shall deposit, at a minimum, two copies of each of its  
17 publications with the state library. For the purposes of broad public  
18 access, state agencies may deposit additional copies with the state  
19 library for distribution to additional depository libraries.

20       (b) For state publications available only in electronic format,  
21 each state agency shall deposit one copy of each of its publications  
22 with the state library.

23       (c) For state publications available in both print and electronic  
24 format, each state agency shall deposit two print copies and one  
25 electronic copy of the publication with the state library.

26       (2) Annually, each state agency shall provide the state library  
27 with a listing of all its publications made available to state  
28 government and the public during the preceding year, including those  
29 published in electronic form. The secretary of state shall, by rule,  
30 establish the annual date by which state agencies must provide the list  
31 of its publications to the state library.

32       (3) In the interest of economy and efficiency, the state librarian  
33 may specifically or by general rule exempt a given state publication or  
34 class of publications from the requirements of this section in full or  
35 in part.

36       ~~((4) Upon consent of the issuing state agency, such state~~



1 ~~publications as are printed by the public printer shall be delivered~~  
2 ~~directly to the center.))~~

3 **Sec. 305.** RCW 43.08.061 and 1993 c 38 s 1 are each amended to read  
4 as follows:

5 The (~~public printer shall print all state treasury warrants for~~  
6 ~~distribution as directed by the~~) state treasurer is responsible for  
7 printing all state treasury warrants. All warrants redeemed by the  
8 state treasurer shall be retained for a period of one year, following  
9 their redemption, after which they may be destroyed without regard to  
10 the requirements imposed for their destruction by chapter 40.14 RCW.

11 NEW SECTION. **Sec. 306.** The following acts or parts of acts are  
12 each repealed:

13 (1) RCW 43.78.010 (Appointment of public printer) and 2009 c 549 s  
14 5146, 1981 c 338 s 6, & 1965 c 8 s 43.78.010;

15 (2) RCW 43.78.020 (Bond) and 2009 c 549 s 5147 & 1965 c 8 s  
16 43.78.020;

17 (3) RCW 43.78.030 (Duties--Exceptions) and 2010 1st sp.s. c 37 s  
18 927, 1994 c 82 s 1, 1993 c 379 s 104, 1988 c 102 s 1, 1987 c 72 s 1,  
19 1982 c 164 s 2, 1971 c 81 s 114, & 1965 c 8 s 43.78.030;

20 (4) RCW 43.78.040 (Requisitions) and 1965 c 8 s 43.78.040;

21 (5) RCW 43.78.050 (Itemized statement of charges) and 1965 c 8 s  
22 43.78.050;

23 (6) RCW 43.78.070 (Use of state plant--Conditions--Public printer's  
24 salary) and 2009 c 549 s 5148, 1979 c 151 s 134, & 1965 c 8 s  
25 43.78.070;

26 (7) RCW 43.78.080 (Printing specifications) and 1972 ex.s. c 1 s 1,  
27 1969 c 6 s 7, & 1965 c 8 s 43.78.080;

28 (8) RCW 43.78.090 (Reprinting) and 1965 c 8 s 43.78.090;

29 (9) RCW 43.78.100 (Stock to be furnished) and 1993 c 379 s 106 &  
30 1965 c 8 s 43.78.100;

31 (10) RCW 43.78.105 (Printing for institutions of higher education--  
32 Interlocal agreements) and 1993 c 379 s 105;

33 (11) RCW 43.78.110 (Securing printing from private sources--  
34 Definitions) and 2009 c 486 s 12, 1993 c 379 s 107, 1982 c 164 s 3,  
35 1969 c 79 s 1, & 1965 c 8 s 43.78.110;

1 (12) RCW 43.78.170 (Recycled copy and printing paper requirement)  
2 and 2009 c 356 s 5, 1996 c 198 s 3, & 1991 c 297 s 10;

3 (13) RCW 15.24.085 (Promotional printing not restricted by public  
4 printer laws) and 2002 c 313 s 121 & 1961 c 11 s 15.24.085;

5 (14) RCW 15.62.190 (Promotional printing and literature--Exempt  
6 from public printing requirements) and 1989 c 5 s 19;

7 (15) RCW 16.67.170 (Promotional printing not restricted by public  
8 printer laws) and 1969 c 133 s 16;

9 (16) RCW 40.04.030 (Session laws, legislative journals, supreme  
10 court and court of appeals reports--Duties of public printer,  
11 publisher) and 1995 c 24 s 1, 1971 c 42 s 2, & 1941 c 150 s 3; and

12 (17) RCW 40.07.050 (Prohibition of state publications not in  
13 accordance with RCW 40.07.030--Exceptions) and 1986 c 158 s 5 & 1977  
14 ex.s. c 232 s 5.

15 NEW SECTION. **Sec. 307.** The printer shall coordinate with the  
16 department of enterprise services to sell or manage as surplus all  
17 equipment. The department of enterprise services shall develop a plan  
18 for disposing of or leasing the state printing plant building. This  
19 plan is due to the office of financial management and the legislature  
20 by December 15, 2011.

21 NEW SECTION. **Sec. 308.** Sections 301 through 306 of this act take  
22 effect December 1, 2011.

#### 23 **PART IV**

#### 24 **POWERS AND DUTIES TRANSFERRED FROM THE DEPARTMENT OF PERSONNEL**

25 **Sec. 401.** RCW 41.06.020 and 1993 c 281 s 19 are each amended to  
26 read as follows:

27 Unless the context clearly indicates otherwise, the words used in  
28 this chapter have the meaning given in this section.

29 (1) "Agency" means an office, department, board, commission, or  
30 other separate unit or division, however designated, of the state  
31 government and all personnel thereof; it includes any unit of state  
32 government established by law, the executive officer or members of  
33 which are either elected or appointed, upon which the statutes confer

1 powers and impose duties in connection with operations of either a  
2 governmental or proprietary nature.

3 (2) "Board" means the Washington personnel resources board  
4 established under the provisions of RCW 41.06.110, except that this  
5 definition does not apply to the words "board" or "boards" when used in  
6 RCW 41.06.070.

7 (3) "Classified service" means all positions in the state service  
8 subject to the provisions of this chapter.

9 (4) "Competitive service" means all positions in the classified  
10 service for which a competitive examination is required as a condition  
11 precedent to appointment.

12 (5) "Comparable worth" means the provision of similar salaries for  
13 positions that require or impose similar responsibilities, judgments,  
14 knowledge, skills, and working conditions.

15 (6) "Noncompetitive service" means all positions in the classified  
16 service for which a competitive examination is not required.

17 (7) "Department" means an agency of government that has as its  
18 governing officer a person, or combination of persons such as a  
19 commission, board, or council, by law empowered to operate the agency  
20 responsible either to (a) no other public officer or (b) the governor.

21 (8) "Career development" means the progressive development of  
22 employee capabilities to facilitate productivity, job satisfaction, and  
23 upward mobility through work assignments as well as education and  
24 training that are both state-sponsored and are achieved by individual  
25 employee efforts, all of which shall be consistent with the needs and  
26 obligations of the state and its agencies.

27 (9) "Training" means activities designed to develop job-related  
28 knowledge and skills of employees.

29 (10) "Director" means the human resources director (~~(of personnel~~  
30 ~~appointed under the provisions of RCW 41.06.130)) within the office of  
31 financial management and appointed under section 430 of this act.~~

32 (11) "Affirmative action" means a procedure by which racial  
33 minorities, women, persons in the protected age category, persons with  
34 disabilities, Vietnam-era veterans, and disabled veterans are provided  
35 with increased employment opportunities. It shall not mean any sort of  
36 quota system.

37 (12) "Institutions of higher education" means the University of

1 Washington, Washington State University, Central Washington University,  
2 Eastern Washington University, Western Washington University, The  
3 Evergreen State College, and the various state community colleges.

4 (13) "Related boards" means the state board for community and  
5 technical colleges; and such other boards, councils, and commissions  
6 related to higher education as may be established.

7 **Sec. 402.** RCW 41.06.076 and 1997 c 386 s 1 are each amended to  
8 read as follows:

9 In addition to the exemptions set forth in RCW 41.06.070, the  
10 provisions of this chapter shall not apply in the department of social  
11 and health services to the secretary; the secretary's executive  
12 assistant, if any; not to exceed six assistant secretaries, thirteen  
13 division directors, six regional directors; one confidential secretary  
14 for each of the above-named officers; not to exceed six bureau chiefs;  
15 (~~all social worker V positions~~) and all superintendents of  
16 institutions of which the average daily population equals or exceeds  
17 one hundred residents(~~(: PROVIDED, That each such confidential~~  
18 ~~secretary must meet the minimum qualifications for the class of~~  
19 ~~secretary II as determined by the Washington personnel resources board.~~  
20 ~~This section expires June 30, 2005)).~~

21 **Sec. 403.** RCW 41.06.080 and 1970 ex.s. c 12 s 2 are each amended  
22 to read as follows:

23 Notwithstanding the provisions of this chapter, the (~~department of~~  
24 ~~personnel~~) office of financial management and the department of  
25 enterprise services may make (~~its~~) their human resource services  
26 available on request, on a reimbursable basis, to:

27 (1) Either the legislative or the judicial branch of the state  
28 government;

29 (2) Any county, city, town, or other municipal subdivision of the  
30 state;

31 (3) The institutions of higher learning;

32 (4) Any agency, class, or position set forth in RCW 41.06.070.

33 **Sec. 404.** RCW 41.06.093 and 1993 c 281 s 24 are each amended to  
34 read as follows:

35 In addition to the exemptions set forth in RCW 41.06.070, the

1 provisions of this chapter shall not apply in the Washington state  
2 patrol to confidential secretaries of agency bureau chiefs, or their  
3 functional equivalent, and a confidential secretary for the chief of  
4 staff(~~(: PROVIDED, That each confidential secretary must meet the~~  
5 ~~minimum qualifications for the class of secretary II as determined by~~  
6 ~~the Washington personnel resources board)~~).

7       **Sec. 405.** RCW 41.06.110 and 2002 c 354 s 210 are each amended to  
8 read as follows:

9       (1) There is hereby created a Washington personnel resources board  
10 composed of three members appointed by the governor, subject to  
11 confirmation by the senate. The members of the personnel board serving  
12 June 30, 1993, shall be the members of the Washington personnel  
13 resources board, and they shall complete their terms as under the  
14 personnel board. Each odd-numbered year thereafter the governor shall  
15 appoint a member for a six-year term. Each member shall continue to  
16 hold office after the expiration of the member's term until a successor  
17 has been appointed. Persons so appointed shall have clearly  
18 demonstrated an interest and belief in the merit principle, shall not  
19 hold any other employment with the state, shall not have been an  
20 officer of a political party for a period of one year immediately prior  
21 to such appointment, and shall not be or become a candidate for  
22 partisan elective public office during the term to which they are  
23 appointed;

24       (2) Each member of the board shall be compensated in accordance  
25 with RCW 43.03.250. The members of the board may receive any number of  
26 daily payments for official meetings of the board actually attended.  
27 Members of the board shall also be reimbursed for travel expenses  
28 incurred in the discharge of their official duties in accordance with  
29 RCW 43.03.050 and 43.03.060.

30       (3) At its first meeting following the appointment of all of its  
31 members, and annually thereafter, the board shall elect a chair and  
32 vice chair from among its members to serve one year. The presence of  
33 at least two members of the board shall constitute a quorum to transact  
34 business. A written public record shall be kept by the board of all  
35 actions of the board. The director (~~(of personnel)~~) shall serve as  
36 secretary.

1 (4) The board may appoint and compensate hearing officers to hear  
2 and conduct appeals. Such compensation shall be paid on a contractual  
3 basis for each hearing, in accordance with the provisions of chapter  
4 43.88 RCW and rules adopted pursuant thereto, as they relate to  
5 personal service contracts.

6 **Sec. 406.** RCW 41.06.120 and 1981 c 311 s 17 are each amended to  
7 read as follows:

8 (1) In the necessary conduct of its work, the board shall meet  
9 monthly unless there is no pending business requiring board action and  
10 may hold hearings, such hearings to be called by (a) the chairman of  
11 the board, or (b) a majority of the members of the board. An official  
12 notice of the calling of the hearing shall be filed with the secretary,  
13 and all members shall be notified of the hearing within a reasonable  
14 period of time prior to its convening.

15 (2) No release of material or statement of findings shall be made  
16 except with the approval of a majority of the board;

17 (3) In the conduct of hearings or investigations, a member of the  
18 board or the director (~~of personnel~~), or the hearing officer, may  
19 administer oaths.

20 **Sec. 407.** RCW 41.06.133 and 2010 c 2 s 3 and 2010 c 1 s 2 are each  
21 reenacted and amended to read as follows:

22 (1) The director shall adopt rules, consistent with the purposes  
23 and provisions of this chapter and with the best standards of personnel  
24 administration, regarding the basis and procedures to be followed for:

25 (a) The reduction, dismissal, suspension, or demotion of an  
26 employee;

27 (b) Training and career development;

28 (c) Probationary periods of six to twelve months and rejections of  
29 probationary employees, depending on the job requirements of the class,  
30 except (~~that~~) as follows:

31 (i) Entry level state park rangers shall serve a probationary  
32 period of twelve months; and

33 (ii) The probationary period of campus police officer appointees  
34 who are required to attend the Washington state criminal justice  
35 training commission basic law enforcement academy shall extend from the  
36 date of appointment until twelve months from the date of successful

1 completion of the basic law enforcement academy, or twelve months from  
2 the date of appointment if academy training is not required. The  
3 director shall adopt rules to ensure that employees promoting to campus  
4 police officer who are required to attend the Washington state criminal  
5 justice training commission basic law enforcement academy shall have  
6 the trial service period extend from the date of appointment until  
7 twelve months from the date of successful completion of the basic law  
8 enforcement academy, or twelve months from the date of appointment if  
9 academy training is not required;

10 (d) Transfers;

11 (e) Promotional preferences;

12 (f) Sick leaves and vacations;

13 (g) Hours of work;

14 (h) Layoffs when necessary and subsequent reemployment, except for  
15 the financial basis for layoffs;

16 (i) The number of names to be certified for vacancies;

17 (j) Adoption and revision of a state salary schedule to reflect the  
18 prevailing rates in Washington state private industries and other  
19 governmental units. The rates in the salary schedules or plans shall  
20 be increased if necessary to attain comparable worth under an  
21 implementation plan under RCW 41.06.155 and, for institutions of higher  
22 education and related boards, shall be competitive for positions of a  
23 similar nature in the state or the locality in which an institution of  
24 higher education or related board is located. Such adoption and  
25 revision is subject to approval by the director of financial management  
26 in accordance with chapter 43.88 RCW;

27 (k) Increment increases within the series of steps for each pay  
28 grade based on length of service for all employees whose standards of  
29 performance are such as to permit them to retain job status in the  
30 classified service. From February 18, 2009, through June 30, 2011, a  
31 salary or wage increase shall not be granted to any exempt position  
32 under this chapter, except that a salary or wage increase may be  
33 granted to employees pursuant to collective bargaining agreements  
34 negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW, or  
35 negotiated by the nonprofit corporation formed under chapter 67.40 RCW,  
36 and except that increases may be granted for positions for which the  
37 employer has demonstrated difficulty retaining qualified employees if  
38 the following conditions are met:

- 1 (i) The salary increase can be paid within existing resources; and  
2 (ii) The salary increase will not adversely impact the provision of  
3 client services;

4 Any agency granting a salary increase from February 15, 2010,  
5 through June 30, 2011, to a position exempt under this chapter shall  
6 submit a report to the fiscal committees of the legislature no later  
7 than July 31, 2011, detailing the positions for which salary increases  
8 were granted, the size of the increases, and the reasons for giving the  
9 increases;

10 (l) Optional lump sum relocation compensation approved by the  
11 agency director, whenever it is reasonably necessary that a person make  
12 a domiciliary move in accepting a transfer or other employment with the  
13 state. An agency must provide lump sum compensation within existing  
14 resources. If the person receiving the relocation payment terminates  
15 or causes termination with the state, for reasons other than layoff,  
16 disability separation, or other good cause as determined by an agency  
17 director, within one year of the date of the employment, the state is  
18 entitled to reimbursement of the lump sum compensation from the person;

19 (m) Providing for veteran's preference as required by existing  
20 statutes, with recognition of preference in regard to layoffs and  
21 subsequent reemployment for veterans and their surviving spouses by  
22 giving such eligible veterans and their surviving spouses additional  
23 credit in computing their seniority by adding to their unbroken state  
24 service, as defined by the director, the veteran's service in the  
25 military not to exceed five years. For the purposes of this section,  
26 "veteran" means any person who has one or more years of active military  
27 service in any branch of the armed forces of the United States or who  
28 has less than one year's service and is discharged with a disability  
29 incurred in the line of duty or is discharged at the convenience of the  
30 government and who, upon termination of such service, has received an  
31 honorable discharge, a discharge for physical reasons with an honorable  
32 record, or a release from active military service with evidence of  
33 service other than that for which an undesirable, bad conduct, or  
34 dishonorable discharge shall be given. However, the surviving spouse  
35 of a veteran is entitled to the benefits of this section regardless of  
36 the veteran's length of active military service. For the purposes of  
37 this section, "veteran" does not include any person who has voluntarily



1 retired with twenty or more years of active military service and whose  
2 military retirement pay is in excess of five hundred dollars per month.

3 (2) Rules adopted under this section by the director shall provide  
4 for local administration and management by the institutions of higher  
5 education and related boards, subject to periodic audit and review by  
6 the director.

7 (3) Rules adopted by the director under this section may be  
8 superseded by the provisions of a collective bargaining agreement  
9 negotiated under RCW 41.80.001 and 41.80.010 through 41.80.130. The  
10 supersession of such rules shall only affect employees in the  
11 respective collective bargaining units.

12 (4)(a) The director shall require that each state agency report  
13 annually the following data:

14 (i) The number of classified, Washington management service, and  
15 exempt employees in the agency and the change compared to the previous  
16 report;

17 (ii) The number of bonuses and performance-based incentives awarded  
18 to agency staff and the base wages of such employees; and

19 (iii) The cost of each bonus or incentive awarded.

20 (b) A report that compiles the data in (a) of this subsection for  
21 all agencies will be provided annually to the governor and the  
22 appropriate committees of the legislature and must be posted for the  
23 public on the (~~department of personnel's~~) office of financial  
24 management's agency web site.

25 (5) From February 15, 2010, until June 30, 2011, no monetary  
26 performance-based awards or incentives may be granted by the director  
27 or employers to employees covered by rules adopted under this section.  
28 This subsection does not prohibit the payment of awards provided for in  
29 chapter 41.60 RCW.

30 **Sec. 408.** RCW 41.06.142 and 2008 c 267 s 9 are each amended to  
31 read as follows:

32 (1) Any department, agency, or institution of higher education may  
33 purchase services, including services that have been customarily and  
34 historically provided by employees in the classified service under this  
35 chapter, by contracting with individuals, nonprofit organizations,  
36 businesses, employee business units, or other entities if the following  
37 criteria are met:

1 (a) The invitation for bid or request for proposal contains  
2 measurable standards for the performance of the contract;

3 (b) Employees in the classified service whose positions or work  
4 would be displaced by the contract are provided an opportunity to offer  
5 alternatives to purchasing services by contract and, if these  
6 alternatives are not accepted, compete for the contract under  
7 competitive contracting procedures in subsection (4) of this section;

8 (c) The contract with an entity other than an employee business  
9 unit includes a provision requiring the entity to consider employment  
10 of state employees who may be displaced by the contract;

11 (d) The department, agency, or institution of higher education has  
12 established a contract monitoring process to measure contract  
13 performance, costs, service delivery quality, and other contract  
14 standards, and to cancel contracts that do not meet those standards;  
15 and

16 (e) The department, agency, or institution of higher education has  
17 determined that the contract results in savings or efficiency  
18 improvements. The contracting agency must consider the consequences  
19 and potential mitigation of improper or failed performance by the  
20 contractor.

21 (2) Any provision contrary to or in conflict with this section in  
22 any collective bargaining agreement in effect on July 1, 2005, is not  
23 effective beyond the expiration date of the agreement.

24 (3) Contracting for services that is expressly mandated by the  
25 legislature or was authorized by law prior to July 1, 2005, including  
26 contracts and agreements between public entities, shall not be subject  
27 to the processes set forth in subsections (1), (4), and (5) of this  
28 section.

29 (4) Competitive contracting shall be implemented as follows:

30 (a) At least ninety days prior to the date the contracting agency  
31 requests bids from private entities for a contract for services  
32 provided by classified employees, the contracting agency shall notify  
33 the classified employees whose positions or work would be displaced by  
34 the contract. The employees shall have sixty days from the date of  
35 notification to offer alternatives to purchasing services by contract,  
36 and the agency shall consider the alternatives before requesting bids.

37 (b) If the employees decide to compete for the contract, they shall

1 notify the contracting agency of their decision. Employees must form  
2 one or more employee business units for the purpose of submitting a bid  
3 or bids to perform the services.

4 (c) The (~~director of personnel~~) department of enterprise  
5 services, with the advice and assistance of the (~~department of general~~  
6 ~~administration~~) office of financial management, shall develop and make  
7 available to employee business units training in the bidding process  
8 and general bid preparation.

9 (d) The director of (~~general administration~~) enterprise services,  
10 with the advice and assistance of the (~~department of personnel~~)  
11 office of financial management, shall, by rule, establish procedures to  
12 ensure that bids are submitted and evaluated in a fair and objective  
13 manner and that there exists a competitive market for the service.  
14 Such rules shall include, but not be limited to: (i) Prohibitions  
15 against participation in the bid evaluation process by employees who  
16 prepared the business unit's bid or who perform any of the services to  
17 be contracted; (ii) provisions to ensure no bidder receives an  
18 advantage over other bidders and that bid requirements are applied  
19 equitably to all parties; and (iii) procedures that require the  
20 contracting agency to receive complaints regarding the bidding process  
21 and to consider them before awarding the contract. Appeal of an  
22 agency's actions under this subsection is an adjudicative proceeding  
23 and subject to the applicable provisions of chapter 34.05 RCW, the  
24 administrative procedure act, with the final decision to be rendered by  
25 an administrative law judge assigned under chapter 34.12 RCW.

26 (e) An employee business unit's bid must include the fully  
27 allocated costs of the service, including the cost of the employees'  
28 salaries and benefits, space, equipment, materials, and other costs  
29 necessary to perform the function. An employee business unit's cost  
30 shall not include the state's indirect overhead costs unless those  
31 costs can be attributed directly to the function in question and would  
32 not exist if that function were not performed in state service.

33 (f) A department, agency, or institution of higher education may  
34 contract with the department of (~~general administration~~) enterprise  
35 services to conduct the bidding process.

36 (5) As used in this section:

37 (a) "Employee business unit" means a group of employees who perform

1 services to be contracted under this section and who submit a bid for  
2 the performance of those services under subsection (4) of this section.

3 (b) "Indirect overhead costs" means the pro rata share of existing  
4 agency administrative salaries and benefits, and rent, equipment costs,  
5 utilities, and materials associated with those administrative  
6 functions.

7 (c) "Competitive contracting" means the process by which classified  
8 employees of a department, agency, or institution of higher education  
9 compete with businesses, individuals, nonprofit organizations, or other  
10 entities for contracts authorized by subsection (1) of this section.

11 (6) The requirements of this section do not apply to RCW  
12 74.13.031(5), the acquisition of printing services by a state agency or  
13 contracts with the department of enterprise services or the  
14 consolidated technology services agency.

15 **Sec. 409.** RCW 41.06.150 and 2002 c 371 s 906, 2002 c 354 s 203,  
16 2002 c 354 s 202, and 2002 c 110 s 1 are each reenacted and amended to  
17 read as follows:

18 The director shall adopt rules, consistent with the purposes and  
19 provisions of this chapter and with the best standards of personnel  
20 administration, regarding the basis and procedures to be followed for:

21 (1) Certification of names for vacancies;

22 (2) Examinations for all positions in the competitive and  
23 noncompetitive service;

24 (3) Appointments;

25 (4) ~~((Adoption and revision of a comprehensive classification plan,~~  
26 ~~in accordance with rules adopted by the board under RCW 41.06.136, for~~  
27 ~~all positions in the classified service, based on investigation and~~  
28 ~~analysis of the duties and responsibilities of each such position and~~  
29 ~~allocation and reallocation of positions within the classification~~  
30 ~~plan.~~

31 ~~(a) The director shall not adopt job classification revisions or~~  
32 ~~class studies unless implementation of the proposed revision or study~~  
33 ~~will result in net cost savings, increased efficiencies, or improved~~  
34 ~~management of personnel or services, and the proposed revision or study~~  
35 ~~has been approved by the director of financial management in accordance~~  
36 ~~with chapter 43.88 RCW.~~

1       ~~(b) Reclassifications, class studies, and salary adjustments are~~  
2 ~~governed by (a) of this subsection and RCW 41.06.152;~~

3       ~~(5))~~ Permitting agency heads to delegate the authority to appoint,  
4 reduce, dismiss, suspend, or demote employees within their agencies if  
5 such agency heads do not have specific statutory authority to so  
6 delegate: PROVIDED, That the director may not authorize such  
7 delegation to any position lower than the head of a major subdivision  
8 of the agency;

9       ~~((6))~~ (5) Assuring persons who are or have been employed in  
10 classified positions before July 1, 1993, will be eligible for  
11 employment, reemployment, transfer, and promotion in respect to  
12 classified positions covered by this chapter;

13       ~~((7))~~ (6) Affirmative action in appointment, promotion, transfer,  
14 recruitment, training, and career development; development and  
15 implementation of affirmative action goals and timetables; and  
16 monitoring of progress against those goals and timetables.

17       The director shall consult with the human rights commission in the  
18 development of rules pertaining to affirmative action. ~~((The~~  
19 ~~department of personnel shall transmit a report annually to the human~~  
20 ~~rights commission which states the progress each state agency has made~~  
21 ~~in meeting affirmative action goals and timetables.))~~

22       Rules adopted under this section by the director shall provide for  
23 local administration and management by the institutions of higher  
24 education and related boards, subject to periodic audit and review by  
25 the director.

26       **Sec. 410.** RCW 41.06.152 and 2007 c 489 s 1 are each amended to  
27 read as follows:

28       (1) The director shall adopt only those job classification  
29 revisions, class studies, and salary adjustments under ~~((RCW~~  
30 ~~41.06.150(4))~~) section 411 of this act that:

31       (a) As defined by the director, are due to documented recruitment  
32 or retention difficulties, salary compression or inversion,  
33 classification plan maintenance, higher level duties and  
34 responsibilities, or inequities; and

35       (b) Are such that the office of financial management has reviewed  
36 the affected agency's fiscal impact statement and has concurred that  
37 the affected agency can absorb the biennialized cost of the

1 reclassification, class study, or salary adjustment within the agency's  
2 current authorized level of funding for the current fiscal biennium and  
3 subsequent fiscal biennia.

4 (2) This section does not apply to the higher education hospital  
5 special pay plan or to any adjustments to the classification plan under  
6 (~~RCW 41.06.150(4)~~) section 411 of this act that are due to emergent  
7 conditions. Emergent conditions are defined as emergency conditions  
8 requiring the establishment of positions necessary for the preservation  
9 of the public health, safety, or general welfare.

10 NEW SECTION. **Sec. 411.** A new section is added to chapter 41.06  
11 RCW to read as follows:

12 (1) To promote the most effective use of the state's workforce and  
13 improve the effectiveness and efficiency of the delivery of services to  
14 the citizens of the state, the director shall adopt and maintain a  
15 comprehensive classification plan for all positions in the classified  
16 service. The classification plan must:

17 (a) Be simple and streamlined;

18 (b) Support state agencies in responding to changing technologies,  
19 economic and social conditions, and the needs of its citizens;

20 (c) Value workplace diversity;

21 (d) Facilitate the reorganization and decentralization of  
22 governmental services;

23 (e) Enhance mobility and career advancement opportunities; and

24 (f) Consider rates in other public employment and private  
25 employment in the state.

26 (2) An appointing authority and an employee organization  
27 representing classified employees of the appointing authority for  
28 collective bargaining purposes may jointly request the human resources  
29 director to initiate a classification study.

30 (3) For institutions of higher education and related boards, the  
31 director may adopt special salary ranges to be competitive with  
32 positions of a similar nature in the state or the locality in which the  
33 institution of higher education or related board is located.

34 (4) The director may undertake salary surveys of positions in other  
35 public and private employment to establish market rates. Any salary  
36 survey information collected from private employers which identifies a

1 specific employer with salary rates which the employer pays to its  
2 employees shall not be subject to public disclosure under chapter 42.56  
3 RCW.

4 NEW SECTION. **Sec. 412.** A new section is added to chapter 41.06  
5 RCW to read as follows:

6 The director of financial management shall adopt and maintain a  
7 state salary schedule. Such adoption and revision is subject to  
8 approval by the director in accordance with chapter 43.88 RCW.

9 **Sec. 413.** RCW 41.06.167 and 2005 c 274 s 279 are each amended to  
10 read as follows:

11 The (~~department of personnel~~) human resources director shall  
12 undertake comprehensive compensation surveys for officers and entry-  
13 level officer candidates of the Washington state patrol, with such  
14 surveys to be conducted in the year prior to the convening of every  
15 other one hundred five day regular session of the state legislature.  
16 Salary and fringe benefit survey information collected from private  
17 employers which identifies a specific employer with the salary and  
18 fringe benefit rates which that employer pays to its employees shall  
19 not be subject to public disclosure under chapter 42.56 RCW.

20 **Sec. 414.** RCW 41.06.169 and 1985 c 461 s 3 are each amended to  
21 read as follows:

22 After consultation with state agency heads, employee organizations,  
23 and other interested parties, the (~~state personnel~~) director shall  
24 develop standardized employee performance evaluation procedures and  
25 forms which shall be used by state agencies for the appraisal of  
26 employee job performance at least annually. These procedures shall  
27 include means whereby individual agencies may supplement the  
28 standardized evaluation process with special performance factors  
29 peculiar to specific organizational needs. Performance evaluation  
30 procedures shall place primary emphasis on recording how well the  
31 employee has contributed to efficiency, effectiveness, and economy in  
32 fulfilling state agency and job objectives.

33 **Sec. 415.** RCW 41.06.170 and 2009 c 534 s 3 are each amended to  
34 read as follows:

1 (1) The director, in the adoption of rules governing suspensions  
2 for cause, shall not authorize an appointing authority to suspend an  
3 employee for more than fifteen calendar days as a single penalty or  
4 more than thirty calendar days in any one calendar year as an  
5 accumulation of several penalties. The director shall require that the  
6 appointing authority give written notice to the employee not later than  
7 one day after the suspension takes effect, stating the reasons for and  
8 the duration thereof.

9 (2) Any employee who is reduced, dismissed, suspended, or demoted,  
10 after completing his or her probationary period of service as provided  
11 by the rules of the director, or any employee who is adversely affected  
12 by a violation of the state civil service law, chapter 41.06 RCW, or  
13 rules adopted under it, shall have the right to appeal, either  
14 individually or through his or her authorized representative, not later  
15 than thirty days after the effective date of such action (~~to the~~  
16 ~~personnel appeals board through June 30, 2005, and~~) to the Washington  
17 personnel resources board (~~(after June 30, 2005)~~). The employee shall  
18 be furnished with specified charges in writing when a reduction,  
19 dismissal, suspension, or demotion action is taken. Such appeal shall  
20 be in writing. Decisions of the Washington personnel resources board  
21 on appeals filed after June 30, 2005, shall be final and not subject to  
22 further appeal.

23 (3) Any employee whose position has been exempted after July 1,  
24 1993, shall have the right to appeal, either individually or through  
25 his or her authorized representative, not later than thirty days after  
26 the effective date of such action to the (~~(personnel appeals board~~  
27 ~~through June 30, 2005, and to the)~~) Washington personnel resources  
28 board (~~(after June 30, 2005)~~). If the position being exempted is  
29 vacant, the exclusive bargaining unit representative may act in lieu of  
30 an employee for the purposes of appeal.

31 (4) An employee incumbent in a position at the time of its  
32 allocation or reallocation, or the agency utilizing the position, may  
33 appeal the allocation or reallocation to the (~~(personnel appeals board~~  
34 ~~through December 31, 2005, and to the)~~) Washington personnel resources  
35 board (~~(after December 31, 2005)~~). Notice of such appeal must be filed  
36 in writing within thirty days of the action from which appeal is taken.

37 (5) Subsections (1) and (2) of this section do not apply to any



1 employee who is subject to the provisions of a collective bargaining  
2 agreement negotiated under RCW 41.80.001 and 41.80.010 through  
3 41.80.130.

4 **Sec. 416.** RCW 41.06.220 and 1961 c 1 s 22 are each amended to read  
5 as follows:

6 ~~((1) An employee who is terminated from state service may request  
7 the board to place his name on an appropriate reemployment list and the  
8 board shall grant this request where the circumstances are found to  
9 warrant reemployment.~~

10 (2)) Any employee, when fully reinstated after appeal, shall be  
11 guaranteed all employee rights and benefits, including back pay, sick  
12 leave, vacation accrual, retirement and OASDI credits.

13 **Sec. 417.** RCW 41.06.260 and 1961 c 1 s 26 are each amended to read  
14 as follows:

15 If any part of this chapter shall be found to be in conflict with  
16 federal requirements which are a condition precedent to the allocation  
17 of federal funds to the state, such conflicting part of this chapter is  
18 hereby declared to be inoperative solely to the extent of such conflict  
19 and with respect to the agencies directly affected, and such findings  
20 or determination shall not affect the operation of the remainder of  
21 this chapter in its application to the agencies concerned. The  
22 ~~((board))~~ office of financial management and the department of  
23 enterprise services, as appropriate, shall make such rules and  
24 regulations as may be necessary to meet federal requirements which are  
25 a condition precedent to the receipt of federal funds by the state.

26 **Sec. 418.** RCW 41.06.270 and 2002 c 354 s 217 are each amended to  
27 read as follows:

28 A disbursing officer shall not pay any employee holding a position  
29 covered by this chapter unless the employment is in accordance with  
30 this chapter or the rules, regulations and orders issued hereunder.  
31 The directors of ~~((personnel))~~ enterprise services and financial  
32 management shall jointly establish procedures for the certification of  
33 payrolls.

1       **Sec. 419.** RCW 41.06.280 and 1993 c 379 s 309 are each amended to  
2 read as follows:

3       There is hereby created a fund within the state treasury,  
4 designated as the "~~((department of))~~ personnel service fund," to be  
5 used by the ~~((board))~~ office of financial management and the department  
6 of enterprise services as a revolving fund for the payment of salaries,  
7 wages, and operations required for the administration of the provisions  
8 of this chapter, applicable provisions of chapter 41.04 RCW, and  
9 chapter 41.60 RCW. An amount not to exceed one and one-half percent of  
10 the ~~((approved allotments of))~~ salaries and wages for all positions in  
11 the classified service in each of the agencies subject to this chapter,  
12 except the institutions of higher education, shall be charged to the  
13 operations appropriations of each agency and credited to the  
14 ~~((department of))~~ personnel service fund as the allotments are approved  
15 pursuant to chapter 43.88 RCW. Subject to the above limitations, the  
16 amount shall be charged against the allotments pro rata, at a rate to  
17 be fixed by the director from time to time which, together with income  
18 derived from services rendered under RCW 41.06.080, will provide the  
19 ~~((department))~~ office of financial management and the department of  
20 enterprise services with funds to meet its anticipated expenditures  
21 during the allotment period, including the training requirements in RCW  
22 41.06.500 and 41.06.530.

23       The director ~~((of personnel))~~ shall fix the terms and charges for  
24 services rendered by the department of ~~((personnel))~~ enterprise  
25 services and the office of financial management pursuant to RCW  
26 41.06.080, which amounts shall be credited to the ~~((department of))~~  
27 personnel service fund and charged against the proper fund or  
28 appropriation of the recipient of such services on a ~~((quarterly))~~  
29 monthly basis. Payment for services so rendered under RCW 41.06.080  
30 shall be made on a ~~((quarterly))~~ monthly basis to the state treasurer  
31 and deposited ~~((by him))~~ in the ~~((department of))~~ personnel service  
32 fund.

33       Moneys from the ~~((department of))~~ personnel service fund shall be  
34 disbursed by the state treasurer by warrants on vouchers duly  
35 authorized by the ~~((board))~~ office of financial management and the  
36 department of enterprise services.

1           **Sec. 420.** RCW 41.06.285 and 1998 c 245 s 41 are each amended to  
2 read as follows:

3           (1) There is hereby created a fund within the state treasury,  
4 designated as the "higher education personnel service fund," to be used  
5 by the ((board)) office of financial management as a revolving fund for  
6 the payment of salaries, wages, and operations required for the  
7 administration of ~~((institutions of higher education and related~~  
8 ~~boards, the budget for which shall be subject to review and approval~~  
9 ~~and appropriation by the legislature))~~ the provisions of chapter 41.06  
10 RCW and applicable provisions of chapters 41.04 and 41.60 RCW. Subject  
11 to the requirements of subsection (2) of this section, an amount not to  
12 exceed one-half of one percent of the salaries and wages for all  
13 positions in the classified service shall be contributed from the  
14 operations appropriations of each institution and the state board for  
15 community and technical colleges and credited to the higher education  
16 personnel service fund as such allotments are approved pursuant to  
17 chapter 43.88 RCW. Subject to the above limitations, such amount shall  
18 be charged against the allotments pro rata, at a rate to be fixed by  
19 the director of financial management from time to time, which will  
20 provide the ((board)) office of financial management with funds to meet  
21 its anticipated expenditures during the allotment period.

22           (2) If employees of institutions of higher education cease to be  
23 classified under this chapter pursuant to an agreement authorized by  
24 RCW 41.56.201, each institution of higher education and the state board  
25 for community and technical colleges shall continue, for six months  
26 after the effective date of the agreement, to make contributions to the  
27 higher education personnel service fund based on employee salaries and  
28 wages that includes the employees under the agreement. At the  
29 expiration of the six-month period, the director of financial  
30 management shall make across-the-board reductions in allotments of the  
31 higher education personnel service fund for the remainder of the  
32 biennium so that the charge to the institutions of higher education and  
33 state board for community and technical colleges based on the salaries  
34 and wages of the remaining employees of institutions of higher  
35 education and related boards classified under this chapter does not  
36 increase during the biennium, unless an increase is authorized by the  
37 legislature.

1 (3) Moneys from the higher education personnel service fund shall  
2 be disbursed by the state treasurer by warrants on vouchers duly  
3 authorized by the (~~board~~) office of financial management.

4 **Sec. 421.** RCW 41.06.350 and 2002 c 354 s 218 are each amended to  
5 read as follows:

6 The director is authorized to receive federal funds now available  
7 or hereafter made available for the assistance and improvement of  
8 public personnel administration, which may be expended in addition to  
9 the (~~department of~~) personnel service fund established by RCW  
10 41.06.280.

11 **Sec. 422.** RCW 41.06.395 and 2007 c 76 s 1 are each amended to read  
12 as follows:

13 The director shall adopt rules establishing guidelines for  
14 policies, procedures, and mandatory training programs on sexual  
15 harassment for state employees to be adopted by state agencies (~~and~~  
16 ~~establishing~~). The department of enterprise services shall establish  
17 reporting requirements for state agencies on compliance with RCW  
18 43.01.135.

19 **Sec. 423.** RCW 41.06.400 and 2002 c 354 s 219 are each amended to  
20 read as follows:

21 (1) In addition to other powers and duties specified in this  
22 chapter, the (~~director~~) department of enterprise services in  
23 consultation with the office of financial management shall(~~(7)~~):

24 (a) By rule, prescribe the purpose and minimum standards for  
25 training and career development programs and, in so doing, regularly  
26 consult with and consider the needs of individual agencies and  
27 employees(~~(7~~

28 ~~(2) In addition to other powers and duties specified in this~~  
29 ~~chapter, the director shall:~~

30 ~~(a) Provide for the evaluation of training and career development~~  
31 ~~programs and plans of agencies. The director shall report the results~~  
32 ~~of such evaluations to the agency which is the subject of the~~  
33 ~~evaluation;)~~

34 (b) Provide training and career development programs which may be  
35 conducted more efficiently and economically on an interagency basis;

1 (c) Promote interagency sharing of resources for training and  
2 career development;

3 (d) Monitor and review the impact of training and career  
4 development programs to ensure that the responsibilities of the state  
5 to provide equal employment opportunities are diligently carried out.

6 ~~((3))~~ (2) At an agency's request, the ~~((director))~~ department of  
7 enterprise services may provide training and career development  
8 programs for an agency's internal use which may be conducted more  
9 efficiently and economically by the department of ~~((personnel))~~  
10 enterprise services.

11 **Sec. 424.** RCW 41.06.410 and 2002 c 354 s 220 are each amended to  
12 read as follows:

13 Each agency subject to the provisions of this chapter shall:

14 (1) Prepare an employee training and career development plan which  
15 shall at least meet minimum standards established by the ~~((director-~~  
16 ~~A copy of such plan shall be submitted to the director for purposes of~~  
17 ~~administering the provisions of RCW 41.06.400(2))~~ department of  
18 enterprise services;

19 (2) Provide for training and career development for its employees  
20 in accordance with the agency plan;

21 ~~((Report on its training and career development program~~  
22 ~~operations and costs to the director in accordance with reporting~~  
23 ~~procedures adopted by the director;~~

24 ~~(4))~~ Budget for training and career development in accordance with  
25 procedures of the office of financial management.

26 **Sec. 425.** RCW 41.06.420 and 1980 c 118 s 6 are each amended to  
27 read as follows:

28 (1) The ~~((board))~~ office of financial management, by rule, shall  
29 prescribe the conditions under which an employee appointed to a  
30 supervisory or management position after June 12, 1980, shall be  
31 required to successfully complete an entry-level management training  
32 course as approved by the director. Such training shall not be  
33 required of any employee who has completed a management training course  
34 prior to the employee's appointment which is, in the judgment of the  
35 director, at least equivalent to the entry-level course required by  
36 this section.

1 (2) The ((~~board~~)) office of financial management, by rule, shall  
2 establish procedures for the suspension of the entry-level training  
3 requirement in cases where the ability of an agency to perform its  
4 responsibilities is adversely affected, or for the waiver of this  
5 requirement in cases where a person has demonstrated experience as a  
6 substitute for training.

7 (3) Agencies subject to the provisions of this chapter, in  
8 accordance with rules prescribed by the ((~~board~~)) office of financial  
9 management, shall designate individual positions, or groups of  
10 positions, as being "supervisory" or "management" positions. Such  
11 designations shall be subject to review by the director ((~~as part of~~  
12 ~~the director's evaluation of training and career development programs~~  
13 ~~prescribed by RCW 41.06.400(2)~~)).

14 **Sec. 426.** RCW 41.06.476 and 2001 c 296 s 6 are each amended to  
15 read as follows:

16 (1) The ((~~board~~)) office of financial management shall amend any  
17 existing rules established under RCW 41.06.475 and adopt rules  
18 developed in cooperation and agreement with the department of social  
19 and health services to implement the provisions of chapter 296, Laws of  
20 2001.

21 (2) The legislature's delegation of authority to the agency under  
22 chapter 296, Laws of 2001 is strictly limited to:

23 (a) The minimum delegation necessary to administer the clear and  
24 unambiguous directives of chapter 296, Laws of 2001; and

25 (b) The administration of circumstances and behaviors foreseeable  
26 at the time of enactment.

27 **Sec. 427.** RCW 41.06.490 and 2002 c 354 s 223 are each amended to  
28 read as follows:

29 ((~~(1)~~)) In addition to the rules adopted under RCW 41.06.150, the  
30 director shall adopt rules establishing a state employee return-to-work  
31 program. The program shall, at a minimum:

32 ((~~(a)~~)) (1) Direct each agency to adopt a return-to-work policy.  
33 The program shall allow each agency program to take into consideration  
34 the special nature of employment in the agency;

35 ((~~(b)~~)) (2) Provide for eligibility in the return-to-work program,  
36 for a minimum of two years from the date the temporary disability

1 commenced, for any permanent employee who is receiving compensation  
2 under RCW 51.32.090 and who is, by reason of his or her temporary  
3 disability, unable to return to his or her previous work, but who is  
4 physically capable of carrying out work of a lighter or modified  
5 nature;

6 ~~((c) Allow opportunity for return to work statewide when  
7 appropriate job classifications are not available in the agency that is  
8 the appointing authority at the time of injury;~~

9 ~~(d))~~ (3) Require each agency to name an agency representative  
10 responsible for coordinating the return-to-work program of the agency;

11 ~~((e))~~ (4) Provide that applicants receiving appointments for  
12 classified service receive an explanation of the return-to-work policy;

13 ~~((f))~~ (5) Require training of supervisors on implementation of  
14 the return-to-work policy, including but not limited to assessment of  
15 the appropriateness of the return-to-work job for the employee; and

16 ~~((g))~~ (6) Coordinate participation of applicable employee  
17 assistance programs, as appropriate.

18 ~~((2) The agency full-time equivalents necessary to implement the  
19 return to work program established under this section shall be used  
20 only for the purposes of the return to work program and the net  
21 increase in full-time equivalents shall be temporary.))~~

22 **Sec. 428.** RCW 41.06.510 and 1993 c 281 s 10 are each amended to  
23 read as follows:

24 Each institution of higher education and each related board shall  
25 designate an officer who shall perform duties as personnel officer.  
26 The personnel officer at each institution or related board shall  
27 direct, supervise, and manage administrative and technical personnel  
28 activities for the classified service at the institution or related  
29 board consistent with policies established by the institution or  
30 related board and in accordance with the provisions of this chapter and  
31 the rules adopted under this chapter. Institutions may undertake  
32 jointly with one or more other institutions to appoint a person  
33 qualified to perform the duties of personnel officer, provide staff and  
34 financial support and may engage consultants to assist in the  
35 performance of specific projects. The services of the department of  
36 ~~((personnel))~~ enterprise services and the office of financial

1 management may also be used by the institutions or related boards  
2 pursuant to RCW 41.06.080.

3 The state board for community and technical colleges shall have  
4 general supervision and control over activities undertaken by the  
5 various community colleges pursuant to this section.

6 **Sec. 429.** RCW 41.06.530 and 1993 c 281 s 12 are each amended to  
7 read as follows:

8 (1) The legislature recognizes that:

9 (a) The labor market and the state government workforce are diverse  
10 in terms of gender, race, ethnicity, age, and the presence of  
11 disabilities.

12 (b) The state's personnel resource and management practices must be  
13 responsive to the diverse nature of its workforce composition.

14 (c) Managers in all agencies play a key role in the implementation  
15 of all critical personnel policies.

16 It is therefore the policy of the state to create an organizational  
17 culture in state government that respects and values individual  
18 differences and encourages the productive potential of every employee.

19 (2) To implement this policy(~~(, the department shall)~~):

20 (a) The office of financial management shall, in consultation with  
21 agencies, employee organizations, employees, institutions of higher  
22 education, and related boards, review civil service rules and related  
23 policies to ensure that they support the state's policy of valuing and  
24 managing diversity in the workplace; and

25 ~~(b) ((In consultation with agencies, employee organizations, and~~  
26 ~~employees, institutions of higher education, and related boards,~~  
27 ~~develop model policies, procedures, and technical information to be~~  
28 ~~made available to such entities for the support of workplace diversity~~  
29 ~~programs, including, but not limited to:~~

30 ~~(i) Voluntary mentorship programs;~~

31 ~~(ii) Alternative testing practices for persons of disability where~~  
32 ~~deemed appropriate;~~

33 ~~(iii) Career counseling;~~

34 ~~(iv) Training opportunities, including management and employee~~  
35 ~~awareness and skills training, English as a second language, and~~  
36 ~~individual tutoring;~~

37 ~~(v) Recruitment strategies;~~



1       ~~(vi) Management performance appraisal techniques that focus on~~  
2 ~~valuing and managing diversity in the workplace; and~~

3       ~~(vii) Alternative work arrangements;~~

4       ~~(e))~~ The department of enterprise services, in consultation with  
5 agencies, employee organizations, and employees, institutions of higher  
6 education, and related boards, develop training programs for all  
7 managers to enhance their ability to implement diversity policies and  
8 to provide a thorough grounding in all aspects of the state civil  
9 service law and merit system rules, and how the proper implementation  
10 and application thereof can facilitate and further the mission of the  
11 agency.

12       (3) The department of enterprise services and the office of  
13 financial management shall coordinate implementation of this section  
14 with the (~~office of financial management and~~) institutions of higher  
15 education and related boards to reduce duplication of effort.

16       NEW SECTION. Sec. 430. A new section is added to chapter 43.41  
17 RCW to read as follows:

18       (1) The office of financial management shall direct and supervise  
19 the personnel policy and application of the civil service laws, chapter  
20 41.06 RCW.

21       (2) The human resources director is created in the office of  
22 financial management. The human resources director shall be appointed  
23 by the governor, and shall serve at the pleasure of the governor. The  
24 director shall receive a salary in an amount fixed by the governor.

25       (3) The human resources director has the authority and shall  
26 perform the functions as prescribed in chapter 41.06 RCW, or as  
27 otherwise prescribed by law.

28       (4) The human resources director may delegate to any agency the  
29 authority to perform administrative and technical personnel activities  
30 if the agency requests such authority and the human resources director  
31 is satisfied that the agency has the personnel management capabilities  
32 to effectively perform the delegated activities. The human resources  
33 director shall prescribe standards and guidelines for the performance  
34 of delegated activities. If the human resources director determines  
35 that an agency is not performing delegated activities within the  
36 prescribed standards and guidelines, the director shall withdraw the  
37 authority from the agency to perform such activities.

1       **Sec. 431.** RCW 34.05.030 and 2006 c 300 s 4 are each amended to  
2 read as follows:

3       (1) This chapter shall not apply to:

4       (a) The state militia, or

5       (b) The board of clemency and pardons, or

6       (c) The department of corrections or the indeterminate sentencing  
7 review board with respect to persons who are in their custody or are  
8 subject to the jurisdiction of those agencies.

9       (2) The provisions of RCW 34.05.410 through 34.05.598 shall not  
10 apply:

11       (a) To adjudicative proceedings of the board of industrial  
12 insurance appeals except as provided in RCW 7.68.110 and 51.48.131;

13       (b) Except for actions pursuant to chapter 46.29 RCW, to the  
14 denial, suspension, or revocation of a driver's license by the  
15 department of licensing;

16       (c) To the department of labor and industries where another statute  
17 expressly provides for review of adjudicative proceedings of a  
18 department action, order, decision, or award before the board of  
19 industrial insurance appeals;

20       (d) To actions of the Washington personnel resources board (~~or the~~  
21 ~~director of personnel~~), the human resources director, or the office of  
22 financial management and the department of enterprise services when  
23 carrying out their duties under chapter 41.06 RCW;

24       (e) To adjustments by the department of revenue of the amount of  
25 the surcharge imposed under RCW 82.04.261; or

26       (f) To the extent they are inconsistent with any provisions of  
27 chapter 43.43 RCW.

28       (3) Unless a party makes an election for a formal hearing pursuant  
29 to RCW 82.03.140 or 82.03.190, RCW 34.05.410 through 34.05.598 do not  
30 apply to a review hearing conducted by the board of tax appeals.

31       (4) The rule-making provisions of this chapter do not apply to:

32       (a) Reimbursement unit values, fee schedules, arithmetic conversion  
33 factors, and similar arithmetic factors used to determine payment rates  
34 that apply to goods and services purchased under contract for clients  
35 eligible under chapter 74.09 RCW; and

36       (b) Adjustments by the department of revenue of the amount of the  
37 surcharge imposed under RCW 82.04.261.

1 (5) All other agencies, whether or not formerly specifically  
2 excluded from the provisions of all or any part of the administrative  
3 procedure act, shall be subject to the entire act.

4 **Sec. 432.** RCW 41.04.340 and 2002 c 354 s 227 are each amended to  
5 read as follows:

6 (1) An attendance incentive program is established for all eligible  
7 employees. As used in this section the term "eligible employee" means  
8 any employee of the state, other than eligible employees of the  
9 community and technical colleges and the state board for community and  
10 technical colleges identified in RCW 28B.50.553, and teaching and  
11 research faculty at the state and regional universities and The  
12 Evergreen State College, entitled to accumulate sick leave and for whom  
13 accurate sick leave records have been maintained. No employee may  
14 receive compensation under this section for any portion of sick leave  
15 accumulated at a rate in excess of one day per month. The state and  
16 regional universities and The Evergreen State College shall maintain  
17 complete and accurate sick leave records for all teaching and research  
18 faculty.

19 (2) In January of the year following any year in which a minimum of  
20 sixty days of sick leave is accrued, and each January thereafter, any  
21 eligible employee may receive remuneration for unused sick leave  
22 accumulated in the previous year at a rate equal to one day's monetary  
23 compensation of the employee for each four full days of accrued sick  
24 leave in excess of sixty days. Sick leave for which compensation has  
25 been received shall be deducted from accrued sick leave at the rate of  
26 four days for every one day's monetary compensation.

27 (3) At the time of separation from state service due to retirement  
28 or death, an eligible employee or the employee's estate may elect to  
29 receive remuneration at a rate equal to one day's current monetary  
30 compensation of the employee for each four full days of accrued sick  
31 leave.

32 (4) Remuneration or benefits received under this section shall not  
33 be included for the purpose of computing a retirement allowance under  
34 any public retirement system in this state.

35 (5) Except as provided in subsections (7) through (9) of this  
36 section for employees not covered by chapter 41.06 RCW, this section  
37 shall be administered, and rules shall be adopted to carry out its

1 purposes, by the human resources director (~~(of personnel)~~) for persons  
2 subject to chapter 41.06 RCW: PROVIDED, That determination of classes  
3 of eligible employees shall be subject to approval by the office of  
4 financial management.

5 (6) Should the legislature revoke any remuneration or benefits  
6 granted under this section, no affected employee shall be entitled  
7 thereafter to receive such benefits as a matter of contractual right.

8 (7) In lieu of remuneration for unused sick leave at retirement as  
9 provided in subsection (3) of this section, an agency head or designee  
10 may with equivalent funds, provide eligible employees with a benefit  
11 plan that provides for reimbursement for medical expenses. This plan  
12 shall be implemented only after consultation with affected groups of  
13 employees. For eligible employees covered by chapter 41.06 RCW,  
14 procedures for the implementation of these plans shall be adopted by  
15 the human resources director (~~(of personnel)~~). For eligible employees  
16 exempt from chapter 41.06 RCW, and classified employees who have opted  
17 out of coverage of chapter 41.06 RCW as provided in RCW 41.56.201,  
18 implementation procedures shall be adopted by an agency head having  
19 jurisdiction over the employees.

20 (8) Implementing procedures adopted by the human resources director  
21 (~~(of personnel)~~) or agency heads shall require that each medical  
22 expense plan authorized by subsection (7) of this section apply to all  
23 eligible employees in any one of the following groups: (a) Employees  
24 in an agency; (b) employees in a major organizational subdivision of an  
25 agency; (c) employees at a major operating location of an agency; (d)  
26 exempt employees under the jurisdiction of an elected or appointed  
27 Washington state executive; (e) employees of the Washington state  
28 senate; (f) employees of the Washington state house of representatives;  
29 (g) classified employees in a bargaining unit established by the  
30 director of personnel; or (h) other group of employees defined by an  
31 agency head that is not designed to provide an individual-employee  
32 choice regarding participation in a medical expense plan. However,  
33 medical expense plans for eligible employees in any of the groups under  
34 (a) through (h) of this subsection who are covered by a collective  
35 bargaining agreement shall be implemented only by written agreement  
36 with the bargaining unit's exclusive representative and a separate  
37 medical expense plan may be provided for unrepresented employees.

1 (9) Medical expense plans authorized by subsection (7) of this  
2 section must require as a condition of participation in the plan that  
3 employees in the group affected by the plan sign an agreement with the  
4 employer. The agreement must include a provision to hold the employer  
5 harmless should the United States government find that the employer or  
6 the employee is in debt to the United States as a result of the  
7 employee not paying income taxes due on the equivalent funds placed  
8 into the plan, or as a result of the employer not withholding or  
9 deducting a tax, assessment, or other payment on the funds as required  
10 by federal law. The agreement must also include a provision that  
11 requires an eligible employee to forfeit remuneration under subsection  
12 (3) of this section if the employee belongs to a group that has been  
13 designated to participate in the medical expense plan permitted under  
14 this section and the employee refuses to execute the required  
15 agreement.

16 **Sec. 433.** RCW 41.04.385 and 2006 c 265 s 201 are each amended to  
17 read as follows:

18 The legislature finds that (1) demographic, economic, and social  
19 trends underlie a critical and increasing demand for child care in the  
20 state of Washington; (2) working parents and their children benefit  
21 when the employees' child care needs have been resolved; (3) the state  
22 of Washington should serve as a model employer by creating a supportive  
23 atmosphere, to the extent feasible, in which its employees may meet  
24 their child care needs; and (4) the state of Washington should  
25 encourage the development of partnerships between state agencies, state  
26 employees, state employee labor organizations, and private employers to  
27 expand the availability of affordable quality child care. The  
28 legislature finds further that resolving employee child care concerns  
29 not only benefits the employees and their children, but may benefit the  
30 employer by reducing absenteeism, increasing employee productivity,  
31 improving morale, and enhancing the employer's position in recruiting  
32 and retaining employees. Therefore, the legislature declares that it  
33 is the policy of the state of Washington to assist state employees by  
34 creating a supportive atmosphere in which they may meet their child  
35 care needs. Policies and procedures for state agencies to address  
36 employee child care needs will be the responsibility of the director of

1 ((~~personnel~~)) enterprise services in consultation with the director of  
2 the department of early learning and state employee representatives.

3 **Sec. 434.** RCW 41.04.395 and 1994 sp.s. c 9 s 801 are each amended  
4 to read as follows:

5 (1) The disability accommodation revolving fund is created in the  
6 custody of the state treasurer. Disbursements from the fund shall be  
7 on authorization of the director of ((~~the department of personnel~~))  
8 financial management or the director's designee. The fund is subject  
9 to the allotment procedure provided under chapter 43.88 RCW, but no  
10 appropriation is required for disbursements. The fund shall be used  
11 exclusively by state agencies to accommodate the unanticipated job site  
12 or equipment needs of persons of disability in state employ.

13 (2) The director of ((~~the department of personnel~~)) financial  
14 management or the director's designee shall consult with the governor's  
15 committee on disability issues and employment regarding requests for  
16 disbursements from the disability accommodation revolving fund. The  
17 department shall establish application procedures, adopt criteria, and  
18 provide technical assistance to users of the fund.

19 (3) Agencies that receive moneys from the disability accommodation  
20 revolving fund shall return to the fund the amount received from the  
21 fund by no later than the end of the first month of the following  
22 fiscal biennium.

23 **Sec. 435.** RCW 41.04.665 and 2010 1st sp.s. c 32 s 10 and 2010 c  
24 168 s 1 are each reenacted and amended to read as follows:

25 (1) An agency head may permit an employee to receive leave under  
26 this section if:

27 (a)(i) The employee suffers from, or has a relative or household  
28 member suffering from, an illness, injury, impairment, or physical or  
29 mental condition which is of an extraordinary or severe nature;

30 (ii) The employee has been called to service in the uniformed  
31 services;

32 (iii) A state of emergency has been declared anywhere within the  
33 United States by the federal or any state government and the employee  
34 has needed skills to assist in responding to the emergency or its  
35 aftermath and volunteers his or her services to either a governmental

1 agency or to a nonprofit organization engaged in humanitarian relief in  
2 the devastated area, and the governmental agency or nonprofit  
3 organization accepts the employee's offer of volunteer services;

4 (iv) The employee is a victim of domestic violence, sexual assault,  
5 or stalking; or

6 (v) During the 2009-2011 fiscal biennium only, the employee is  
7 eligible to use leave in lieu of temporary layoff under section 3(5),  
8 chapter 32, Laws of 2010 1st sp. sess.;

9 (b) The illness, injury, impairment, condition, call to service,  
10 emergency volunteer service, or consequence of domestic violence,  
11 sexual assault, temporary layoff under section 3(5), chapter 32, Laws  
12 of 2010 1st sp. sess., or stalking has caused, or is likely to cause,  
13 the employee to:

14 (i) Go on leave without pay status; or

15 (ii) Terminate state employment;

16 (c) The employee's absence and the use of shared leave are  
17 justified;

18 (d) The employee has depleted or will shortly deplete his or her:

19 (i) Annual leave and sick leave reserves if he or she qualifies  
20 under (a)(i) of this subsection;

21 (ii) Annual leave and paid military leave allowed under RCW  
22 38.40.060 if he or she qualifies under (a)(ii) of this subsection; or

23 (iii) Annual leave if he or she qualifies under (a)(iii), (iv), or  
24 (v) of this subsection;

25 (e) The employee has abided by agency rules regarding:

26 (i) Sick leave use if he or she qualifies under (a)(i) or (iv) of  
27 this subsection; or

28 (ii) Military leave if he or she qualifies under (a)(ii) of this  
29 subsection; and

30 (f) The employee has diligently pursued and been found to be  
31 ineligible for benefits under chapter 51.32 RCW if he or she qualifies  
32 under (a)(i) of this subsection.

33 (2) The agency head shall determine the amount of leave, if any,  
34 which an employee may receive under this section. However, an employee  
35 shall not receive a total of more than five hundred twenty-two days of  
36 leave, except that, a supervisor may authorize leave in excess of five  
37 hundred twenty-two days in extraordinary circumstances for an employee  
38 qualifying for the shared leave program because he or she is suffering

1 from an illness, injury, impairment, or physical or mental condition  
2 which is of an extraordinary or severe nature. Shared leave received  
3 under the uniformed service shared leave pool in RCW 41.04.685 is not  
4 included in this total.

5 (3) An employee may transfer annual leave, sick leave, and his or  
6 her personal holiday, as follows:

7 (a) An employee who has an accrued annual leave balance of more  
8 than ten days may request that the head of the agency for which the  
9 employee works transfer a specified amount of annual leave to another  
10 employee authorized to receive leave under subsection (1) of this  
11 section. In no event may the employee request a transfer of an amount  
12 of leave that would result in his or her annual leave account going  
13 below ten days. For purposes of this subsection (3)(a), annual leave  
14 does not accrue if the employee receives compensation in lieu of  
15 accumulating a balance of annual leave.

16 (b) An employee may transfer a specified amount of sick leave to an  
17 employee requesting shared leave only when the donating employee  
18 retains a minimum of one hundred seventy-six hours of sick leave after  
19 the transfer.

20 (c) An employee may transfer, under the provisions of this section  
21 relating to the transfer of leave, all or part of his or her personal  
22 holiday, as that term is defined under RCW 1.16.050, or as such  
23 holidays are provided to employees by agreement with a school  
24 district's board of directors if the leave transferred under this  
25 subsection does not exceed the amount of time provided for personal  
26 holidays under RCW 1.16.050.

27 (4) An employee of an institution of higher education under RCW  
28 28B.10.016, school district, or educational service district who does  
29 not accrue annual leave but does accrue sick leave and who has an  
30 accrued sick leave balance of more than twenty-two days may request  
31 that the head of the agency for which the employee works transfer a  
32 specified amount of sick leave to another employee authorized to  
33 receive leave under subsection (1) of this section. In no event may  
34 such an employee request a transfer that would result in his or her  
35 sick leave account going below twenty-two days. Transfers of sick  
36 leave under this subsection are limited to transfers from employees who  
37 do not accrue annual leave. Under this subsection, "sick leave" also



1 includes leave accrued pursuant to RCW 28A.400.300(2) or 28A.310.240(1)  
2 with compensation for illness, injury, and emergencies.

3 (5) Transfers of leave made by an agency head under subsections (3)  
4 and (4) of this section shall not exceed the requested amount.

5 (6) Leave transferred under this section may be transferred from  
6 employees of one agency to an employee of the same agency or, with the  
7 approval of the heads of both agencies, to an employee of another state  
8 agency.

9 (7) While an employee is on leave transferred under this section,  
10 he or she shall continue to be classified as a state employee and shall  
11 receive the same treatment in respect to salary, wages, and employee  
12 benefits as the employee would normally receive if using accrued annual  
13 leave or sick leave.

14 (a) All salary and wage payments made to employees while on leave  
15 transferred under this section shall be made by the agency employing  
16 the person receiving the leave. The value of leave transferred shall  
17 be based upon the leave value of the person receiving the leave.

18 (b) In the case of leave transferred by an employee of one agency  
19 to an employee of another agency, the agencies involved shall arrange  
20 for the transfer of funds and credit for the appropriate value of  
21 leave.

22 (i) Pursuant to rules adopted by the office of financial  
23 management, funds shall not be transferred under this section if the  
24 transfer would violate any constitutional or statutory restrictions on  
25 the funds being transferred.

26 (ii) The office of financial management may adjust the  
27 appropriation authority of an agency receiving funds under this section  
28 only if and to the extent that the agency's existing appropriation  
29 authority would prevent it from expending the funds received.

30 (iii) Where any questions arise in the transfer of funds or the  
31 adjustment of appropriation authority, the director of financial  
32 management shall determine the appropriate transfer or adjustment.

33 (8) Leave transferred under this section shall not be used in any  
34 calculation to determine an agency's allocation of full time equivalent  
35 staff positions.

36 (9) The value of any leave transferred under this section which  
37 remains unused shall be returned at its original value to the employee  
38 or employees who transferred the leave when the agency head finds that

1 the leave is no longer needed or will not be needed at a future time in  
2 connection with the illness or injury for which the leave was  
3 transferred or for any other qualifying condition. Before the agency  
4 head makes a determination to return unused leave in connection with an  
5 illness or injury, or any other qualifying condition, he or she must  
6 receive from the affected employee a statement from the employee's  
7 doctor verifying that the illness or injury is resolved. To the extent  
8 administratively feasible, the value of unused leave which was  
9 transferred by more than one employee shall be returned on a pro rata  
10 basis.

11 (10) An employee who uses leave that is transferred to him or her  
12 under this section may not be required to repay the value of the leave  
13 that he or she used.

14 (11) The human resources director (~~(of personnel)~~) may adopt rules  
15 as necessary to implement subsection (2)(~~(a) through (c)~~) of this  
16 section.

17 **Sec. 436.** RCW 41.04.670 and 1993 c 281 s 18 are each amended to  
18 read as follows:

19 The (~~Washington personnel resources board~~) office of financial  
20 management and other personnel authorities shall each adopt rules  
21 applicable to employees under their respective jurisdictions: (1)  
22 Establishing appropriate parameters for the program which are  
23 consistent with the provisions of RCW 41.04.650 through 41.04.665; (2)  
24 providing for equivalent treatment of employees between their  
25 respective jurisdictions and allowing transfers of leave in accordance  
26 with RCW 41.04.665(5); (3) establishing procedures to ensure that the  
27 program does not significantly increase the cost of providing leave;  
28 and (4) providing for the administration of the program and providing  
29 for maintenance and collection of sufficient information on the program  
30 to allow a thorough legislative review.

31 **Sec. 437.** RCW 41.04.680 and 2006 c 356 s 1 are each amended to  
32 read as follows:

33 The (~~department of personnel~~) office of financial management and  
34 other personnel authorities shall adopt rules or policies governing the  
35 accumulation and use of sick leave for state agency and department  
36 employees, expressly for the establishment of a plan allowing

1 participating employees to pool sick leave and allowing any sick leave  
2 thus pooled to be used by any participating employee who has used all  
3 of the sick leave, annual leave, and compensatory leave that has been  
4 personally accrued by him or her. Each department or agency of the  
5 state may allow employees to participate in a sick leave pool  
6 established by the (~~department of personnel~~) office of financial  
7 management and other personnel authorities.

8 (1) For purposes of calculating maximum sick leave that may be  
9 donated or received by any one employee, pooled sick leave:

10 (a) Is counted and converted in the same manner as sick leave under  
11 the Washington state leave sharing program as provided in this chapter;  
12 and

13 (b) Does not create a right to sick leave in addition to the amount  
14 that may be donated or received under the Washington state leave  
15 sharing program as provided in this chapter.

16 (2) The (~~department~~) office of financial management and other  
17 personnel authorities, except the personnel authorities for higher  
18 education institutions, shall adopt rules which provide:

19 (a) That employees are eligible to participate in the sick leave  
20 pool after one year of employment with the state or agency of the state  
21 if the employee has accrued a minimum amount of unused sick leave, to  
22 be established by rule;

23 (b) That participation in the sick leave pool shall, at all times,  
24 be voluntary on the part of the employees;

25 (c) That any sick leave pooled shall be removed from the personally  
26 accumulated sick leave balance of the employee contributing the leave;

27 (d) That any sick leave in the pool that is used by a participating  
28 employee may be used only for the employee's personal illness,  
29 accident, or injury;

30 (e) That a participating employee is not eligible to use sick leave  
31 accumulated in the pool until all of his or her personally accrued  
32 sick, annual, and compensatory leave has been used;

33 (f) A maximum number of days of sick leave in the pool that any one  
34 employee may use;

35 (g) That a participating employee who uses sick leave from the pool  
36 is not required to recontribute such sick leave to the pool, except as  
37 otherwise provided in this section;

1 (h) That an employee who cancels his or her membership in the sick  
2 leave pool is not eligible to withdraw the days of sick leave  
3 contributed by that employee to the pool;

4 (i) That an employee who transfers from one position in state  
5 government to another position in state government may transfer from  
6 one pool to another if the eligibility criteria of the pools are  
7 comparable and the administrators of the pools have agreed on a formula  
8 for transfer of credits;

9 (j) That alleged abuse of the use of the sick leave pool shall be  
10 investigated, and, on a finding of wrongdoing, the employee shall repay  
11 all of the sick leave credits drawn from the sick leave pool and shall  
12 be subject to such other disciplinary action as is determined by the  
13 agency head;

14 (k) That sick leave credits may be drawn from the sick leave pool  
15 by a part-time employee on a pro rata basis; and

16 (l) That each department or agency shall maintain accurate and  
17 reliable records showing the amount of sick leave which has been  
18 accumulated and is unused by employees, in accordance with guidelines  
19 established by the department of personnel.

20 (3) Personnel authorities for higher education institutions shall  
21 adopt policies consistent with the needs of the employees under their  
22 respective jurisdictions.

23 **Sec. 438.** RCW 41.04.685 and 2007 c 25 s 1 are each amended to read  
24 as follows:

25 (1) The uniformed service shared leave pool is created to allow  
26 employees to donate leave to be used as shared leave for any employee  
27 who has been called to service in the uniformed services and who meets  
28 the requirements of RCW 41.04.665. Participation in the pool shall, at  
29 all times, be voluntary on the part of the employee. The military  
30 department, in consultation with the (~~department of personnel and~~  
31 ~~the~~) office of financial management, shall administer the uniformed  
32 service shared leave pool.

33 (2) Employees as defined in subsection (10) of this section who are  
34 eligible to donate leave under RCW 41.04.665 may donate leave to the  
35 uniformed service shared leave pool.

36 (3) An employee as defined in subsection (10) of this section who

1 has been called to service in the uniformed services and is eligible  
2 for shared leave under RCW 41.04.665 may request shared leave from the  
3 uniformed service shared leave pool.

4 (4) It shall be the responsibility of the employee who has been  
5 called to service to provide an earnings statement verifying military  
6 salary, orders of service, and notification of a change in orders of  
7 service or military salary.

8 (5) Shared leave under this section may not be granted unless the  
9 pool has a sufficient balance to fund the requested shared leave for  
10 the expected term of service.

11 (6) Shared leave paid under this section, in combination with  
12 military salary, shall not exceed the level of the employee's state  
13 monthly salary.

14 (7) Any leave donated shall be removed from the personally  
15 accumulated leave balance of the employee donating the leave.

16 (8) An employee who receives shared leave from the pool is not  
17 required to recontribute such leave to the pool, except as otherwise  
18 provided in this section.

19 (9) Leave that may be donated or received by any one employee shall  
20 be calculated as in RCW 41.04.665.

21 (10) As used in this section:

22 (a) "Employee" has the meaning provided in RCW 41.04.655, except  
23 that "employee" as used in this section does not include employees of  
24 school districts and educational service districts.

25 (b) "Service in the uniformed services" has the meaning provided in  
26 RCW 41.04.655.

27 (c) "Military salary" includes base, specialty, and other pay, but  
28 does not include allowances such as the basic allowance for housing.

29 (d) "Monthly salary" includes monthly salary and special pay and  
30 shift differential, or the monthly equivalent for hourly employees.  
31 "Monthly salary" does not include:

- 32 (i) Overtime pay;
- 33 (ii) Call back pay;
- 34 (iii) Standby pay; or
- 35 (iv) Performance bonuses.

36 (11) The (~~department of personnel~~) office of financial  
37 management, in consultation with the military department (~~and the~~  
38 ~~office of financial management~~)), shall adopt rules and policies

1 governing the donation and use of shared leave from the uniformed  
2 service shared leave pool, including definitions of pay and allowances  
3 and guidelines for agencies to use in recordkeeping concerning shared  
4 leave.

5 (12) Agencies shall investigate any alleged abuse of the uniformed  
6 service shared leave pool and on a finding of wrongdoing, the employee  
7 may be required to repay all of the shared leave received from the  
8 uniformed service shared leave pool.

9 (13) Higher education institutions shall adopt policies consistent  
10 with the needs of the employees under their respective jurisdictions.

11 **Sec. 439.** RCW 41.04.720 and 1990 c 60 s 303 are each amended to  
12 read as follows:

13 The director of (~~human resources~~) enterprise services shall:

14 (1) Administer the state employee assistance program to assist  
15 employees who have personal problems that adversely affect their job  
16 performance or have the potential of doing so;

17 (2) Develop policies, procedures, and activities for the program;

18 (3) Encourage and promote the voluntary use of the employee  
19 assistance program by increasing employee awareness and disseminating  
20 educational materials;

21 (4) Provide technical assistance and training to agencies on how to  
22 use the employee assistance program;

23 (5) Assist and encourage supervisors to identify and refer  
24 employees with problems that impair their performance by incorporating  
25 proper use of the program in management training, management  
26 performance criteria, ongoing communication with agencies, and other  
27 appropriate means;

28 (6) Offer substance abuse prevention and awareness activities to be  
29 provided through the employee assistance program and the state employee  
30 wellness program;

31 (7) Monitor and evaluate the effectiveness of the program,  
32 including the collection, analysis, and publication of relevant  
33 statistical information; and

34 (8) Consult with state agencies, institutions of higher education,  
35 and employee organizations in carrying out the purposes of RCW  
36 41.04.700 through 41.04.730.

1           **Sec. 440.** RCW 41.04.770 and 1997 c 287 s 4 are each amended to  
2 read as follows:

3           The department of social and health services and the department of  
4 ~~((personnel))~~ enterprise services shall, after consultation with  
5 supported employment provider associations and other interested  
6 parties, encourage, educate, and assist state agencies in implementing  
7 supported employment programs. The department of ~~((personnel))~~  
8 enterprise services shall provide human resources technical assistance  
9 to agencies implementing supported employment programs. ~~((The~~  
10 ~~department of personnel shall make available, upon request of the~~  
11 ~~legislature, an annual report that evaluates the overall progress of~~  
12 ~~supported employment in state government.))~~

13           **Sec. 441.** RCW 41.07.020 and 1979 c 151 s 62 are each amended to  
14 read as follows:

15           The department of ~~((personnel))~~ enterprise services is authorized  
16 to administer, maintain, and operate the central personnel-payroll  
17 system and to provide its services for any state agency designated  
18 jointly by the director of the department of ~~((personnel))~~ enterprise  
19 services and the director of financial management.

20           The system shall be operated through state data processing centers.  
21 State agencies shall convert personnel and payroll processing to the  
22 central personnel-payroll system as soon as administratively and  
23 technically feasible as determined by the office of financial  
24 management and the department of ~~((personnel))~~ enterprise services. It  
25 is the intent of the legislature to provide, through the central  
26 personnel-payroll system, for uniform reporting to the office of  
27 financial management and to the legislature regarding salaries and  
28 related costs, and to reduce present costs of manual procedures in  
29 personnel and payroll record keeping and reporting.

30           **Sec. 442.** RCW 41.07.030 and 1975 1st ex.s. c 239 s 3 are each  
31 amended to read as follows:

32           The costs of administering, maintaining, and operating the central  
33 personnel-payroll system shall be distributed to the using state  
34 agencies. In order to insure proper and equitable distribution of  
35 costs the department of ~~((personnel))~~ enterprise services shall utilize  
36 cost accounting procedures to identify all costs incurred in the

1 administration, maintenance, and operation of the central personnel-  
2 payroll system. In order to facilitate proper and equitable  
3 distribution of costs to the using state agencies the department of  
4 ~~((personnel))~~ enterprise services is authorized to utilize the data  
5 processing revolving fund created by RCW 43.105.080 (as recodified by  
6 this act) and the ~~((department of))~~ personnel service fund created by  
7 RCW 41.06.280.

8 **Sec. 443.** RCW 41.60.015 and 2000 c 139 s 1 are each amended to  
9 read as follows:

10 (1) There is hereby created the productivity board, which may also  
11 be known as the employee involvement and recognition board. The board  
12 shall administer the employee suggestion program and the teamwork  
13 incentive program under this chapter.

14 (2) The board shall be composed of:

15 (a) The secretary of state who shall act as chairperson;

16 (b) ~~((The director of personnel appointed under the provisions of~~  
17 ~~RCW 41.06.130 or the director's designee;~~

18 ~~(+))~~ The director of financial management or the director's  
19 designee;

20 ~~((+d))~~ (c) The director of ~~((general administration))~~ enterprise  
21 services or the director's designee;

22 ~~((+e))~~ (d) Three persons with experience in administering  
23 incentives such as those used by industry, with the governor,  
24 lieutenant governor, and speaker of the house of representatives each  
25 appointing one person. The governor's appointee shall be a  
26 representative of an employee organization certified as an exclusive  
27 representative of at least one bargaining unit of classified employees;

28 ~~((+f))~~ (e) Two persons representing state agencies and  
29 institutions with employees subject to chapter 41.06 RCW, and one  
30 person representing those subject to chapter 28B.16 RCW, both appointed  
31 by the governor; and

32 ~~((+g))~~ (f) In addition, the governor and board chairperson may  
33 jointly appoint persons to the board on an ad hoc basis. Ad hoc  
34 members shall serve in an advisory capacity and shall not have the  
35 right to vote.

36 Members under subsection (2)~~((+e))~~(d) and ~~((+f))~~ (e) of this  
37 section shall be appointed to serve three-year terms.



1 Members of the board appointed pursuant to subsection (2)((~~e~~))(d)  
2 of this section may be compensated in accordance with RCW 43.03.240.  
3 Any board member who is not a state employee may be reimbursed for  
4 travel expenses under RCW 43.03.050 and 43.03.060.

5 **Sec. 444.** RCW 41.80.005 and 2002 c 354 s 321 are each amended to  
6 read as follows:

7 Unless the context clearly requires otherwise, the definitions in  
8 this section apply throughout this chapter.

9 (1) "Agency" means any agency as defined in RCW 41.06.020 and  
10 covered by chapter 41.06 RCW.

11 (2) "Collective bargaining" means the performance of the mutual  
12 obligation of the representatives of the employer and the exclusive  
13 bargaining representative to meet at reasonable times and to bargain in  
14 good faith in an effort to reach agreement with respect to the subjects  
15 of bargaining specified under RCW 41.80.020. The obligation to bargain  
16 does not compel either party to agree to a proposal or to make a  
17 concession, except as otherwise provided in this chapter.

18 (3) "Commission" means the public employment relations commission.

19 (4) "Confidential employee" means an employee who, in the regular  
20 course of his or her duties, assists in a confidential capacity persons  
21 who formulate, determine, and effectuate management policies with  
22 regard to labor relations or who, in the regular course of his or her  
23 duties, has authorized access to information relating to the  
24 effectuation or review of the employer's collective bargaining  
25 policies, or who assists or aids a manager. "Confidential employee"  
26 also includes employees who assist assistant attorneys general who  
27 advise and represent managers or confidential employees in personnel or  
28 labor relations matters, or who advise or represent the state in tort  
29 actions.

30 (5) "Director" means the director of the public employment  
31 relations commission.

32 (6) "Employee" means any employee, including employees whose work  
33 has ceased in connection with the pursuit of lawful activities  
34 protected by this chapter, covered by chapter 41.06 RCW, except:

35 (a) Employees covered for collective bargaining by chapter 41.56  
36 RCW;

37 (b) Confidential employees;

1 (c) Members of the Washington management service;

2 (d) Internal auditors in any agency; or

3 (e) Any employee of the commission, the office of financial  
4 management, (~~or the department of personnel~~) or the office of risk  
5 management within the department of enterprise services.

6 (7) "Employee organization" means any organization, union, or  
7 association in which employees participate and that exists for the  
8 purpose, in whole or in part, of collective bargaining with employers.

9 (8) "Employer" means the state of Washington.

10 (9) "Exclusive bargaining representative" means any employee  
11 organization that has been certified under this chapter as the  
12 representative of the employees in an appropriate bargaining unit.

13 (10) "Institutions of higher education" means the University of  
14 Washington, Washington State University, Central Washington University,  
15 Eastern Washington University, Western Washington University, The  
16 Evergreen State College, and the various state community colleges.

17 (11) "Labor dispute" means any controversy concerning terms,  
18 tenure, or conditions of employment, or concerning the association or  
19 representation of persons in negotiating, fixing, maintaining,  
20 changing, or seeking to arrange terms or conditions of employment with  
21 respect to the subjects of bargaining provided in this chapter,  
22 regardless of whether the disputants stand in the proximate relation of  
23 employer and employee.

24 (12) "Manager" means "manager" as defined in RCW 41.06.022.

25 (13) "Supervisor" means an employee who has authority, in the  
26 interest of the employer, to hire, transfer, suspend, lay off, recall,  
27 promote, discharge, direct, reward, or discipline employees, or to  
28 adjust employee grievances, or effectively to recommend such action, if  
29 the exercise of the authority is not of a merely routine nature but  
30 requires the consistent exercise of individual judgment. However, no  
31 employee who is a member of the Washington management service may be  
32 included in a collective bargaining unit established under this  
33 section.

34 (14) "Unfair labor practice" means any unfair labor practice listed  
35 in RCW 41.80.110.

36 **Sec. 445.** RCW 41.80.020 and 2010 c 283 s 16 are each amended to  
37 read as follows:

1 (1) Except as otherwise provided in this chapter, the matters  
2 subject to bargaining include wages, hours, and other terms and  
3 conditions of employment, and the negotiation of any question arising  
4 under a collective bargaining agreement.

5 (2) The employer is not required to bargain over matters pertaining  
6 to:

7 (a) Health care benefits or other employee insurance benefits,  
8 except as required in subsection (3) of this section;

9 (b) Any retirement system or retirement benefit; or

10 (c) Rules of the human resources director (~~(of personnel)~~), the  
11 director of enterprise services, or the Washington personnel resources  
12 board adopted under (~~(section 203, chapter 354, Laws of 2002)~~) section  
13 411 of this act.

14 (3) Matters subject to bargaining include the number of names to be  
15 certified for vacancies, promotional preferences, and the dollar amount  
16 expended on behalf of each employee for health care benefits. However,  
17 except as provided otherwise in this subsection for institutions of  
18 higher education, negotiations regarding the number of names to be  
19 certified for vacancies, promotional preferences, and the dollar amount  
20 expended on behalf of each employee for health care benefits shall be  
21 conducted between the employer and one coalition of all the exclusive  
22 bargaining representatives subject to this chapter. The exclusive  
23 bargaining representatives for employees that are subject to chapter  
24 47.64 RCW shall bargain the dollar amount expended on behalf of each  
25 employee for health care benefits with the employer as part of the  
26 coalition under this subsection. Any such provision agreed to by the  
27 employer and the coalition shall be included in all master collective  
28 bargaining agreements negotiated by the parties. For institutions of  
29 higher education, promotional preferences and the number of names to be  
30 certified for vacancies shall be bargained under the provisions of RCW  
31 41.80.010(4).

32 (4) The employer and the exclusive bargaining representative shall  
33 not agree to any proposal that would prevent the implementation of  
34 approved affirmative action plans or that would be inconsistent with  
35 the comparable worth agreement that provided the basis for the salary  
36 changes implemented beginning with the 1983-1985 biennium to achieve  
37 comparable worth.

1 (5) The employer and the exclusive bargaining representative shall  
2 not bargain over matters pertaining to management rights established in  
3 RCW 41.80.040.

4 (6) Except as otherwise provided in this chapter, if a conflict  
5 exists between an executive order, administrative rule, or agency  
6 policy relating to wages, hours, and terms and conditions of employment  
7 and a collective bargaining agreement negotiated under this chapter,  
8 the collective bargaining agreement shall prevail. A provision of a  
9 collective bargaining agreement that conflicts with the terms of a  
10 statute is invalid and unenforceable.

11 (7) This section does not prohibit bargaining that affects  
12 contracts authorized by RCW 41.06.142.

13 **Sec. 446.** RCW 42.16.010 and 2008 c 186 s 1 are each amended to  
14 read as follows:

15 (1) Except as provided otherwise in subsections (2) and (3) of this  
16 section, all state officers and employees shall be paid for services  
17 rendered from the first day of the month through the fifteenth day of  
18 the month and for services rendered from the sixteenth day of the month  
19 through the last calendar day of the month. Paydates for these two pay  
20 periods shall be established by the director of financial management  
21 through the administrative hearing process and the official paydates  
22 shall be established six months prior to the beginning of each  
23 subsequent calendar year. Under no circumstance shall the paydate be  
24 established more than ten days after the pay period in which the wages  
25 are earned except when the designated paydate falls on Sunday, in which  
26 case the paydate shall not be later than the following Monday. Payment  
27 shall be deemed to have been made by the established paydates if: (a)  
28 The salary warrant is available at the geographic work location at  
29 which the warrant is normally available to the employee; or (b) the  
30 salary has been electronically transferred into the employee's account  
31 at the employee's designated financial institution; or (c) the salary  
32 warrants are mailed at least two days before the established paydate  
33 for those employees engaged in work in remote or varying locations from  
34 the geographic location at which the payroll is prepared, provided that  
35 the employee has requested payment by mail.

36 The office of financial management shall develop the necessary  
37 policies and operating procedures to assure that all remuneration for

1 services rendered including basic salary, shift differential, standby  
2 pay, overtime, penalty pay, salary due based on contractual agreements,  
3 and special pay provisions, as provided for by law, (~~Washington~~  
4 ~~personnel resources board rules,~~) agency policy or rule, or contract,  
5 shall be available to the employee on the designated paydate.  
6 Overtime, penalty pay, and special pay provisions may be paid by the  
7 next following paydate if the postponement of payment is attributable  
8 to: The employee's not making a timely or accurate report of the facts  
9 which are the basis for the payment, or the employer's lack of  
10 reasonable opportunity to verify the claim.

11 Compensable benefits payable because of separation from state  
12 service shall be paid with the earnings for the final period worked  
13 unless the employee separating has not provided the agency with the  
14 proper notification of intent to terminate.

15 One-half of the employee's basic monthly salary shall be paid in  
16 each pay period. Employees paid on an hourly basis or employees who  
17 work less than a full pay period shall be paid for actual salary  
18 earned.

19 (2) Subsection (1) of this section shall not apply in instances  
20 where it would conflict with contractual rights or, with the approval  
21 of the office of financial management, to short-term, intermittent,  
22 noncareer state employees, to student employees of institutions of  
23 higher education, to national or state guard members participating in  
24 state active duty, and to liquor control agency managers who are paid  
25 a percentage of monthly liquor sales.

26 (3) When a national or state guard member is called to participate  
27 in state active duty, the paydate shall be no more than seven days  
28 following completion of duty or the end of the pay period, whichever is  
29 first. When the seventh day falls on Sunday, the paydate shall not be  
30 later than the following Monday. This subsection shall apply only to  
31 the pay a national or state guard member receives from the military  
32 department for state active duty.

33 (4) Notwithstanding subsections (1) and (2) of this section, a  
34 bargained contract at an institution of higher education may include a  
35 provision for paying part-time academic employees on a pay schedule  
36 that coincides with all the paydays used for full-time academic  
37 employees.

1           **Sec. 447.**   RCW 42.17.370 and 2010 1st sp.s. c 7 s 4 are each  
2 amended to read as follows:

3           The commission is empowered to:

4           (1) Adopt, promulgate, amend, and rescind suitable administrative  
5 rules to carry out the policies and purposes of this chapter, which  
6 rules shall be adopted under chapter 34.05 RCW. Any rule relating to  
7 campaign finance, political advertising, or related forms that would  
8 otherwise take effect after June 30th of a general election year shall  
9 take effect no earlier than the day following the general election in  
10 that year;

11           (2) Appoint and set, within the limits established by the  
12 (~~department of personnel~~) office of financial management under RCW  
13 43.03.028, the compensation of an executive director who shall perform  
14 such duties and have such powers as the commission may prescribe and  
15 delegate to implement and enforce this chapter efficiently and  
16 effectively. The commission shall not delegate its authority to adopt,  
17 amend, or rescind rules nor shall it delegate authority to determine  
18 whether an actual violation of this chapter has occurred or to assess  
19 penalties for such violations;

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

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

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

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

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

36           (8) Relieve, by rule, candidates or political committees of  
37 obligations to comply with the provisions of this chapter relating to

1 election campaigns, if they have not received contributions nor made  
2 expenditures in connection with any election campaign of more than one  
3 thousand dollars;

4 (9) Adopt rules prescribing reasonable requirements for keeping  
5 accounts of and reporting on a quarterly basis costs incurred by state  
6 agencies, counties, cities, and other municipalities and political  
7 subdivisions in preparing, publishing, and distributing legislative  
8 information. The term "legislative information," for the purposes of  
9 this subsection, means books, pamphlets, reports, and other materials  
10 prepared, published, or distributed at substantial cost, a substantial  
11 purpose of which is to influence the passage or defeat of any  
12 legislation. The state auditor in his or her regular examination of  
13 each agency under chapter 43.09 RCW shall review the rules, accounts,  
14 and reports and make appropriate findings, comments, and  
15 recommendations in his or her examination reports concerning those  
16 agencies;

17 (10) After hearing, by order approved and ratified by a majority of  
18 the membership of the commission, suspend or modify any of the  
19 reporting requirements of this chapter in a particular case if it finds  
20 that literal application of this chapter works a manifestly  
21 unreasonable hardship and if it also finds that the suspension or  
22 modification will not frustrate the purposes of the chapter. The  
23 commission shall find that a manifestly unreasonable hardship exists if  
24 reporting the name of an entity required to be reported under RCW  
25 42.17.241(1)(g)(ii) would be likely to adversely affect the competitive  
26 position of any entity in which the person filing the report or any  
27 member of his or her immediate family holds any office, directorship,  
28 general partnership interest, or an ownership interest of ten percent  
29 or more. Any suspension or modification shall be only to the extent  
30 necessary to substantially relieve the hardship. The commission shall  
31 act to suspend or modify any reporting requirements only if it  
32 determines that facts exist that are clear and convincing proof of the  
33 findings required under this section. Requests for renewals of  
34 reporting modifications may be heard in a brief adjudicative proceeding  
35 as set forth in RCW 34.05.482 through 34.05.494 and in accordance with  
36 the standards established in this section. No initial request may be  
37 heard in a brief adjudicative proceeding and no request for renewal may  
38 be heard in a brief adjudicative proceeding if the initial request was

1 granted more than three years previously or if the applicant is holding  
2 an office or position of employment different from the office or  
3 position held when the initial request was granted. The commission  
4 shall adopt administrative rules governing the proceedings. Any  
5 citizen has standing to bring an action in Thurston county superior  
6 court to contest the propriety of any order entered under this section  
7 within one year from the date of the entry of the order; (~~and~~)

8 (11) Revise, at least once every five years but no more often than  
9 every two years, the monetary reporting thresholds and reporting code  
10 values of this chapter. The revisions shall be only for the purpose of  
11 recognizing economic changes as reflected by an inflationary index  
12 recommended by the office of financial management. The revisions shall  
13 be guided by the change in the index for the period commencing with the  
14 month of December preceding the last revision and concluding with the  
15 month of December preceding the month the revision is adopted. As to  
16 each of the three general categories of this chapter (reports of  
17 campaign finance, reports of lobbyist activity, and reports of the  
18 financial affairs of elected and appointed officials), the revisions  
19 shall equally affect all thresholds within each category. Revisions  
20 shall be adopted as rules under chapter 34.05 RCW. The first revision  
21 authorized by this subsection shall reflect economic changes from the  
22 time of the last legislative enactment affecting the respective code or  
23 threshold through December 1985; and

24 (12) Develop and provide to filers a system for certification of  
25 reports required under this chapter which are transmitted by facsimile  
26 or electronically to the commission. Implementation of the program is  
27 contingent on the availability of funds.

28 **Sec. 448.** RCW 42.17A.110 and 2010 1st sp.s. c 7 s 4 and 2010 c 204  
29 s 303 are each reenacted and amended to read as follows:

30 The commission is empowered to:

31 (1) Adopt, promulgate, amend, and rescind suitable administrative  
32 rules to carry out the policies and purposes of this chapter, which  
33 rules shall be adopted under chapter 34.05 RCW. Any rule relating to  
34 campaign finance, political advertising, or related forms that would  
35 otherwise take effect after June 30th of a general election year shall  
36 take effect no earlier than the day following the general election in  
37 that year;



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

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

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

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

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

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

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

31 (9) Adopt rules prescribing reasonable requirements for keeping  
32 accounts of and reporting on a quarterly basis costs incurred by state  
33 agencies, counties, cities, and other municipalities and political  
34 subdivisions in preparing, publishing, and distributing legislative  
35 information. The term "legislative information," for the purposes of  
36 this subsection, means books, pamphlets, reports, and other materials  
37 prepared, published, or distributed at substantial cost, a substantial  
38 purpose of which is to influence the passage or defeat of any

1 legislation. The state auditor in his or her regular examination of  
2 each agency under chapter 43.09 RCW shall review the rules, accounts,  
3 and reports and make appropriate findings, comments, and  
4 recommendations in his or her examination reports concerning those  
5 agencies;

6 (10) After hearing, by order approved and ratified by a majority of  
7 the membership of the commission, suspend or modify any of the  
8 reporting requirements of this chapter in a particular case if it finds  
9 that literal application of this chapter works a manifestly  
10 unreasonable hardship and if it also finds that the suspension or  
11 modification will not frustrate the purposes of the chapter. The  
12 commission shall find that a manifestly unreasonable hardship exists if  
13 reporting the name of an entity required to be reported under RCW  
14 42.17.241(1)(g)(ii) would be likely to adversely affect the competitive  
15 position of any entity in which the person filing the report or any  
16 member of his or her immediate family holds any office, directorship,  
17 general partnership interest, or an ownership interest of ten percent  
18 or more. Any suspension or modification shall be only to the extent  
19 necessary to substantially relieve the hardship. The commission shall  
20 act to suspend or modify any reporting requirements only if it  
21 determines that facts exist that are clear and convincing proof of the  
22 findings required under this section. Requests for renewals of  
23 reporting modifications may be heard in a brief adjudicative proceeding  
24 as set forth in RCW 34.05.482 through 34.05.494 and in accordance with  
25 the standards established in this section. No initial request may be  
26 heard in a brief adjudicative proceeding and no request for renewal may  
27 be heard in a brief adjudicative proceeding if the initial request was  
28 granted more than three years previously or if the applicant is holding  
29 an office or position of employment different from the office or  
30 position held when the initial request was granted. The commission  
31 shall adopt administrative rules governing the proceedings. Any  
32 citizen has standing to bring an action in Thurston county superior  
33 court to contest the propriety of any order entered under this section  
34 within one year from the date of the entry of the order; and

35 (11) Revise, at least once every five years but no more often than  
36 every two years, the monetary reporting thresholds and reporting code  
37 values of this chapter. The revisions shall be only for the purpose of  
38 recognizing economic changes as reflected by an inflationary index

1 recommended by the office of financial management. The revisions shall  
2 be guided by the change in the index for the period commencing with the  
3 month of December preceding the last revision and concluding with the  
4 month of December preceding the month the revision is adopted. As to  
5 each of the three general categories of this chapter (reports of  
6 campaign finance, reports of lobbyist activity, and reports of the  
7 financial affairs of elected and appointed officials), the revisions  
8 shall equally affect all thresholds within each category. Revisions  
9 shall be adopted as rules under chapter 34.05 RCW. The first revision  
10 authorized by this subsection shall reflect economic changes from the  
11 time of the last legislative enactment affecting the respective code or  
12 threshold through December 1985;

13 (12) Develop and provide to filers a system for certification of  
14 reports required under this chapter which are transmitted by facsimile  
15 or electronically to the commission. Implementation of the program is  
16 contingent on the availability of funds.

17 **Sec. 449.** RCW 43.01.040 and 2009 c 549 s 5001 are each amended to  
18 read as follows:

19 Each subordinate officer and employee of the several offices,  
20 departments, and institutions of the state government shall be entitled  
21 under their contract of employment with the state government to not  
22 less than one working day of vacation leave with full pay for each  
23 month of employment if said employment is continuous for six months.

24 Each such subordinate officer and employee shall be entitled under  
25 such contract of employment to not less than one additional working day  
26 of vacation with full pay each year for satisfactorily completing the  
27 first two, three and five continuous years of employment respectively.

28 Such part time officers or employees of the state government who  
29 are employed on a regular schedule of duration of not less than one  
30 year shall be entitled under their contract of employment to that  
31 fractional part of the vacation leave that the total number of hours of  
32 such employment bears to the total number of hours of full time  
33 employment.

34 Each subordinate officer and employee of the several offices,  
35 departments and institutions of the state government shall be entitled  
36 under his or her contract of employment with the state government to  
37 accrue unused vacation leave not to exceed thirty working days.

1 Officers and employees transferring within the several offices,  
2 departments and institutions of the state government shall be entitled  
3 to transfer such accrued vacation leave to each succeeding state  
4 office, department or institution. All vacation leave shall be taken  
5 at the time convenient to the employing office, department or  
6 institution: PROVIDED, That if a subordinate officer's or employee's  
7 request for vacation leave is deferred by reason of the convenience of  
8 the employing office, department or institution, and a statement of the  
9 necessity therefor is (~~filed by such employing office, department or~~  
10 ~~institution with the appropriate personnel board or other state agency~~  
11 ~~or officer~~)) retained by the agency, then the aforesaid maximum thirty  
12 working days of accrued unused vacation leave shall be extended for  
13 each month said leave is so deferred.

14 **Sec. 450.** RCW 43.01.135 and 2007 c 76 s 2 are each amended to read  
15 as follows:

16 Agencies as defined in RCW 41.06.020, except for institutions of  
17 higher education, shall:

18 (1) Update or develop and disseminate among all agency employees  
19 and contractors a policy that:

20 (a) Defines and prohibits sexual harassment in the workplace;

21 (b) Includes procedures that describe how the agency will address  
22 concerns of employees who are affected by sexual harassment in the  
23 workplace;

24 (c) Identifies appropriate sanctions and disciplinary actions; and

25 (d) Complies with guidelines adopted by the director of personnel  
26 under RCW 41.06.395;

27 (2) Respond promptly and effectively to sexual harassment concerns;

28 (3) Conduct training and education for all employees in order to  
29 prevent and eliminate sexual harassment in the organization;

30 (4) Inform employees of their right to file a complaint with the  
31 Washington state human rights commission under chapter 49.60 RCW, or  
32 with the federal equal employment opportunity commission under Title  
33 VII of the civil rights act of 1964; and

34 (5) Report to the department of (~~personnel~~) enterprise services  
35 on compliance with this section.

36 The cost of the training programs shall be borne by state agencies  
37 within existing resources.

1           **Sec. 451.** RCW 43.03.028 and 2010 1st sp.s. c 7 s 2 are each  
2 amended to read as follows:

3           (1) The (~~department of personnel~~) office of financial management  
4 shall study the duties and salaries of the directors of the several  
5 departments and the members of the several boards and commissions of  
6 state government, who are subject to appointment by the governor or  
7 whose salaries are fixed by the governor, and of the chief executive  
8 officers of the following agencies of state government:

9           The arts commission; the human rights commission; the board of  
10 accountancy; (~~the board of pharmacy~~) the eastern Washington  
11 historical society; the Washington state historical society; the  
12 recreation and conservation office; the criminal justice training  
13 commission; (~~the department of personnel; the state library~~) the  
14 traffic safety commission; the horse racing commission; (~~the advisory  
15 council on vocational education~~) the public disclosure commission;  
16 the state conservation commission; the commission on Hispanic affairs;  
17 the commission on Asian Pacific American affairs; the state board for  
18 volunteer firefighters and reserve officers; the transportation  
19 improvement board; the public employment relations commission; (~~the  
20 forest practices appeals board~~) and the energy facilities site  
21 evaluation council.

22           (2) The (~~department of personnel~~) office of financial management  
23 shall report to the governor or the chairperson of the appropriate  
24 salary fixing authority at least once in each fiscal biennium on such  
25 date as the governor may designate, but not later than seventy-five  
26 days prior to the convening of each regular session of the legislature  
27 during an odd-numbered year, its recommendations for the salaries to be  
28 fixed for each position.

29           **Sec. 452.** RCW 43.03.120 and 2009 c 549 s 5009 are each amended to  
30 read as follows:

31           Any state office, commission, department or institution may also  
32 pay the moving expenses of a new employee, necessitated by his or her  
33 acceptance of state employment, pursuant to mutual agreement with such  
34 employee in advance of his or her employment (~~PROVIDED, That if such  
35 employee is in the classified service as defined in chapter 41.06 RCW,  
36 that said employee has been duly certified from an eligible register.  
37 No such offer or agreement for such payment shall be made to a~~

1 ~~prospective member of the classified service, prior to such~~  
2 ~~certification, except through appropriate public announcement by the~~  
3 ~~department of personnel, or other corresponding personnel agency as~~  
4 ~~provided by chapter 41.06 RCW)).~~ Payment for all expenses authorized  
5 by RCW 43.03.060, 43.03.110 through 43.03.210 including moving expenses  
6 of new employees, exempt or classified, and others, shall be subject to  
7 reasonable (~~regulations promulgated~~) rules adopted by the director of  
8 financial management, including regulations defining allowable moving  
9 costs: PROVIDED, That, if the new employee terminates or causes  
10 termination of his or her employment with the state within one year of  
11 the date of employment, the state shall be entitled to reimbursement  
12 for the moving costs which have been paid and may withhold such sum as  
13 necessary therefor from any amounts due the employee.

14 **Sec. 453.** RCW 43.03.130 and 2000 c 153 s 1 are each amended to  
15 read as follows:

16 Any state office, commission, department or institution may agree  
17 to pay the travel expenses of a prospective employee as an inducement  
18 for such applicant to travel to a designated place to be interviewed by  
19 and for the convenience of such agency(~~(: PROVIDED, That if such~~  
20 ~~employment is to be in the classified service, such offer may be made~~  
21 ~~only on the express authorization of the state department of personnel,~~  
22 ~~or other corresponding personnel agency as provided by chapter 41.06~~  
23 ~~RCW, to applicants reporting for a merit system examination or to~~  
24 ~~applicants from an eligible register reporting for a pre-employment~~  
25 ~~interview)).~~ Travel expenses authorized for prospective employees  
26 called for interviews shall be payable at rates in accordance with RCW  
27 43.03.050 and 43.03.060 as now existing or hereafter amended. When an  
28 applicant is called to be interviewed by or on behalf of more than one  
29 agency, the authorized travel expenses may be paid directly by the  
30 authorizing personnel department or agency, subject to reimbursement  
31 from the interviewing agencies on a pro rata basis.

32 In the case of both classified and exempt positions, such travel  
33 expenses will be paid only for applicants being considered for the  
34 positions of director, deputy director, assistant director, or  
35 supervisor of state departments, boards or commissions; or equivalent  
36 or higher positions; or engineers, or other personnel having both  
37 executive and professional status. In the case of the state investment

1 board, such travel expenses may also be paid for applicants being  
2 considered for investment officer positions. In the case of four-year  
3 institutions of higher education, such travel expenses will be paid  
4 only for applicants being considered for academic positions above the  
5 rank of instructor or professional or administrative employees in  
6 supervisory positions. In the case of community and technical  
7 colleges, such travel expenses may be paid for applicants being  
8 considered for full-time faculty positions or administrative employees  
9 in supervisory positions.

10 **Sec. 454.** RCW 43.06.013 and 2006 c 45 s 1 are each amended to read  
11 as follows:

12 When requested by the governor or the director of the department of  
13 (~~personnel~~) enterprise services, nonconviction criminal history  
14 fingerprint record checks shall be conducted through the Washington  
15 state patrol identification and criminal history section and the  
16 federal bureau of investigation on applicants for agency head positions  
17 appointed by the governor. Information received pursuant to this  
18 section shall be confidential and made available only to the governor  
19 or director of the department of personnel or their employees directly  
20 involved in the selection, hiring, or background investigation of the  
21 subject of the record check. When necessary, applicants may be  
22 employed on a conditional basis pending completion of the criminal  
23 history record check. "Agency head" as used in this section has the  
24 same definition as provided in RCW 34.05.010.

25 **Sec. 455.** RCW 43.06.410 and 1993 c 281 s 47 are each amended to  
26 read as follows:

27 There is established within the office of the governor the  
28 Washington state internship program to assist students and state  
29 employees in gaining valuable experience and knowledge in various areas  
30 of state government. In administering the program, the governor shall:

- 31 (1) Consult with the secretary of state, the director of  
32 (~~personnel~~) enterprise services, the commissioner of the employment  
33 security department, and representatives of labor;
- 34 (2) Encourage and assist agencies in developing intern positions;
- 35 (3) Develop and coordinate a selection process for placing

1 individuals in intern positions. This selection process shall give due  
2 regard to the responsibilities of the state to provide equal employment  
3 opportunities;

4 (4) Develop and coordinate a training component of the internship  
5 program which balances the need for training and exposure to new ideas  
6 with the intern's and agency's need for on-the-job work experience;

7 (5) Work with institutions of higher education in developing the  
8 program, soliciting qualified applicants, and selecting participants;  
9 and

10 (6) Develop guidelines for compensation of the participants.

11 **Sec. 456.** RCW 43.06.425 and 2002 c 354 s 229 are each amended to  
12 read as follows:

13 The director of (~~personnel~~) financial management or the  
14 director's designee shall adopt rules to provide that:

15 (1) Successful completion of an internship under RCW 43.06.420  
16 shall be considered as employment experience at the level at which the  
17 intern was placed;

18 (2) Persons leaving classified or exempt positions in state  
19 government in order to take an internship under RCW 43.06.420: (a)  
20 Have the right of reversion to the previous position at any time during  
21 the internship or upon completion of the internship; and (b) shall  
22 continue to receive all fringe benefits as if they had never left their  
23 classified or exempt positions;

24 (3) Participants in the undergraduate internship program who were  
25 not public employees prior to accepting a position in the program  
26 receive sick leave allowances commensurate with other state employees;

27 (4) Participants in the executive fellows program who were not  
28 public employees prior to accepting a position in the program receive  
29 sick and vacation leave allowances commensurate with other state  
30 employees.

31 **Sec. 457.** RCW 43.33A.100 and 2008 c 236 s 1 are each amended to  
32 read as follows:

33 The state investment board shall maintain appropriate offices and  
34 employ such personnel as may be necessary to perform its duties.  
35 Employment by the investment board shall include but not be limited to  
36 an executive director, investment officers, and a confidential



1 secretary, which positions are exempt from classified service under  
2 chapter 41.06 RCW. Employment of the executive director by the board  
3 shall be for a term of three years, and such employment shall be  
4 subject to confirmation of the state finance committee: PROVIDED, That  
5 nothing shall prevent the board from dismissing the director for cause  
6 before the expiration of the term nor shall anything prohibit the  
7 board, with the confirmation of the state finance committee, from  
8 employing the same individual as director in succeeding terms.  
9 Compensation levels for the executive director, a confidential  
10 secretary, and all investment officers, including the deputy director  
11 for investment management, employed by the investment board shall be  
12 established by the state investment board. The investment board is  
13 authorized to maintain a retention pool within the state investment  
14 board expense account under RCW 43.33A.160, from the earnings of the  
15 funds managed by the board, pursuant to a performance management and  
16 compensation program developed by the investment board, in order to  
17 address recruitment and retention problems and to reward performance.  
18 The compensation levels and incentive compensation for investment  
19 officers shall be limited to the average of total compensation provided  
20 by state or other public funds of similar size, based upon a biennial  
21 survey conducted by the investment board, with review and comment by  
22 the joint legislative audit and review committee. However, in any  
23 fiscal year the incentive compensation granted by the investment board  
24 from the retention pool to investment officers pursuant to this section  
25 may not exceed thirty percent. Disbursements from the retention pool  
26 shall be from legislative appropriations and shall be on authorization  
27 of the board's executive director or the director's designee.

28 The investment board shall provide notice to (~~the director of the~~  
29 ~~department of personnel,~~) the director of financial management((7))  
30 and the chairs of the house of representatives and senate fiscal  
31 committees of proposed changes to the compensation levels for the  
32 positions. The notice shall be provided not less than sixty days prior  
33 to the effective date of the proposed changes.

34 As of July 1, 1981, all employees classified under chapter 41.06  
35 RCW and engaged in duties assumed by the state investment board on July  
36 1, 1981, are assigned to the state investment board. The transfer  
37 shall not diminish any rights granted these employees under chapter

1 41.06 RCW nor exempt the employees from any action which may occur  
2 thereafter in accordance with chapter 41.06 RCW.

3 All existing contracts and obligations pertaining to the functions  
4 transferred to the state investment board in chapter 3, Laws of 1981  
5 shall remain in full force and effect, and shall be performed by the  
6 board. None of the transfers directed by chapter 3, Laws of 1981 shall  
7 affect the validity of any act performed by a state entity or by any  
8 official or employee thereof prior to July 1, 1981.

9 **Sec. 458.** RCW 43.130.060 and 1973 2nd ex.s. c 37 s 6 are each  
10 amended to read as follows:

11 In order to reimburse the public employees' retirement system for  
12 any increased costs occasioned by the provisions of this chapter which  
13 affect the retirement system, the ((~~public employees' retirement~~  
14 ~~board~~)) director of retirement systems shall, within thirty days of the  
15 date upon which any affected employee elects to take advantage of the  
16 retirement provisions of this chapter, determine the increased present  
17 and future cost to the retirement system of such employee's election.  
18 Upon the determination of the amount necessary to offset ((~~said~~)) the  
19 increased cost, the ((~~retirement board~~)) director of retirement systems  
20 shall bill the department of ((~~personnel~~)) enterprise services for the  
21 amount of the increased cost: PROVIDED, That such billing shall not  
22 exceed eight hundred sixty-one thousand dollars. Such billing shall be  
23 paid by the department as, and the same shall be, a proper charge  
24 against any moneys available or appropriated to the department for this  
25 purpose.

26 **Sec. 459.** RCW 43.131.090 and 2002 c 354 s 230 are each amended to  
27 read as follows:

28 Unless the legislature specifies a shorter period of time, a  
29 terminated entity shall continue in existence until June 30th of the  
30 next succeeding year for the purpose of concluding its affairs:  
31 PROVIDED, That the powers and authority of the entity shall not be  
32 reduced or otherwise limited during this period. Unless otherwise  
33 provided:

34 (1) All employees of terminated entities classified under chapter  
35 41.06 RCW, the state civil service law, shall be transferred as

1 appropriate or as otherwise provided in the procedures adopted by the  
2 human resources director (~~(of personnel)~~) pursuant to RCW 41.06.150;

3 (2) All documents and papers, equipment, or other tangible property  
4 in the possession of the terminated entity shall be delivered to the  
5 custody of the entity assuming the responsibilities of the terminated  
6 entity or if such responsibilities have been eliminated, documents and  
7 papers shall be delivered to the state archivist and equipment or other  
8 tangible property to the department of (~~(general administration)~~)  
9 enterprise services;

10 (3) All funds held by, or other moneys due to, the terminated  
11 entity shall revert to the fund from which they were appropriated, or  
12 if that fund is abolished to the general fund;

13 (4) Notwithstanding the provisions of RCW 34.05.020, all rules made  
14 by a terminated entity shall be repealed, without further action by the  
15 entity, at the end of the period provided in this section, unless  
16 assumed and reaffirmed by the entity assuming the related legal  
17 responsibilities of the terminated entity;

18 (5) All contractual rights and duties of an entity shall be  
19 assigned or delegated to the entity assuming the responsibilities of  
20 the terminated entity, or if there is none to such entity as the  
21 governor shall direct.

22 **Sec. 460.** RCW 48.37.060 and 2008 c 100 s 2 are each amended to  
23 read as follows:

24 (1) When the commissioner determines that other market conduct  
25 actions identified in RCW 48.37.040(4)(a) have not sufficiently  
26 addressed issues raised concerning company activities in Washington  
27 state, the commissioner has the discretion to conduct market conduct  
28 examinations in accordance with the NAIC market conduct uniform  
29 examination procedures and the NAIC market regulation handbook.

30 (2)(a) In lieu of an examination of an insurer licensed in this  
31 state, the commissioner shall accept an examination report of another  
32 state, unless the commissioner determines that the other state does not  
33 have laws substantially similar to those of this state, or does not  
34 have a market oversight system that is comparable to the market conduct  
35 oversight system set forth in this law.

36 (b) The commissioner's determination under (a) of this subsection  
37 is discretionary with the commissioner and is not subject to appeal.

1 (c) If the insurer to be examined is part of an insurance holding  
2 company system, the commissioner may also seek to simultaneously  
3 examine any affiliates of the insurer under common control and  
4 management which are licensed to write the same lines of business in  
5 this state.

6 (3) Before commencement of a market conduct examination, market  
7 conduct oversight personnel shall prepare a work plan consisting of the  
8 following:

9 (a) The name and address of the insurer being examined;

10 (b) The name and contact information of the examiner-in-charge;

11 (c) The name of all market conduct oversight personnel initially  
12 assigned to the market conduct examination;

13 (d) The justification for the examination;

14 (e) The scope of the examination;

15 (f) The date the examination is scheduled to begin;

16 (g) Notice of any noninsurance department personnel who will assist  
17 in the examination;

18 (h) A time estimate for the examination;

19 (i) A budget for the examination if the cost of the examination is  
20 billed to the insurer; and

21 (j) An identification of factors that will be included in the  
22 billing if the cost of the examination is billed to the insurer.

23 (4)(a) Within ten days of the receipt of the information contained  
24 in subsection (3) of this section, insurers may request the  
25 commissioner's discretionary review of any alleged conflict of  
26 interest, pursuant to RCW 48.37.090(2), of market conduct oversight  
27 personnel and noninsurance department personnel assigned to a market  
28 conduct examination. The request for review shall specifically  
29 describe the alleged conflict of interest in the proposed assignment of  
30 any person to the examination.

31 (b) Within five business days of receiving a request for  
32 discretionary review of any alleged conflict of interest in the  
33 proposed assignment of any person to a market conduct examination, the  
34 commissioner or designee shall notify the insurer of any action  
35 regarding the assignment of personnel to a market conduct examination  
36 based on the insurer's allegation of conflict of interest.

37 (5) Market conduct examinations shall, to the extent feasible, use  
38 desk examinations and data requests before an on-site examination.

1 (6) Market conduct examinations shall be conducted in accordance  
2 with the provisions set forth in the NAIC market regulation handbook  
3 and the NAIC market conduct uniform examinations procedures, subject to  
4 the precedence of the provisions of chapter 82, Laws of 2007.

5 (7) The commissioner shall use the NAIC standard data request.

6 (8) Announcement of the examination shall be sent to the insurer  
7 and posted on the NAIC's examination tracking system as soon as  
8 possible but in no case later than sixty days before the estimated  
9 commencement of the examination, except where the examination is  
10 conducted in response to extraordinary circumstances as described in  
11 RCW 48.37.050(2)(a). The announcement sent to the insurer shall  
12 contain the examination work plan and a request for the insurer to name  
13 its examination coordinator.

14 (9) If an examination is expanded significantly beyond the original  
15 reasons provided to the insurer in the notice of the examination  
16 required by subsection (3) of this section, the commissioner shall  
17 provide written notice to the insurer, explaining the expansion and  
18 reasons for the expansion. The commissioner shall provide a revised  
19 work plan if the expansion results in significant changes to the items  
20 presented in the original work plan required by subsection (3) of this  
21 section.

22 (10) The commissioner shall conduct a preexamination conference  
23 with the insurer examination coordinator and key personnel to clarify  
24 expectations at least thirty days before commencement of the  
25 examination, unless otherwise agreed by the insurer and the  
26 commissioner.

27 (11) Before the conclusion of the field work for market conduct  
28 examination, the examiner-in-charge shall review examination findings  
29 to date with insurer personnel and schedule an exit conference with the  
30 insurer, in accordance with procedures in the NAIC market regulation  
31 handbook.

32 (12)(a) No later than sixty days after completion of each market  
33 conduct examination, the commissioner shall make a full written report  
34 of each market conduct examination containing only facts ascertained  
35 from the accounts, records, and documents examined and from the sworn  
36 testimony of individuals, and such conclusions and recommendations as  
37 may reasonably be warranted from such facts.

1 (b) The report shall be certified by the commissioner or by the  
2 examiner-in-charge of the examination, and shall be filed in the  
3 commissioner's office subject to (c) of this subsection.

4 (c) The commissioner shall furnish a copy of the market conduct  
5 examination report to the person examined not less than ten days and,  
6 unless the time is extended by the commissioner, not more than thirty  
7 days prior to the filing of the report for public inspection in the  
8 commissioner's office. If the person so requests in writing within  
9 such period, the commissioner shall hold a hearing to consider  
10 objections of such person to the report as proposed, and shall not so  
11 file the report until after such hearing and until after any  
12 modifications in the report deemed necessary by the commissioner have  
13 been made.

14 (d) Within thirty days of the end of the period described in (c) of  
15 this subsection, unless extended by order of the commissioner, the  
16 commissioner shall consider the report, together with any written  
17 submissions or rebuttals and any relevant portions of the examiner's  
18 work papers and enter an order:

19 (i) Adopting the market conduct examination report as filed or with  
20 modification or corrections. If the market conduct examination report  
21 reveals that the company is operating in violation of any law, rule, or  
22 order of the commissioner, the commissioner may order the company to  
23 take any action the commissioner considers necessary and appropriate to  
24 cure that violation;

25 (ii) Rejecting the market conduct examination report with  
26 directions to the examiners to reopen the examination for purposes of  
27 obtaining additional data, documentation, or information, and refiling  
28 under this subsection; or

29 (iii) Calling for an investigatory hearing with no less than twenty  
30 days' notice to the company for purposes of obtaining additional  
31 documentation, data, information, and testimony.

32 (e) All orders entered under (d) of this subsection must be  
33 accompanied by findings and conclusions resulting from the  
34 commissioner's consideration and review of the market conduct  
35 examination report, relevant examiner work papers, and any written  
36 submissions or rebuttals. The order is considered a final  
37 administrative decision and may be appealed under the administrative  
38 procedure act, chapter 34.05 RCW, and must be served upon the company

1 by certified mail or certifiable electronic means, together with a copy  
2 of the adopted examination report. A copy of the adopted examination  
3 report must be sent by certified mail or certifiable electronic means  
4 to each director at the director's residential address or to a personal  
5 e-mail account.

6 (f)(i) Upon the adoption of the market conduct examination report  
7 under (d) of this subsection, the commissioner shall continue to hold  
8 the content of the examination report as private and confidential  
9 information for a period of five days except that the order may be  
10 disclosed to the person examined. Thereafter, the commissioner may  
11 open the report for public inspection so long as no court of competent  
12 jurisdiction has stayed its publication.

13 (ii) If the commissioner determines that regulatory action is  
14 appropriate as a result of any market conduct examination, he or she  
15 may initiate any proceedings or actions as provided by law.

16 (iii) Nothing contained in this subsection requires the  
17 commissioner to disclose any information or records that would indicate  
18 or show the existence or content of any investigation or activity of a  
19 criminal justice agency.

20 (g) The insurer's response shall be included in the commissioner's  
21 order adopting the final report as an exhibit to the order. The  
22 insurer is not obligated to submit a response.

23 (13) The commissioner may withhold from public inspection any  
24 examination or investigation report for so long as he or she deems it  
25 advisable.

26 (14)(a) Market conduct examinations within this state of any  
27 insurer domiciled or having its home offices in this state, other than  
28 a title insurer, made by the commissioner or the commissioner's  
29 examiners and employees shall, except as to fees, mileage, and expense  
30 incurred as to witnesses, be at the expense of the state.

31 (b) Every other examination, whatsoever, or any part of the market  
32 conduct examination of any person domiciled or having its home offices  
33 in this state requiring travel and services outside this state, shall  
34 be made by the commissioner or by examiners designated by the  
35 commissioner and shall be at the expense of the person examined; but a  
36 domestic insurer shall not be liable for the compensation of examiners  
37 employed by the commissioner for such services outside this state.

1 (c) When making a market conduct examination under this chapter,  
2 the commissioner may contract, in accordance with applicable state  
3 contracting procedures, for qualified attorneys, appraisers,  
4 independent certified public accountants, contract actuaries, and other  
5 similar individuals who are independently practicing their professions,  
6 even though those persons may from time to time be similarly employed  
7 or retained by persons subject to examination under this chapter, as  
8 examiners as the commissioner deems necessary for the efficient conduct  
9 of a particular examination. The compensation and per diem allowances  
10 paid to such contract persons shall be reasonable in the market and  
11 time incurred, shall not exceed one hundred twenty-five percent of the  
12 compensation and per diem allowances for examiners set forth in the  
13 guidelines adopted by the national association of insurance  
14 commissioners, unless the commissioner demonstrates that one hundred  
15 twenty-five percent is inadequate under the circumstances of the  
16 examination, and subject to the provisions of (a) of this subsection.

17 (d)(i) The person examined and liable shall reimburse the state  
18 upon presentation of an itemized statement thereof, for the actual  
19 travel expenses of the commissioner's examiners, their reasonable  
20 living expenses allowance, and their per diem compensation, including  
21 salary and the employer's cost of employee benefits, at a reasonable  
22 rate approved by the commissioner, incurred on account of the  
23 examination. Per diem, salary, and expenses for employees examining  
24 insurers domiciled outside the state of Washington shall be established  
25 by the commissioner on the basis of the national association of  
26 insurance commissioner's recommended salary and expense schedule for  
27 zone examiners, or the salary schedule established by the human  
28 resources director (~~(of the Washington department of personnel)~~) and  
29 the expense schedule established by the office of financial management,  
30 whichever is higher. A domestic title insurer shall pay the  
31 examination expense and costs to the commissioner as itemized and  
32 billed by the commissioner.

33 (ii) The commissioner or the commissioner's examiners shall not  
34 receive or accept any additional emolument on account of any  
35 examination.

36 (iii) Market conduct examination fees subject to being reimbursed  
37 by an insurer shall be itemized and bills shall be provided to the



1 insurer on a monthly basis for review prior to submission for payment,  
2 or as otherwise provided by state law.

3 (e) Nothing contained in this chapter limits the commissioner's  
4 authority to terminate or suspend any examination in order to pursue  
5 other legal or regulatory action under the insurance laws of this  
6 state. Findings of fact and conclusions made pursuant to any  
7 examination are prima facie evidence in any legal or regulatory action.

8 (f) The commissioner shall maintain active management and oversight  
9 of market conduct examination costs, including costs associated with  
10 the commissioner's own examiners, and with retaining qualified contract  
11 examiners necessary to perform an examination. Any agreement with a  
12 contract examiner shall:

13 (i) Clearly identify the types of functions to be subject to  
14 outsourcing;

15 (ii) Provide specific timelines for completion of the outsourced  
16 review;

17 (iii) Require disclosure to the insurer of contract examiners'  
18 recommendations;

19 (iv) Establish and use a dispute resolution or arbitration  
20 mechanism to resolve conflicts with insurers regarding examination  
21 fees; and

22 (v) Require disclosure of the terms of the contracts with the  
23 outside consultants that will be used, specifically the fees and/or  
24 hourly rates that can be charged.

25 (g) The commissioner, or the commissioner's designee, shall review  
26 and affirmatively endorse detailed billings from the qualified contract  
27 examiner before the detailed billings are sent to the insurer.

28 **Sec. 461.** RCW 49.46.010 and 2010 c 160 s 2 and 2010 c 8 s 12040  
29 are each reenacted and amended to read as follows:

30 As used in this chapter:

31 (1) "Director" means the director of labor and industries;

32 (2) "Wage" means compensation due to an employee by reason of  
33 employment, payable in legal tender of the United States or checks on  
34 banks convertible into cash on demand at full face value, subject to  
35 such deductions, charges, or allowances as may be permitted by rules of  
36 the director;

37 (3) "Employ" includes to permit to work;

1 (4) "Employer" includes any individual, partnership, association,  
2 corporation, business trust, or any person or group of persons acting  
3 directly or indirectly in the interest of an employer in relation to an  
4 employee;

5 (5) "Employee" includes any individual employed by an employer but  
6 shall not include:

7 (a) Any individual (i) employed as a hand harvest laborer and paid  
8 on a piece rate basis in an operation which has been, and is generally  
9 and customarily recognized as having been, paid on a piece rate basis  
10 in the region of employment; (ii) who commutes daily from his or her  
11 permanent residence to the farm on which he or she is employed; and  
12 (iii) who has been employed in agriculture less than thirteen weeks  
13 during the preceding calendar year;

14 (b) Any individual employed in casual labor in or about a private  
15 home, unless performed in the course of the employer's trade, business,  
16 or profession;

17 (c) Any individual employed in a bona fide executive,  
18 administrative, or professional capacity or in the capacity of outside  
19 salesperson as those terms are defined and delimited by rules of the  
20 director. However, those terms shall be defined and delimited by the  
21 human resources director (~~(of personnel)~~) pursuant to chapter 41.06 RCW  
22 for employees employed under the director of personnel's jurisdiction;

23 (d) Any individual engaged in the activities of an educational,  
24 charitable, religious, state or local governmental body or agency, or  
25 nonprofit organization where the employer-employee relationship does  
26 not in fact exist or where the services are rendered to such  
27 organizations gratuitously. If the individual receives reimbursement  
28 in lieu of compensation for normally incurred out-of-pocket expenses or  
29 receives a nominal amount of compensation per unit of voluntary service  
30 rendered, an employer-employee relationship is deemed not to exist for  
31 the purpose of this section or for purposes of membership or  
32 qualification in any state, local government, or publicly supported  
33 retirement system other than that provided under chapter 41.24 RCW;

34 (e) Any individual employed full time by any state or local  
35 governmental body or agency who provides voluntary services but only  
36 with regard to the provision of the voluntary services. The voluntary  
37 services and any compensation therefor shall not affect or add to

1 qualification, entitlement, or benefit rights under any state, local  
2 government, or publicly supported retirement system other than that  
3 provided under chapter 41.24 RCW;

4 (f) Any newspaper vendor or carrier;

5 (g) Any carrier subject to regulation by Part 1 of the Interstate  
6 Commerce Act;

7 (h) Any individual engaged in forest protection and fire prevention  
8 activities;

9 (i) Any individual employed by any charitable institution charged  
10 with child care responsibilities engaged primarily in the development  
11 of character or citizenship or promoting health or physical fitness or  
12 providing or sponsoring recreational opportunities or facilities for  
13 young people or members of the armed forces of the United States;

14 (j) Any individual whose duties require that he or she reside or  
15 sleep at the place of his or her employment or who otherwise spends a  
16 substantial portion of his or her work time subject to call, and not  
17 engaged in the performance of active duties;

18 (k) Any resident, inmate, or patient of a state, county, or  
19 municipal correctional, detention, treatment or rehabilitative  
20 institution;

21 (l) Any individual who holds a public elective or appointive office  
22 of the state, any county, city, town, municipal corporation or quasi  
23 municipal corporation, political subdivision, or any instrumentality  
24 thereof, or any employee of the state legislature;

25 (m) All vessel operating crews of the Washington state ferries  
26 operated by the department of transportation;

27 (n) Any individual employed as a seaman on a vessel other than an  
28 American vessel;

29 (o) Any farm intern providing his or her services to a small farm  
30 which has a special certificate issued under RCW 49.12.465;

31 (6) "Occupation" means any occupation, service, trade, business,  
32 industry, or branch or group of industries or employment or class of  
33 employment in which employees are gainfully employed;

34 (7) "Retail or service establishment" means an establishment  
35 seventy-five percent of whose annual dollar volume of sales of goods or  
36 services, or both, is not for resale and is recognized as retail sales  
37 or services in the particular industry.

1       **Sec. 462.** RCW 49.46.010 and 2010 c 8 s 12040 are each amended to  
2 read as follows:

3       As used in this chapter:

4       (1) "Director" means the director of labor and industries;

5       (2) "Wage" means compensation due to an employee by reason of  
6 employment, payable in legal tender of the United States or checks on  
7 banks convertible into cash on demand at full face value, subject to  
8 such deductions, charges, or allowances as may be permitted by rules of  
9 the director;

10       (3) "Employ" includes to permit to work;

11       (4) "Employer" includes any individual, partnership, association,  
12 corporation, business trust, or any person or group of persons acting  
13 directly or indirectly in the interest of an employer in relation to an  
14 employee;

15       (5) "Employee" includes any individual employed by an employer but  
16 shall not include:

17       (a) Any individual (i) employed as a hand harvest laborer and paid  
18 on a piece rate basis in an operation which has been, and is generally  
19 and customarily recognized as having been, paid on a piece rate basis  
20 in the region of employment; (ii) who commutes daily from his or her  
21 permanent residence to the farm on which he or she is employed; and  
22 (iii) who has been employed in agriculture less than thirteen weeks  
23 during the preceding calendar year;

24       (b) Any individual employed in casual labor in or about a private  
25 home, unless performed in the course of the employer's trade, business,  
26 or profession;

27       (c) Any individual employed in a bona fide executive,  
28 administrative, or professional capacity or in the capacity of outside  
29 salesperson as those terms are defined and delimited by rules of the  
30 director. However, those terms shall be defined and delimited by the  
31 human resources director (~~(of personnel)~~) pursuant to chapter 41.06 RCW  
32 for employees employed under the director of personnel's jurisdiction;

33       (d) Any individual engaged in the activities of an educational,  
34 charitable, religious, state or local governmental body or agency, or  
35 nonprofit organization where the employer-employee relationship does  
36 not in fact exist or where the services are rendered to such  
37 organizations gratuitously. If the individual receives reimbursement  
38 in lieu of compensation for normally incurred out-of-pocket expenses or

1 receives a nominal amount of compensation per unit of voluntary service  
2 rendered, an employer-employee relationship is deemed not to exist for  
3 the purpose of this section or for purposes of membership or  
4 qualification in any state, local government, or publicly supported  
5 retirement system other than that provided under chapter 41.24 RCW;

6 (e) Any individual employed full time by any state or local  
7 governmental body or agency who provides voluntary services but only  
8 with regard to the provision of the voluntary services. The voluntary  
9 services and any compensation therefor shall not affect or add to  
10 qualification, entitlement, or benefit rights under any state, local  
11 government, or publicly supported retirement system other than that  
12 provided under chapter 41.24 RCW;

13 (f) Any newspaper vendor or carrier;

14 (g) Any carrier subject to regulation by Part 1 of the Interstate  
15 Commerce Act;

16 (h) Any individual engaged in forest protection and fire prevention  
17 activities;

18 (i) Any individual employed by any charitable institution charged  
19 with child care responsibilities engaged primarily in the development  
20 of character or citizenship or promoting health or physical fitness or  
21 providing or sponsoring recreational opportunities or facilities for  
22 young people or members of the armed forces of the United States;

23 (j) Any individual whose duties require that he or she reside or  
24 sleep at the place of his or her employment or who otherwise spends a  
25 substantial portion of his or her work time subject to call, and not  
26 engaged in the performance of active duties;

27 (k) Any resident, inmate, or patient of a state, county, or  
28 municipal correctional, detention, treatment or rehabilitative  
29 institution;

30 (l) Any individual who holds a public elective or appointive office  
31 of the state, any county, city, town, municipal corporation or quasi  
32 municipal corporation, political subdivision, or any instrumentality  
33 thereof, or any employee of the state legislature;

34 (m) All vessel operating crews of the Washington state ferries  
35 operated by the department of transportation;

36 (n) Any individual employed as a seaman on a vessel other than an  
37 American vessel;

1 (6) "Occupation" means any occupation, service, trade, business,  
2 industry, or branch or group of industries or employment or class of  
3 employment in which employees are gainfully employed;

4 (7) "Retail or service establishment" means an establishment  
5 seventy-five percent of whose annual dollar volume of sales of goods or  
6 services, or both, is not for resale and is recognized as retail sales  
7 or services in the particular industry.

8 **Sec. 463.** RCW 49.74.020 and 1993 c 281 s 57 are each amended to  
9 read as follows:

10 If the commission reasonably believes that a state agency, an  
11 institution of higher education, or the state patrol has failed to  
12 comply with an affirmative action rule adopted under RCW 41.06.150 or  
13 43.43.340, the commission shall notify the director of the state  
14 agency, president of the institution of higher education, or chief of  
15 the Washington state patrol of the noncompliance, as well as the human  
16 resources director (~~(of personnel)~~). The commission shall give the  
17 director of the state agency, president of the institution of higher  
18 education, or chief of the Washington state patrol an opportunity to be  
19 heard on the failure to comply.

20 **Sec. 464.** RCW 49.74.030 and 2002 c 354 s 246 are each amended to  
21 read as follows:

22 The commission in conjunction with the department of (~~personnel~~)  
23 enterprise services, the office of financial management, or the state  
24 patrol, whichever is appropriate, shall attempt to resolve the  
25 noncompliance through conciliation. If an agreement is reached for the  
26 elimination of noncompliance, the agreement shall be reduced to writing  
27 and an order shall be issued by the commission setting forth the terms  
28 of the agreement. The noncomplying state agency, institution of higher  
29 education, or state patrol shall make a good faith effort to conciliate  
30 and make a full commitment to correct the noncompliance with any action  
31 that may be necessary to achieve compliance, provided such action is  
32 not inconsistent with the rules adopted under RCW 41.06.150(~~(+6)~~)(5)  
33 and 43.43.340(5), whichever is appropriate.

34 **Sec. 465.** RCW 49.90.010 and 2009 c 294 s 5 are each amended to  
35 read as follows:

1 (1) Within this section, "sensory disability" means a sensory  
2 condition that materially limits, contributes to limiting, or, if not  
3 corrected or accommodated, will probably result in limiting an  
4 individual's activities or functioning.

5 (2) The (~~department of personnel~~) office of financial management  
6 shall adopt rules that authorize state agencies to provide allowances  
7 to employees with sensory disabilities who must attend training  
8 necessary to attain a new service animal. The employee's absence must  
9 be treated in the same manner as that granted to employees who are  
10 absent to attend training that supports or improves their job  
11 performance, except that the employee shall not be eligible for  
12 reimbursement under RCW 43.03.050 or 43.03.060. The (~~department of~~  
13 ~~personnel~~) office of financial management shall adopt rules as  
14 necessary to implement this chapter.

15 (3) If the necessity to attend training for a new service animal is  
16 foreseeable and the training will cause the employee to miss work, the  
17 employee shall provide the employer with not less than thirty days'  
18 notice, before the date the absence is to begin, of the employee's  
19 impending absence. If the date of the training requires the absence to  
20 begin in less than thirty days, the employee shall provide notice as is  
21 practicable.

22 (4) An agency may require that a request to attend service animal  
23 training be supported by a certification issued by the relevant  
24 training organization. The employee must provide, in a timely manner,  
25 a copy of the certification to the agency. Certification provided  
26 under this section is sufficient if it states: (a) The date on which  
27 the service animal training session is scheduled to commence; and (b)  
28 the session's duration.

29 **Sec. 466.** RCW 50.13.060 and 2008 c 120 s 6 are each amended to  
30 read as follows:

31 (1) Governmental agencies, including law enforcement agencies,  
32 prosecuting agencies, and the executive branch, whether state, local,  
33 or federal shall have access to information or records deemed private  
34 and confidential under this chapter if the information or records are  
35 needed by the agency for official purposes and:

36 (a) The agency submits an application in writing to the employment  
37 security department for the records or information containing a

1 statement of the official purposes for which the information or records  
2 are needed and specific identification of the records or information  
3 sought from the department; and

4 (b) The director, commissioner, chief executive, or other official  
5 of the agency has verified the need for the specific information in  
6 writing either on the application or on a separate document; and

7 (c) The agency requesting access has served a copy of the  
8 application for records or information on the individual or employing  
9 unit whose records or information are sought and has provided the  
10 department with proof of service. Service shall be made in a manner  
11 which conforms to the civil rules for superior court. The requesting  
12 agency shall include with the copy of the application a statement to  
13 the effect that the individual or employing unit may contact the public  
14 records officer of the employment security department to state any  
15 objections to the release of the records or information. The  
16 employment security department shall not act upon the application of  
17 the requesting agency until at least five days after service on the  
18 concerned individual or employing unit. The employment security  
19 department shall consider any objections raised by the concerned  
20 individual or employing unit in deciding whether the requesting agency  
21 needs the information or records for official purposes.

22 (2) The requirements of subsections (1) and (9) of this section  
23 shall not apply to the state legislative branch. The state legislature  
24 shall have access to information or records deemed private and  
25 confidential under this chapter, if the legislature or a legislative  
26 committee finds that the information or records are necessary and for  
27 official purposes. If the employment security department does not make  
28 information or records available as provided in this subsection, the  
29 legislature may exercise its authority granted by chapter 44.16 RCW.

30 (3) In cases of emergency the governmental agency requesting access  
31 shall not be required to formally comply with the provisions of  
32 subsection (1) of this section at the time of the request if the  
33 procedures required by subsection (1) of this section are complied with  
34 by the requesting agency following the receipt of any records or  
35 information deemed private and confidential under this chapter. An  
36 emergency is defined as a situation in which irreparable harm or damage  
37 could occur if records or information are not released immediately.



1 (4) The requirements of subsection (1)(c) of this section shall not  
2 apply to governmental agencies where the procedures would frustrate the  
3 investigation of possible violations of criminal laws or to the release  
4 of employing unit names, addresses, number of employees, and aggregate  
5 employer wage data for the purpose of state governmental agencies  
6 preparing small business economic impact statements under chapter 19.85  
7 RCW or preparing cost-benefit analyses under RCW 34.05.328(1) (c) and  
8 (d). Information provided by the department and held to be private and  
9 confidential under state or federal laws must not be misused or  
10 released to unauthorized parties. A person who misuses such  
11 information or releases such information to unauthorized parties is  
12 subject to the sanctions in RCW 50.13.080.

13 (5) Governmental agencies shall have access to certain records or  
14 information, limited to such items as names, addresses, social security  
15 numbers, and general information about benefit entitlement or employer  
16 information possessed by the department, for comparison purposes with  
17 records or information possessed by the requesting agency to detect  
18 improper or fraudulent claims, or to determine potential tax liability  
19 or employer compliance with registration and licensing requirements.  
20 In those cases the governmental agency shall not be required to comply  
21 with subsection (1)(c) of this section, but the requirements of the  
22 remainder of subsection (1) of this section must be satisfied.

23 (6) Governmental agencies may have access to certain records and  
24 information, limited to employer information possessed by the  
25 department for purposes authorized in chapter 50.38 RCW. Access to  
26 these records and information is limited to only those individuals  
27 conducting authorized statistical analysis, research, and evaluation  
28 studies. Only in cases consistent with the purposes of chapter 50.38  
29 RCW are government agencies not required to comply with subsection  
30 (1)(c) of this section, but the requirements of the remainder of  
31 subsection (1) of this section must be satisfied. Information provided  
32 by the department and held to be private and confidential under state  
33 or federal laws shall not be misused or released to unauthorized  
34 parties subject to the sanctions in RCW 50.13.080.

35 (7) Disclosure to governmental agencies of information or records  
36 obtained by the employment security department from the federal  
37 government shall be governed by any applicable federal law or any

1 agreement between the federal government and the employment security  
2 department where so required by federal law. When federal law does not  
3 apply to the records or information state law shall control.

4 (8) The department may provide information for purposes of  
5 statistical analysis and evaluation of the WorkFirst program or any  
6 successor state welfare program to the department of social and health  
7 services, the office of financial management, and other governmental  
8 entities with oversight or evaluation responsibilities for the program  
9 in accordance with RCW 43.20A.080. The confidential information  
10 provided by the department shall remain the property of the department  
11 and may be used by the authorized requesting agencies only for  
12 statistical analysis, research, and evaluation purposes as provided in  
13 RCW 74.08A.410 and 74.08A.420. The department of social and health  
14 services, the office of financial management, or other governmental  
15 entities with oversight or evaluation responsibilities for the program  
16 are not required to comply with subsection (1)(c) of this section, but  
17 the requirements of the remainder of subsection (1) of this section and  
18 applicable federal laws and regulations must be satisfied. The  
19 confidential information used for evaluation and analysis of welfare  
20 reform supplied to the authorized requesting entities with regard to  
21 the WorkFirst program or any successor state welfare program are exempt  
22 from public inspection and copying under chapter 42.56 RCW.

23 (9) The disclosure of any records or information by a governmental  
24 agency which has obtained the records or information under this section  
25 is prohibited unless the disclosure is (a) directly connected to the  
26 official purpose for which the records or information were obtained or  
27 (b) to another governmental agency which would be permitted to obtain  
28 the records or information under subsection (4) or (5) of this section.

29 (10) In conducting periodic salary or fringe benefit studies  
30 pursuant to law, the (~~department of personnel~~) office of financial  
31 management shall have access to records of the employment security  
32 department as may be required for such studies. For such purposes, the  
33 requirements of subsection (1)(c) of this section need not apply.

34 (11)(a) To promote the reemployment of job seekers, the  
35 commissioner may enter into data-sharing contracts with partners of the  
36 one-stop career development system. The contracts shall provide for  
37 the transfer of data only to the extent that the transfer is necessary  
38 for the efficient provisions of workforce programs, including but not

1 limited to public labor exchange, unemployment insurance, worker  
2 training and retraining, vocational rehabilitation, vocational  
3 education, adult education, transition from public assistance, and  
4 support services. The transfer of information under contracts with  
5 one-stop partners is exempt from subsection (1)(c) of this section.

6 (b) An individual who applies for services from the department and  
7 whose information will be shared under (a) of this subsection (11) must  
8 be notified that his or her private and confidential information in the  
9 department's records will be shared among the one-stop partners to  
10 facilitate the delivery of one-stop services to the individual. The  
11 notice must advise the individual that he or she may request that  
12 private and confidential information not be shared among the one-stop  
13 partners and the department must honor the request. In addition, the  
14 notice must:

15 (i) Advise the individual that if he or she requests that private  
16 and confidential information not be shared among one-stop partners, the  
17 request will in no way affect eligibility for services;

18 (ii) Describe the nature of the information to be shared, the  
19 general use of the information by one-stop partner representatives, and  
20 among whom the information will be shared;

21 (iii) Inform the individual that shared information will be used  
22 only for the purpose of delivering one-stop services and that further  
23 disclosure of the information is prohibited under contract and is not  
24 subject to disclosure under chapter 42.56 RCW; and

25 (iv) Be provided in English and an alternative language selected by  
26 the one-stop center or job service center as appropriate for the  
27 community where the center is located.

28 If the notice is provided in-person, the individual who does not  
29 want private and confidential information shared among the one-stop  
30 partners must immediately advise the one-stop partner representative of  
31 that decision. The notice must be provided to an individual who  
32 applies for services telephonically, electronically, or by mail, in a  
33 suitable format and within a reasonable time after applying for  
34 services, which shall be no later than ten working days from the  
35 department's receipt of the application for services. A one-stop  
36 representative must be available to answer specific questions regarding  
37 the nature, extent, and purpose for which the information may be  
38 shared.

1 (12) To facilitate improved operation and evaluation of state  
2 programs, the commissioner may enter into data-sharing contracts with  
3 other state agencies only to the extent that such transfer is necessary  
4 for the efficient operation or evaluation of outcomes for those  
5 programs. The transfer of information by contract under this  
6 subsection is exempt from subsection (1)(c) of this section.

7 (13) The misuse or unauthorized release of records or information  
8 by any person or organization to which access is permitted by this  
9 chapter subjects the person or organization to a civil penalty of five  
10 thousand dollars and other applicable sanctions under state and federal  
11 law. Suit to enforce this section shall be brought by the attorney  
12 general and the amount of any penalties collected shall be paid into  
13 the employment security department administrative contingency fund.  
14 The attorney general may recover reasonable attorneys' fees for any  
15 action brought to enforce this section.

16 **Sec. 467.** RCW 28A.345.060 and 1986 c 158 s 3 are each amended to  
17 read as follows:

18 The association shall contract with the (~~department of personnel~~  
19 ~~for the department of personnel~~) human resources director in the  
20 office of financial management to audit in odd-numbered years the  
21 association's staff classifications and employees' salaries. The  
22 association shall give copies of the audit reports to the office of  
23 financial management and the committees of each house of the  
24 legislature dealing with common schools.

25 **Sec. 468.** RCW 28A.400.201 and 2010 c 236 s 7 are each amended to  
26 read as follows:

27 (1) The legislature recognizes that providing students with the  
28 opportunity to access a world-class educational system depends on our  
29 continuing ability to provide students with access to world-class  
30 educators. The legislature also understands that continuing to attract  
31 and retain the highest quality educators will require increased  
32 investments. The legislature intends to enhance the current salary  
33 allocation model and recognizes that changes to the current model  
34 cannot be imposed without great deliberation and input from teachers,  
35 administrators, and classified employees. Therefore, it is the intent  
36 of the legislature to begin the process of developing an enhanced

1 salary allocation model that is collaboratively designed to ensure the  
2 rationality of any conclusions regarding what constitutes adequate  
3 compensation.

4 (2) Beginning July 1, 2011, the office of the superintendent of  
5 public instruction, in collaboration with the human resources director  
6 in the office of financial management, shall convene a technical  
7 working group to recommend the details of an enhanced salary allocation  
8 model that aligns state expectations for educator development and  
9 certification with the compensation system and establishes  
10 recommendations for a concurrent implementation schedule. In addition  
11 to any other details the technical working group deems necessary, the  
12 technical working group shall make recommendations on the following:

13 (a) How to reduce the number of tiers within the existing salary  
14 allocation model;

15 (b) How to account for labor market adjustments;

16 (c) How to account for different geographic regions of the state  
17 where districts may encounter difficulty recruiting and retaining  
18 teachers;

19 (d) The role of and types of bonuses available;

20 (e) Ways to accomplish salary equalization over a set number of  
21 years; and

22 (f) Initial fiscal estimates for implementing the recommendations  
23 including a recognition that staff on the existing salary allocation  
24 model would have the option to grandfather in permanently to the  
25 existing schedule.

26 (3) As part of its work, the technical working group shall conduct  
27 or contract for a preliminary comparative labor market analysis of  
28 salaries and other compensation for school district employees to be  
29 conducted and shall include the results in any reports to the  
30 legislature. For the purposes of this subsection, "salaries and other  
31 compensation" includes average base salaries, average total salaries,  
32 average employee basic benefits, and retirement benefits.

33 (4) The analysis required under subsection (1) of this section  
34 must:

35 (a) Examine salaries and other compensation for teachers, other  
36 certificated instructional staff, principals, and other building-level  
37 certificated administrators, and the types of classified employees for  
38 whom salaries are allocated;

1 (b) Be calculated at a statewide level that identifies labor  
2 markets in Washington through the use of data from the United States  
3 bureau of the census and the bureau of labor statistics; and

4 (c) Include a comparison of salaries and other compensation to the  
5 appropriate labor market for at least the following subgroups of  
6 educators: Beginning teachers and types of educational staff  
7 associates.

8 (5) The working group shall include representatives of the  
9 (~~department of personnel~~) office of financial management, the  
10 professional educator standards board, the office of the superintendent  
11 of public instruction, the Washington education association, the  
12 Washington association of school administrators, the association of  
13 Washington school principals, the Washington state school directors'  
14 association, the public school employees of Washington, and other  
15 interested stakeholders with appropriate expertise in compensation  
16 related matters. The working group may convene advisory subgroups on  
17 specific topics as necessary to assure participation and input from a  
18 broad array of diverse stakeholders.

19 (6) The working group shall be monitored and overseen by the  
20 legislature and the quality education council created in RCW  
21 28A.290.010. The working group shall make an initial report to the  
22 legislature by June 30, 2012, and shall include in its report  
23 recommendations for whether additional further work of the group is  
24 necessary.

25 **Sec. 469.** RCW 34.12.100 and 2010 1st sp.s. c 7 s 3 are each  
26 amended to read as follows:

27 The chief administrative law judge shall be paid a salary fixed by  
28 the governor after recommendation of the (~~department of personnel~~)  
29 human resources director in the office of financial management. The  
30 salaries of administrative law judges appointed under the terms of this  
31 chapter shall be determined by the chief administrative law judge after  
32 recommendation of the department of personnel.

33 **Sec. 470.** RCW 36.21.011 and 1995 c 134 s 12 are each amended to  
34 read as follows:

35 Any assessor who deems it necessary in order to complete the  
36 listing and the valuation of the property of the county within the time

1 prescribed by law, (1) may appoint one or more well qualified persons  
2 to act as assistants or deputies who shall not engage in the private  
3 practice of appraising within the county in which he or she is employed  
4 without the written permission of the assessor filed with the auditor;  
5 and each such assistant or deputy so appointed shall, under the  
6 direction of the assessor, after taking the required oath, perform all  
7 the duties enjoined upon, vested in or imposed upon assessors, and (2)  
8 may contract with any persons, firms or corporations, who are expert  
9 appraisers, to assist in the valuation of property.

10 To assist each assessor in obtaining adequate and well qualified  
11 assistants or deputies, the (~~state department of personnel~~) office of  
12 financial management, after consultation with the Washington state  
13 association of county assessors, the Washington state association of  
14 counties, and the department of revenue, shall establish by July 1,  
15 1967, and shall thereafter maintain, a classification and salary plan  
16 for those employees of an assessor who act as appraisers. The plan  
17 shall recommend the salary range and employment qualifications for each  
18 position encompassed by it, and shall, to the fullest extent  
19 practicable, conform to the classification plan, salary schedules and  
20 employment qualifications for state employees performing similar  
21 appraisal functions.

22 An assessor who intends to put such plan into effect shall inform  
23 the department of revenue and the county legislative authority of this  
24 intent in writing. The department of revenue and the county  
25 legislative authority may thereupon each designate a representative,  
26 and such representative or representatives as may be designated by the  
27 department of revenue or the county legislative authority, or both,  
28 shall form with the assessor a committee. The committee so formed may,  
29 by unanimous vote only, determine the required number of certified  
30 appraiser positions and their salaries necessary to enable the assessor  
31 to carry out the requirements relating to revaluation of property in  
32 chapter 84.41 RCW. The determination of the committee shall be  
33 certified to the county legislative authority. The committee may be  
34 formed only once in a period of four calendar years.

35 After such determination, the assessor may provide, in each of the  
36 four next succeeding annual budget estimates, for as many positions as  
37 are established in such determination. Each county legislative  
38 authority to which such a budget estimate is submitted shall allow

1 sufficient funds for such positions. An employee may be appointed to  
2 a position covered by the plan only if the employee meets the  
3 employment qualifications established by the plan.

4 **Sec. 471.** RCW 41.04.020 and 1998 c 116 s 1 are each amended to  
5 read as follows:

6 Any employee or group of employees of the state of Washington or  
7 any of its political subdivisions, or of any institution supported, in  
8 whole or in part, by the state or any of its political subdivisions,  
9 may authorize the deduction from his or her salaries or wages and  
10 payment to another, the amount or amounts of his or her subscription  
11 payments or contributions to any person, firm, or corporation  
12 administering, furnishing, or providing (1) medical, surgical, and  
13 hospital care or either of them, or (2) life insurance or accident and  
14 health disability insurance, or (3) any individual retirement account  
15 selected by the employee or the employee's spouse established under  
16 applicable state or federal law: PROVIDED, That such authorization by  
17 said employee or group of employees, shall be first approved by the  
18 head of the department, division office or institution of the state or  
19 any political subdivision thereof, employing such person or group of  
20 persons, and filed with the department of (~~personnel~~) enterprise  
21 services; or in the case of political subdivisions of the state of  
22 Washington, with the auditor of such political subdivision or the  
23 person authorized by law to draw warrants against the funds of said  
24 political subdivision.

25 **Sec. 472.** RCW 41.04.460 and 1992 c 234 s 10 are each amended to  
26 read as follows:

27 The department of (~~personnel~~) enterprise services, through the  
28 combined benefits communication project, shall prepare information  
29 encouraging individual financial planning for retirement and describing  
30 the potential consequences of early retirement, including members'  
31 assumption of health insurance costs, members' receipt of reduced  
32 retirement benefits, and the increased period of time before members  
33 will become eligible for cost-of-living adjustments. The department of  
34 retirement systems shall distribute the information to members who are  
35 eligible to retire under the provisions of chapter 234, Laws of 1992.



1 Prior to retiring, such members who elect to retire shall sign a  
2 statement acknowledging their receipt and understanding of the  
3 information.

4 **Sec. 473.** RCW 41.60.050 and 1991 sp.s. c 16 s 918 are each amended  
5 to read as follows:

6 The legislature shall appropriate from the ((department of))  
7 personnel service fund for the payment of administrative costs of the  
8 productivity board. However, during the 1991-93 fiscal biennium, the  
9 administrative costs of the productivity board shall be appropriated  
10 from the savings recovery account.

11 **Sec. 474.** RCW 41.68.030 and 1983 1st ex.s. c 15 s 3 are each  
12 amended to read as follows:

13 A claim under this chapter may be submitted to the department of  
14 ((personnel)) enterprise services for the reparation of salary losses  
15 suffered during the years 1942 through 1947. The claim shall be  
16 supported by appropriate verification, such as the person's name at the  
17 time of the dismissal, the name of the employing department, and a  
18 social security number, or by evidence of official action of  
19 termination. The claimant shall also provide an address to which the  
20 department shall mail notification of its determination regarding the  
21 claimant's eligibility.

22 **Sec. 475.** RCW 41.68.040 and 1983 1st ex.s. c 15 s 4 are each  
23 amended to read as follows:

24 (1) The department of ((personnel)) enterprise services shall  
25 determine the eligibility of a claimant to receive reparations  
26 authorized by this chapter. The department shall then notify the  
27 claimant by mail of its determination regarding the claimant's  
28 eligibility.

29 (2) The department may adopt rules that will assist in the fair  
30 determination of eligibility and the processing of claims. The  
31 department, however, has no obligation to directly notify any person of  
32 possible eligibility for reparation of salary losses under this  
33 chapter.

1       **Sec. 476.** RCW 41.68.050 and 1983 1st ex.s. c 15 s 5 are each  
2 amended to read as follows:

3       A claimant under this chapter who is determined eligible by the  
4 department of (~~personnel~~) enterprise services shall receive two  
5 thousand five hundred dollars each year for two years. All claims  
6 which the department determines are eligible for reparation shall be  
7 immediately forwarded to the state treasurer, who shall issue warrants  
8 in the appropriate amounts upon demand and verification of identity.  
9 If a claimant dies after filing a claim but before receiving full  
10 payment, payments shall be made to the claimant's estate upon demand  
11 and verification of identity.

12       **Sec. 477.** RCW 47.28.251 and 2003 c 363 s 103 are each amended to  
13 read as follows:

14       (1) The department of transportation shall work with  
15 representatives of transportation labor groups to develop a financial  
16 incentive program to aid in retention and recruitment of employee  
17 classifications where problems exist and program delivery is negatively  
18 affected. The department's financial incentive program must be  
19 reviewed and approved by the legislature before it can be implemented.  
20 This program must support the goal of enhancing project delivery  
21 timelines as outlined in section 101, chapter 363, Laws of 2003. Upon  
22 receiving approval from the legislature, the (~~department—of~~  
23 ~~personnel~~) office of financial management shall implement, as  
24 required, specific aspects of the financial incentive package, as  
25 developed by the department of transportation.

26       (2) Notwithstanding chapter 41.06 RCW, the department of  
27 transportation may acquire services from qualified private firms in  
28 order to deliver the transportation construction program to the public.  
29 Services may be acquired solely for augmenting the department's  
30 workforce capacity and only when the department's transportation  
31 construction program cannot be delivered through its existing or  
32 readily available workforce. The department of transportation shall  
33 work with representatives of transportation labor groups to develop and  
34 implement a program identifying those projects requiring contracted  
35 services while establishing a program as defined in subsection (1) of  
36 this section to provide the classified personnel necessary to deliver  
37 future construction programs. The procedures for acquiring

1 construction engineering services from private firms may not be used to  
2 displace existing state employees nor diminish the number of existing  
3 classified positions in the present construction program. The  
4 acquisition procedures must be in accordance with chapter 39.80 RCW.

5 (3) Starting in December 2004, and biennially thereafter, the  
6 secretary shall report to the transportation committees of the  
7 legislature on the use of construction engineering services from  
8 private firms authorized under this section. The information provided  
9 to the committees must include an assessment of the benefits and costs  
10 associated with using construction engineering services, or other  
11 services, from private firms, and a comparison of public versus private  
12 sector costs. The secretary may act on these findings to ensure the  
13 most cost-effective means of service delivery.

14 NEW SECTION. **Sec. 478.** The following acts or parts of acts are  
15 each repealed:

16 (1) RCW 41.06.030 (Department of personnel established) and 2002 c  
17 354 s 201, 1993 c 281 s 20, & 1961 c 1 s 3;

18 (2) RCW 41.06.111 (Personnel appeals board abolished--Powers,  
19 duties, and functions transferred to the Washington personnel resources  
20 board) and 2002 c 354 s 233;

21 (3) RCW 41.06.130 (Director of personnel--Appointment--Rules--  
22 Powers and duties--Delegation of authority) and 1993 c 281 s 26, 1982  
23 1st ex.s. c 53 s 3, & 1961 c 1 s 13;

24 (4) RCW 41.06.139 (Classification system for classified service--  
25 Director implements--Rules of the board--Appeals) and 2002 c 354 s 206;

26 (5) RCW 41.06.480 (Background check disqualification--Policy  
27 recommendations) and 2001 c 296 s 7; and

28 (6) RCW 41.07.900 (Transfer of personnel, records, equipment, etc)  
29 and 1975 1st ex.s. c 239 s 4.

30 NEW SECTION. **Sec. 479.** RCW 41.06.136, 43.31.086, 41.80.900,  
31 41.80.901, 41.80.902, 41.80.903, and 41.80.904 are each decodified.

32 NEW SECTION. **Sec. 480.** Section 447 of this act expires January 1,  
33 2012.



1 The office of risk management (~~(division)~~) shall make recommendations  
2 when appropriate to state agencies on the application of prudent  
3 safety, security, loss prevention, and loss minimization methods so as  
4 to reduce or avoid risk or loss.

5 **Sec. 503.** RCW 43.41.310 and 2002 c 332 s 5 are each amended to  
6 read as follows:

7 As a means of providing for the procurement of insurance and bonds  
8 on a volume rate basis, the director shall purchase or contract for the  
9 needs of state agencies in relation to all such insurance and bonds:  
10 PROVIDED, That authority to purchase insurance may be delegated to  
11 state agencies. Insurance in force shall be reported to the office of  
12 risk management (~~(division)~~) periodically under rules established by  
13 the director. Nothing contained in this section shall prohibit the use  
14 of licensed agents or brokers for the procurement and service of  
15 insurance.

16 The amounts of insurance or bond coverage shall be as fixed by law,  
17 or if not fixed by law, such amounts shall be as fixed by the director.

18 The premium cost for insurance acquired and bonds furnished shall  
19 be paid from appropriations or other appropriate resources available to  
20 the state agency or agencies for which procurement is made, and all  
21 vouchers drawn in payment therefor shall bear the written approval of  
22 the office of risk management (~~(division)~~) prior to the issuance of the  
23 warrant in payment therefor. Where deemed advisable the premium cost  
24 for insurance and bonds may be paid by the risk management  
25 administration account which shall be reimbursed by the agency or  
26 agencies for which procurement is made.

27 **Sec. 504.** RCW 43.41.320 and 2002 c 332 s 6 are each amended to  
28 read as follows:

29 The director, through the office of risk management (~~(division)~~),  
30 may purchase, or contract for the purchase of, property and liability  
31 insurance for any municipality upon request of the municipality.

32 As used in this section, "municipality" means any city, town,  
33 county, special purpose district, municipal corporation, or political  
34 subdivision of the state of Washington.

1       **Sec. 505.** RCW 43.41.330 and 2002 c 332 s 8 are each amended to  
2 read as follows:

3       The director, through the office of risk management (~~(division)~~),  
4 shall receive and enforce bonds posted pursuant to RCW 39.59.010 (3)  
5 and (4).

6       **Sec. 506.** RCW 43.41.340 and 2002 c 332 s 9 are each amended to  
7 read as follows:

8       The (~~(office)~~) department shall conduct periodic actuarial studies  
9 to determine the amount of money needed to adequately fund the  
10 liability account.

11       **Sec. 507.** RCW 43.41.360 and 2009 c 549 s 5121 are each amended to  
12 read as follows:

13       (~~In addition to other powers and duties prescribed by this~~  
14 ~~chapter,~~) The director shall:

15       (1) Fix the amount of bond to be given by each appointive state  
16 officer and each employee of the state in all cases where it is not  
17 fixed by law;

18       (2) Require the giving of an additional bond, or a bond in a  
19 greater amount than provided by law, in all cases where in his or her  
20 judgment the statutory bond is not sufficient in amount to cover the  
21 liabilities of the officer or employee;

22       (3) Exempt subordinate employees from giving bond when in his or  
23 her judgment their powers and duties are such as not to require a bond.

24       **Sec. 508.** RCW 43.41.370 and 2002 c 333 s 2 are each amended to  
25 read as follows:

26       (1) The director (~~(of financial management)~~) shall appoint a loss  
27 prevention review team when the death of a person, serious injury to a  
28 person, or other substantial loss is alleged or suspected to be caused  
29 at least in part by the actions of a state agency, unless the director  
30 in his or her discretion determines that the incident does not merit  
31 review. A loss prevention review team may also be appointed when any  
32 other substantial loss occurs as a result of agency policies,  
33 litigation or defense practices, or other management practices. When  
34 the director decides not to appoint a loss prevention review team he or  
35 she shall issue a statement of the reasons for the director's decision.

1 The statement shall be made available on the department's web site (~~of~~  
2 ~~the office of financial management~~). The director's decision pursuant  
3 to this section to appoint or not appoint a loss prevention review team  
4 shall not be admitted into evidence in a civil or administrative  
5 proceeding.

6 (2) A loss prevention review team shall consist of at least three  
7 but no more than five persons, and may include independent consultants,  
8 contractors, or state employees, but it shall not include any person  
9 employed by the agency involved in the loss or risk of loss giving rise  
10 to the review, nor any person with testimonial knowledge of the  
11 incident to be reviewed. At least one member of the review team shall  
12 have expertise relevant to the matter under review.

13 (3) The loss prevention review team shall review the death, serious  
14 injury, or other incident and the circumstances surrounding it,  
15 evaluate its causes, and recommend steps to reduce the risk of such  
16 incidents occurring in the future. The loss prevention review team  
17 shall accomplish these tasks by reviewing relevant documents,  
18 interviewing persons with relevant knowledge, and reporting its  
19 recommendations in writing to the director (~~of financial management~~)  
20 and the director of the agency involved in the loss or risk of loss  
21 within the time requested by the director (~~of financial management~~).  
22 The final report shall not disclose the contents of any documents  
23 required by law to be kept confidential.

24 (4) Pursuant to guidelines established by the director, state  
25 agencies must notify the (~~office of financial management~~) department  
26 immediately upon becoming aware of a death, serious injury, or other  
27 substantial loss that is alleged or suspected to be caused at least in  
28 part by the actions of the state agency. State agencies shall provide  
29 the loss prevention review team ready access to relevant documents in  
30 their possession and ready access to their employees.

31 **Sec. 509.** RCW 43.41.380 and 2002 c 333 s 3 are each amended to  
32 read as follows:

33 (1) The final report from a loss prevention review team to the  
34 director (~~of financial management~~) shall be made public by the  
35 director promptly upon receipt, and shall be subject to public  
36 disclosure. The final report shall be subject to discovery in a civil

1 or administrative proceeding. However, the final report shall not be  
2 admitted into evidence or otherwise used in a civil or administrative  
3 proceeding except pursuant to subsection (2) of this section.

4 (2) The relevant excerpt or excerpts from the final report of a  
5 loss prevention review team may be used to impeach a fact witness in a  
6 civil or administrative proceeding only if the party wishing to use the  
7 excerpt or excerpts from the report first shows the court by clear and  
8 convincing evidence that the witness, in testimony provided in  
9 deposition or at trial in the present proceeding, has contradicted his  
10 or her previous statements to the loss prevention review team on an  
11 issue of fact material to the present proceeding. In that case, the  
12 party may use only the excerpt or excerpts necessary to demonstrate the  
13 contradiction. This section shall not be interpreted as expanding the  
14 scope of material that may be used to impeach a witness.

15 (3) No member of a loss prevention review team may be examined in  
16 a civil or administrative proceeding as to (a) the work of the loss  
17 prevention review team, (b) the incident under review, (c) his or her  
18 statements, deliberations, thoughts, analyses, or impressions relating  
19 to the work of the loss prevention review team or the incident under  
20 review, or (d) the statements, deliberations, thoughts, analyses, or  
21 impressions of any other member of the loss prevention review team, or  
22 any person who provided information to it, relating to the work of the  
23 loss prevention review team or the incident under review.

24 (4) Any document that exists prior to the appointment of a loss  
25 prevention review team, or that is created independently of such a  
26 team, does not become inadmissible merely because it is reviewed or  
27 used by the loss prevention review team. A person does not become  
28 unavailable as a witness merely because the person has been interviewed  
29 by or has provided a statement to a loss prevention review team.  
30 However, if called as a witness, the person may not be examined  
31 regarding the person's interactions with the loss prevention review  
32 team, including without limitation whether the loss prevention review  
33 team interviewed the person, what questions the loss prevention review  
34 team asked, and what answers the person provided to the loss prevention  
35 review team. This section shall not be construed as restricting the  
36 person from testifying fully in any proceeding regarding his or her  
37 knowledge of the incident under review.



1 (5) Documents prepared by or for the loss prevention review team  
2 are inadmissible and may not be used in a civil or administrative  
3 proceeding, except that excerpts may be used to impeach the credibility  
4 of a witness under the same circumstances that excerpts of the final  
5 report may be used pursuant to subsection (2) of this section.

6 (6) The restrictions set forth in this section shall not apply in  
7 a licensing or disciplinary proceeding arising from an agency's effort  
8 to revoke or suspend the license of any licensed professional based in  
9 whole or in part upon allegations of wrongdoing in connection with the  
10 death, injury, or other incident reviewed by the loss prevention review  
11 team.

12 (7) Within one hundred twenty days after completion of the final  
13 report of a loss prevention review team, the agency under review shall  
14 issue to the (~~office of financial management~~) department a response  
15 to the report. The response will indicate (a) which of the report's  
16 recommendations the agency hopes to implement, (b) whether  
17 implementation of those recommendations will require additional funding  
18 or legislation, and (c) whatever other information the director may  
19 require. This response shall be considered part of the final report  
20 and shall be subject to all provisions of this section that apply to  
21 the final report, including without limitation the restrictions on  
22 admissibility and use in civil or administrative proceedings and the  
23 obligation of the director to make the final report public.

24 (8) Nothing in RCW 43.41.370 or this section is intended to limit  
25 the scope of a legislative inquiry into or review of an incident that  
26 is the subject of a loss prevention review.

27 (9) Nothing in RCW 43.41.370 or in this section affects chapter  
28 70.41 RCW and application of that chapter to state-owned or managed  
29 hospitals licensed under chapter 70.41 RCW.

30 **Sec. 510.** RCW 43.41.110 and 2002 c 332 s 23 are each amended to  
31 read as follows:

32 The office of financial management shall:

33 (1) Provide technical assistance to the governor and the  
34 legislature in identifying needs and in planning to meet those needs  
35 through state programs and a plan for expenditures.

36 (2) Perform the comprehensive planning functions and processes  
37 necessary or advisable for state program planning and development,

1 preparation of the budget, inter-departmental and inter-governmental  
2 coordination and cooperation, and determination of state capital  
3 improvement requirements.

4 (3) Provide assistance and coordination to state agencies and  
5 departments in their preparation of plans and programs.

6 (4) Provide general coordination and review of plans in functional  
7 areas of state government as may be necessary for receipt of federal or  
8 state funds.

9 (5) Participate with other states or subdivisions thereof in  
10 interstate planning.

11 (6) Encourage educational and research programs that further  
12 planning and provide administrative and technical services therefor.

13 (7) Carry out the provisions of RCW 43.62.010 through 43.62.050  
14 relating to the state census.

15 ~~(8) ((Carry out the provisions of this chapter and chapter 4.92 RCW  
16 relating to risk management.~~

17 ~~(9))~~ Be the official state participant in the federal-state  
18 cooperative program for local population estimates and as such certify  
19 all city and county special censuses to be considered in the allocation  
20 of state and federal revenues.

21 ~~((+10))~~ (9) Be the official state center for processing and  
22 dissemination of federal decennial or quinquennial census data in  
23 cooperation with other state agencies.

24 ~~((+11))~~ (10) Be the official state agency certifying annexations,  
25 incorporations, or disincorporations to the United States bureau of the  
26 census.

27 ~~((+12))~~ (11) Review all United States bureau of the census  
28 population estimates used for federal revenue sharing purposes and  
29 provide a liaison for local governments with the United States bureau  
30 of the census in adjusting or correcting revenue sharing population  
31 estimates.

32 ~~((+13))~~ (12) Provide fiscal notes depicting the expected fiscal  
33 impact of proposed legislation in accordance with chapter 43.88A RCW.

34 ~~((+14))~~ (13) Be the official state agency to estimate and manage  
35 the cash flow of all public funds as provided in chapter 43.88 RCW. To  
36 this end, the office shall adopt such rules as are necessary to manage  
37 the cash flow of public funds.

1       **Sec. 511.** RCW 4.92.006 and 2002 c 332 s 10 are each amended to  
2 read as follows:

3       As used in this chapter:

4       (1) (~~("Office" means the office of financial management.)~~)  
5 "Department" means the department of enterprise services.

6       (2) "Director" means the director of (~~financial management~~)  
7 enterprise services.

8       (3) (~~("Risk management division")~~) "Office of risk management"  
9 means the (~~division of the office of financial management~~) office  
10 within the department of enterprise services that carries out the  
11 powers and duties under this chapter relating to claim filing, claims  
12 administration, and claims payment.

13       (4) "Risk manager" means the person supervising the office of risk  
14 management (~~division~~).

15       **Sec. 512.** RCW 4.92.040 and 2002 c 332 s 11 are each amended to  
16 read as follows:

17       (1) No execution shall issue against the state on any judgment.

18       (2) Whenever a final judgment against the state is obtained in an  
19 action on a claim arising out of tortious conduct, the claim shall be  
20 paid from the liability account.

21       (3) Whenever a final judgment against the state shall have been  
22 obtained in any other action, the clerk of the court shall make and  
23 furnish to the office of risk management (~~division~~) a duly certified  
24 copy of such judgment; the office of risk management (~~division~~) shall  
25 thereupon audit the amount of damages and costs therein awarded, and  
26 the same shall be paid from appropriations specifically provided for  
27 such purposes by law.

28       (4) Final judgments for which there are no provisions in state law  
29 for payment shall be transmitted by the office of risk management  
30 (~~division~~) to the senate and house of representatives committees on  
31 ways and means as follows:

32       (a) On the first day of each session of the legislature, the office  
33 of risk management (~~division~~) shall transmit judgments received and  
34 audited since the adjournment of the previous session of the  
35 legislature.

36       (b) During each session of legislature, the office of risk

1 management (~~(division)~~) shall transmit judgments immediately upon  
2 completion of audit.

3 (5) All claims, other than judgments, made to the legislature  
4 against the state of Washington for money or property, shall be  
5 accompanied by a statement of the facts on which such claim is based  
6 and such evidence as the claimant intends to offer in support of the  
7 claim and shall be filed with the office of risk management  
8 (~~(division)~~), which shall retain the same as a record. All claims of  
9 two thousand dollars or less shall be approved or rejected by the  
10 office of risk management (~~(division)~~), and if approved shall be paid  
11 from appropriations specifically provided for such purpose by law.  
12 Such decision, if adverse to the claimant in whole or part, shall not  
13 preclude the claimant from seeking relief from the legislature. If the  
14 claimant accepts any part of his or her claim which is approved for  
15 payment by the office of risk management (~~(division)~~), such acceptance  
16 shall constitute a waiver and release of the state from any further  
17 claims relating to the damage or injury asserted in the claim so  
18 accepted. The office of risk management (~~(division)~~) shall submit to  
19 the house and senate committees on ways and means, at the beginning of  
20 each regular session, a comprehensive list of all claims paid pursuant  
21 to this subsection during the preceding year. For all claims not  
22 approved by the office of risk management (~~(division)~~), the office of  
23 risk management (~~(division)~~) shall recommend to the legislature whether  
24 such claims should be approved or rejected. Recommendations shall be  
25 submitted to the senate and house of representatives committees on ways  
26 and means not later than the thirtieth day of each regular session of  
27 the legislature. Claims which cannot be processed for timely  
28 submission of recommendations shall be held for submission during the  
29 following regular session of the legislature. The recommendations  
30 shall include, but not be limited to:

31 (a) A summary of the facts alleged in the claim, and a statement as  
32 to whether these facts can be verified by the office of risk management  
33 (~~(division)~~);

34 (b) An estimate by the office of risk management (~~(division)~~) of  
35 the value of the loss or damage which was alleged to have occurred;

36 (c) An analysis of the legal liability, if any, of the state for  
37 the alleged loss or damage; and

1 (d) A summary of equitable or public policy arguments which might  
2 be helpful in resolving the claim.

3 (6) The legislative committees to whom such claims are referred  
4 shall make a transcript, recording, or statement of the substance of  
5 the evidence given in support of such a claim. If the legislature  
6 approves a claim the same shall be paid from appropriations  
7 specifically provided for such purpose by law.

8 (7) Subsections (3) through (6) of this section do not apply to  
9 judgments or claims against the state housing finance commission  
10 created under chapter 43.180 RCW.

11 **Sec. 513.** RCW 4.92.130 and 2009 c 560 s 15 are each amended to  
12 read as follows:

13 A liability account in the custody of the treasurer is hereby  
14 created as a nonappropriated account to be used solely and exclusively  
15 for the payment of liability settlements and judgments against the  
16 state under 42 U.S.C. Sec. 1981 et seq. or for the tortious conduct of  
17 its officers, employees, and volunteers and all related legal defense  
18 costs.

19 (1) The purpose of the liability account is to: (a) Expeditiously  
20 pay legal liabilities and defense costs of the state resulting from  
21 tortious conduct; (b) promote risk control through a cost allocation  
22 system which recognizes agency loss experience, levels of self-  
23 retention, and levels of risk exposure; and (c) establish an  
24 actuarially sound system to pay incurred losses, within defined limits.

25 (2) The liability account shall be used to pay claims for injury  
26 and property damages and legal defense costs exclusive of agency-  
27 retained expenses otherwise budgeted.

28 (3) No money shall be paid from the liability account, except for  
29 defense costs, unless all proceeds available to the claimant from any  
30 valid and collectible liability insurance shall have been exhausted and  
31 unless:

32 (a) The claim shall have been reduced to final judgment in a court  
33 of competent jurisdiction; or

34 (b) The claim has been approved for payment.

35 (4) The liability account shall be financed through annual premiums  
36 assessed to state agencies, based on sound actuarial principles, and

1 shall be for liability coverage in excess of agency-budgeted self-  
2 retention levels.

3 (5) Annual premium levels shall be determined by the risk manager.  
4 An actuarial study shall be conducted to assist in determining the  
5 appropriate level of funding.

6 (6) Disbursements for claims from the liability account shall be  
7 made to the claimant, or to the clerk of the court for judgments, upon  
8 written request to the state treasurer from the risk manager.

9 (7) The director may direct agencies to transfer moneys from other  
10 funds and accounts to the liability account if premiums are delinquent.

11 (8) The liability account shall not exceed fifty percent of the  
12 actuarial value of the outstanding liability as determined annually by  
13 the office of risk management (~~(division)~~). If the account exceeds the  
14 maximum amount specified in this section, premiums may be adjusted by  
15 the office of risk management (~~(division)~~) in order to maintain the  
16 account balance at the maximum limits. If, after adjustment of  
17 premiums, the account balance remains above the limits specified, the  
18 excess amount shall be prorated back to the appropriate funds.

19 **Sec. 514.** RCW 4.92.150 and 2002 c 332 s 15 are each amended to  
20 read as follows:

21 After commencement of an action in a court of competent  
22 jurisdiction upon a claim against the state, or any of its officers,  
23 employees, or volunteers arising out of tortious conduct or pursuant to  
24 42 U.S.C. Sec. 1981 et seq., or against a foster parent that the  
25 attorney general is defending pursuant to RCW 4.92.070, or upon  
26 petition by the state, the attorney general, with the prior approval of  
27 the office of risk management (~~(division)~~) and with the approval of the  
28 court, following such testimony as the court may require, may  
29 compromise and settle the same and stipulate for judgment against the  
30 state, the affected officer, employee, volunteer, or foster parent.

31 **Sec. 515.** RCW 4.92.160 and 2002 c 332 s 16 are each amended to  
32 read as follows:

33 Payment of claims and judgments arising out of tortious conduct or  
34 pursuant to 42 U.S.C. Sec. 1981 et seq. shall not be made by any agency  
35 or department of state government with the exception of the office of

1 risk management (~~(division)~~), and that (~~(division)~~) office shall  
2 authorize and direct the payment of moneys only from the liability  
3 account whenever:

4 (1) The head or governing body of any agency or department of state  
5 or the designee of any such agency certifies to the office of risk  
6 management (~~(division)~~) that a claim has been settled; or

7 (2) The clerk of court has made and forwarded a certified copy of  
8 a final judgment in a court of competent jurisdiction and the attorney  
9 general certifies that the judgment is final and was entered in an  
10 action on a claim arising out of tortious conduct or under and pursuant  
11 to 42 U.S.C. Sec. 1981 et seq. Payment of a judgment shall be made to  
12 the clerk of the court for the benefit of the judgment creditors. Upon  
13 receipt of payment, the clerk shall satisfy the judgment against the  
14 state.

15 **Sec. 516.** RCW 4.92.210 and 2002 c 332 s 17 are each amended to  
16 read as follows:

17 (1) All liability claims arising out of tortious conduct or under  
18 42 U.S.C. Sec. 1981 et seq. that the state of Washington or any of its  
19 officers, employees, or volunteers would be liable for shall be filed  
20 with the office of risk management (~~(division)~~).

21 (2) A centralized claim tracking system shall be maintained to  
22 provide agencies with accurate and timely data on the status of  
23 liability claims. Information in this claim file, other than the claim  
24 itself, shall be privileged and confidential.

25 (3) Standardized procedures shall be established for filing,  
26 reporting, processing, and adjusting claims, which includes the use of  
27 qualified claims management personnel.

28 (4) All claims shall be reviewed by the office of risk management  
29 (~~(division)~~) to determine an initial valuation, to delegate to the  
30 appropriate office to investigate, negotiate, compromise, and settle  
31 the claim, or to retain that responsibility on behalf of and with the  
32 assistance of the affected state agency.

33 (5) All claims that result in a lawsuit shall be forwarded to the  
34 attorney general's office. Thereafter the attorney general and the  
35 office of risk management (~~(division)~~) shall collaborate in the  
36 investigation, denial, or settlement of the claim.

1 (6) Reserves shall be established for recognizing financial  
2 liability and monitoring effectiveness. The valuation of specific  
3 claims against the state shall be privileged and confidential.

4 (7) All settlements shall be approved by the responsible agencies,  
5 or their designees, prior to settlement.

6 **Sec. 517.** RCW 4.92.270 and 2002 c 332 s 21 are each amended to  
7 read as follows:

8 The risk manager shall develop procedures for standard  
9 indemnification agreements for state agencies to use whenever the  
10 agency agrees to indemnify, or be indemnified by, any person or party.  
11 The risk manager shall also develop guidelines for the use of  
12 indemnification agreements by state agencies. On request of the risk  
13 manager, an agency shall forward to the office of risk management  
14 (~~(division)~~) for review and approval any contract or agreement  
15 containing an indemnification agreement.

16 **Sec. 518.** RCW 4.92.280 and 1998 c 217 s 4 are each amended to read  
17 as follows:

18 If chapter 217, Laws of 1998 mandates an increased level of service  
19 by local governments, the local government may, under RCW 43.135.060  
20 and chapter 4.92 RCW, submit claims for reimbursement by the  
21 legislature. The claims shall be subject to verification by the  
22 (~~(office of financial management)~~) department of enterprise services.

23 **Sec. 519.** RCW 10.92.020 and 2008 c 224 s 2 are each amended to  
24 read as follows:

25 (1) Tribal police officers under subsection (2) of this section  
26 shall be recognized and authorized to act as general authority  
27 Washington peace officers. A tribal police officer recognized and  
28 authorized to act as a general authority Washington peace officer under  
29 this section has the same powers as any other general authority  
30 Washington peace officer to enforce state laws in Washington, including  
31 the power to make arrests for violations of state laws.

32 (2) A tribal police officer may exercise the powers of law  
33 enforcement of a general authority Washington peace officer under this  
34 section, subject to the following:



1 (a) The appropriate sovereign tribal nation shall submit to the  
2 (~~office of financial management~~) department of enterprise services  
3 proof of public liability and property damage insurance for vehicles  
4 operated by the peace officers and police professional liability  
5 insurance from a company licensed to sell insurance in the state. For  
6 purposes of determining adequacy of insurance liability, the sovereign  
7 tribal government must submit with the proof of liability insurance a  
8 copy of the interlocal agreement between the sovereign tribal  
9 government and the local governments that have shared jurisdiction  
10 under this chapter where such an agreement has been reached pursuant to  
11 subsection (10) of this section.

12 (i) Within the thirty days of receipt of the information from the  
13 sovereign tribal nation, the (~~office of financial management~~)  
14 department of enterprise services shall either approve or reject the  
15 adequacy of insurance, giving consideration to the scope of the  
16 interlocal agreement. The adequacy of insurance under this chapter  
17 shall be subject to annual review by the (~~state office of financial~~  
18 ~~management~~) department of enterprise services.

19 (ii) Each policy of insurance issued under this chapter must  
20 include a provision that the insurance shall be available to satisfy  
21 settlements or judgments arising from the tortious conduct of tribal  
22 police officers when acting in the capacity of a general authority  
23 Washington peace officer, and that to the extent of policy coverage  
24 neither the sovereign tribal nation nor the insurance carrier will  
25 raise a defense of sovereign immunity to preclude an action for damages  
26 under state or federal law, the determination of fault in a civil  
27 action, or the payment of a settlement or judgment arising from the  
28 tortious conduct.

29 (b) The appropriate sovereign tribal nation shall submit to the  
30 (~~office of financial management~~) department of enterprise services  
31 proof of training requirements for each tribal police officer. To be  
32 authorized as a general authority Washington peace officer, a tribal  
33 police officer must successfully complete the requirements set forth  
34 under RCW 43.101.157. Any applicant not meeting the requirements for  
35 certification as a tribal police officer may not act as a general  
36 authority Washington peace officer under this chapter. The criminal  
37 justice training commission shall notify the (~~office of financial~~  
38 ~~management~~) department of enterprise services if:

1 (i) A tribal police officer authorized under this chapter as a  
2 general authority Washington state peace officer has been decertified  
3 pursuant to RCW 43.101.157; or

4 (ii) An appropriate sovereign tribal government is otherwise in  
5 noncompliance with RCW 43.101.157.

6 (3) A copy of any citation or notice of infraction issued, or any  
7 incident report taken, by a tribal police officer acting in the  
8 capacity of a general authority Washington peace officer as authorized  
9 by this chapter must be submitted within three days to the police chief  
10 or sheriff within whose jurisdiction the action was taken. Any  
11 citation issued under this chapter shall be to a Washington court,  
12 except that any citation issued to Indians within the exterior  
13 boundaries of an Indian reservation may be cited to a tribal court.  
14 Any arrest made or citation issued not in compliance with this chapter  
15 is not enforceable.

16 (4) Any authorization granted under this chapter shall not in any  
17 way expand the jurisdiction of any tribal court or other tribal  
18 authority.

19 (5) The authority granted under this chapter shall be coextensive  
20 with the exterior boundaries of the reservation, except that an officer  
21 commissioned under this section may act as authorized under RCW  
22 10.93.070 beyond the exterior boundaries of the reservation.

23 (6) For purposes of civil liability under this chapter, a tribal  
24 police officer shall not be considered an employee of the state of  
25 Washington or any local government except where a state or local  
26 government has deputized a tribal police officer as a specially  
27 commissioned officer. Neither the state of Washington and its  
28 individual employees nor any local government and its individual  
29 employees shall be liable for the authorization of tribal police  
30 officers under this chapter, nor for the negligence or other misconduct  
31 of tribal officers. The authorization of tribal police officers under  
32 this chapter shall not be deemed to have been a nondelegable duty of  
33 the state of Washington or any local government.

34 (7) Nothing in this chapter impairs or affects the existing status  
35 and sovereignty of those sovereign tribal governments whose traditional  
36 lands and territories lie within the borders of the state of Washington  
37 as established under the laws of the United States.

1 (8) Nothing in this chapter limits, impairs, or nullifies the  
2 authority of a county sheriff to appoint duly commissioned state or  
3 federally certified tribal police officers as deputy sheriffs  
4 authorized to enforce the criminal and traffic laws of the state of  
5 Washington.

6 (9) Nothing in this chapter limits, impairs, or otherwise affects  
7 the existing authority under state or federal law of state or local law  
8 enforcement officers to enforce state law within the exterior  
9 boundaries of an Indian reservation or to enter Indian country in fresh  
10 pursuit, as defined in RCW 10.93.120, of a person suspected of  
11 violating state law, where the officer would otherwise not have  
12 jurisdiction.

13 (10) An interlocal agreement pursuant to chapter 39.34 RCW is  
14 required between the sovereign tribal government and all local  
15 government law enforcement agencies that will have shared jurisdiction  
16 under this chapter prior to authorization taking effect under this  
17 chapter. Nothing in this chapter shall limit, impair, or otherwise  
18 affect the implementation of an interlocal agreement completed pursuant  
19 to chapter 39.34 RCW by July 1, 2008, between a sovereign tribal  
20 government and a local government law enforcement agency for  
21 cooperative law enforcement.

22 (a) Sovereign tribal governments that meet all of the requirements  
23 of subsection (2) of this section, but do not have an interlocal  
24 agreement pursuant to chapter 39.34 RCW and seek authorization under  
25 this chapter, may submit proof of liability insurance and training  
26 certification to the (~~office of financial management~~) department of  
27 enterprise services. Upon confirmation of receipt of the information  
28 from the (~~office of financial management~~) department of enterprise  
29 services, the sovereign tribal government and the local government law  
30 enforcement agencies that will have shared jurisdiction under this  
31 chapter have one year to enter into an interlocal agreement pursuant to  
32 chapter 39.34 RCW. If the sovereign tribal government and the local  
33 government law enforcement agencies that will have shared jurisdiction  
34 under this chapter are not able to reach agreement after one year, the  
35 sovereign tribal governments and the local government law enforcement  
36 agencies shall submit to binding arbitration pursuant to chapter 7.04A  
37 RCW with the American arbitration association or successor agency for

1 purposes of completing an agreement prior to authorization going into  
2 effect.

3 (b) For the purposes of (a) of this subsection, those sovereign  
4 tribal government and local government law enforcement agencies that  
5 must enter into binding arbitration shall submit to last best offer  
6 arbitration. For purposes of accepting a last best offer, the  
7 arbitrator must consider other interlocal agreements between sovereign  
8 tribal governments and local law enforcement agencies in Washington  
9 state, any model policy developed by the Washington association of  
10 sheriffs and police chiefs or successor agency, and national best  
11 practices.

12 **Sec. 520.** RCW 48.62.021 and 2004 c 255 s 2 are each amended to  
13 read as follows:

14 Unless the context clearly requires otherwise, the definitions in  
15 this section apply throughout this chapter.

16 (1) "Local government entity" or "entity" means every unit of local  
17 government, both general purpose and special purpose, and includes, but  
18 is not limited to, counties, cities, towns, port districts, public  
19 utility districts, water-sewer districts, school districts, fire  
20 protection districts, irrigation districts, metropolitan municipal  
21 corporations, conservation districts, and other political subdivisions,  
22 governmental subdivisions, municipal corporations, and quasi-municipal  
23 corporations.

24 (2) "Risk assumption" means a decision to absorb the entity's  
25 financial exposure to a risk of loss without the creation of a formal  
26 program of advance funding of anticipated losses.

27 (3) "Self-insurance" means a formal program of advance funding and  
28 management of entity financial exposure to a risk of loss that is not  
29 transferred through the purchase of an insurance policy or contract.

30 (4) "Health and welfare benefits" means a plan or program  
31 established by a local government entity or entities for the purpose of  
32 providing its employees and their dependents, and in the case of school  
33 districts, its district employees, students, directors, or any of their  
34 dependents, with health care, accident, disability, death, and salary  
35 protection benefits.

36 (5) "Property and liability risks" includes the risk of property  
37 damage or loss sustained by a local government entity and the risk of

1 claims arising from the tortious or negligent conduct or any error or  
2 omission of the local government entity, its officers, employees,  
3 agents, or volunteers as a result of which a claim may be made against  
4 the local government entity.

5 (6) "State risk manager" means the risk manager of the office of  
6 risk management (~~(division)~~) within the (~~(office of financial~~  
7 ~~management)~~) department of enterprise services.

8 (7) "Nonprofit corporation" or "corporation" has the same meaning  
9 as defined in RCW 24.03.005(3).

10 **Sec. 521.** RCW 48.64.010 and 2009 c 314 s 2 are each amended to  
11 read as follows:

12 The definitions in this section apply throughout this chapter  
13 unless the context clearly requires otherwise.

14 (1) "Affordable housing" means housing projects in which some of  
15 the dwelling units may be purchased or rented on a basis that is  
16 affordable to households with an income of eighty percent or less of  
17 the county median family income, adjusted for family size.

18 (2) "Affordable housing entity" means any of the following:

19 (a) A housing authority created under the laws of this state or  
20 another state and any agency or instrumentality of a housing authority  
21 including, but not limited to, a legal entity created to conduct a  
22 joint self-insurance program for housing authorities that is operating  
23 in accordance with chapter 48.62 RCW;

24 (b) A nonprofit corporation, whether organized under the laws of  
25 this state or another state, that is engaged in providing affordable  
26 housing and is necessary for the completion, management, or operation  
27 of a project because of its access to funding sources that are not  
28 available to a housing authority, as described in this section; or

29 (c) A general or limited partnership or limited liability company,  
30 whether organized under the laws of this state or another state, that  
31 is engaged in providing affordable housing as defined in this section.  
32 A partnership or limited liability company may only be considered an  
33 affordable housing entity if a housing authority or nonprofit  
34 corporation, as described in this subsection, satisfies any of the  
35 following conditions: (i) It has, or has the right to acquire, a  
36 financial or ownership interest in the partnership or limited liability  
37 company; (ii) it possesses the power to direct management or policies

1 of the partnership or limited liability company; or (iii) it has  
2 entered into a contract to lease, manage, or operate the affordable  
3 housing owned by the partnership or limited liability company.

4 (3) "Property and liability risks" includes the risk of property  
5 damage or loss sustained by an affordable housing entity and the risk  
6 of claims arising from the tortious or negligent conduct or any error  
7 or omission of the entity, its officers, employees, agents, or  
8 volunteers as a result of which a claim may be made against the entity.

9 (4) "Self-insurance" means a formal program of advance funding and  
10 management of entity financial exposure to a risk of loss that is not  
11 transferred through the purchase of an insurance policy or contract.

12 (5) "State risk manager" means the risk manager of the office of  
13 risk management (~~(division)~~) within the (~~(office of financial~~  
14 ~~management)~~) department of enterprise services.

15 **Sec. 522.** RCW 39.29.011 and 2009 c 486 s 7 are each amended to  
16 read as follows:

17 All personal service contracts shall be entered into pursuant to  
18 competitive solicitation, except for:

19 (1) Emergency contracts;

20 (2) Sole source contracts;

21 (3) Contract amendments;

22 (4) Contracts between a consultant and an agency of less than  
23 twenty thousand dollars. However, contracts of five thousand dollars  
24 or greater but less than twenty thousand dollars shall have documented  
25 evidence of competition, which must include agency posting of the  
26 contract opportunity on the state's common vendor registration and bid  
27 notification system. Agencies shall not structure contracts to evade  
28 these requirements; and

29 (5) Other specific contracts or classes or groups of contracts  
30 exempted from the competitive solicitation process by the director of  
31 the (~~(office of financial management)~~) department of enterprise  
32 services when it has been determined that a competitive solicitation  
33 process is not appropriate or cost-effective.

34 **Sec. 523.** RCW 39.29.016 and 1998 c 101 s 4 are each amended to  
35 read as follows:

36 Emergency contracts shall be filed with the (~~(office of financial~~

1 management)) department of enterprise services and made available for  
2 public inspection within three working days following the commencement  
3 of work or execution of the contract, whichever occurs first.  
4 Documented justification for emergency contracts shall be provided to  
5 the ((~~office of financial management~~)) department of enterprise  
6 services when the contract is filed.

7 **Sec. 524.** RCW 39.29.018 and 2009 c 486 s 8 are each amended to  
8 read as follows:

9 (1) Sole source contracts shall be filed with the ((~~office of~~  
10 ~~financial management~~)) department of enterprise services and made  
11 available for public inspection at least ten working days prior to the  
12 proposed starting date of the contract. Documented justification for  
13 sole source contracts shall be provided to the ((~~office of financial~~  
14 ~~management~~)) department of enterprise services when the contract is  
15 filed, and must include evidence that the agency posted the contract  
16 opportunity on the state's common vendor registration and bid  
17 notification system. For sole source contracts of twenty thousand  
18 dollars or more, documented justification shall also include evidence  
19 that the agency attempted to identify potential consultants by  
20 advertising through statewide or regional newspapers.

21 (2) The ((~~office of financial management~~)) department of enterprise  
22 services shall approve sole source contracts of twenty thousand dollars  
23 or more before any such contract becomes binding and before any  
24 services may be performed under the contract. These requirements shall  
25 also apply to sole source contracts of less than twenty thousand  
26 dollars if the total amount of such contracts between an agency and the  
27 same consultant is twenty thousand dollars or more within a fiscal  
28 year. Agencies shall ensure that the costs, fees, or rates negotiated  
29 in filed sole source contracts of twenty thousand dollars or more are  
30 reasonable.

31 **Sec. 525.** RCW 39.29.025 and 1998 c 101 s 6 are each amended to  
32 read as follows:

33 (1) Substantial changes in either the scope of work specified in  
34 the contract or in the scope of work specified in the formal  
35 solicitation document must generally be awarded as new contracts.  
36 Substantial changes executed by contract amendments must be submitted

1 to the (~~office of financial management~~) department of enterprise  
2 services, and are subject to approval by the (~~office of financial~~  
3 ~~management~~) department of enterprise services.

4 (2) An amendment or amendments to personal service contracts, if  
5 the value of the amendment or amendments, whether singly or  
6 cumulatively, exceeds fifty percent of the value of the original  
7 contract must be provided to the (~~office of financial management~~)  
8 department of enterprise services.

9 (3) The (~~office of financial management~~) department of enterprise  
10 services shall approve amendments provided to it under this section  
11 before the amendments become binding and before services may be  
12 performed under the amendments.

13 (4) The amendments must be filed with the (~~office of financial~~  
14 ~~management~~) department of enterprise services and made available for  
15 public inspection at least ten working days prior to the proposed  
16 starting date of services under the amendments.

17 (5) The (~~office of financial management~~) department of enterprise  
18 services shall approve amendments provided to it under this section  
19 only if they meet the criteria for approval of the amendments  
20 established by the director of the (~~office of financial management~~)  
21 department of enterprise services.

22 **Sec. 526.** RCW 39.29.055 and 1998 c 101 s 8 are each amended to  
23 read as follows:

24 (1) Personal service contracts subject to competitive solicitation  
25 shall be (a) filed with the (~~office of financial management~~)  
26 department of enterprise services and made available for public  
27 inspection; and (b) reviewed and approved by the (~~office of financial~~  
28 ~~management~~) department of enterprise services when those contracts  
29 provide services relating to management consulting, organizational  
30 development, marketing, communications, employee training, or employee  
31 recruiting.

32 (2) Personal service contracts subject to competitive solicitation  
33 that provide services relating to management consulting, organizational  
34 development, marketing, communications, employee training, or employee  
35 recruiting shall be made available for public inspection at least ten  
36 working days before the proposed starting date of the contract. All



1 other contracts shall be effective no earlier than the date they are  
2 filed with the (~~office of financial management~~) department of  
3 enterprise services.

4 **Sec. 527.** RCW 39.29.065 and 2009 c 486 s 9 are each amended to  
5 read as follows:

6 To implement this chapter, the director of the (~~office of~~  
7 ~~financial management~~) department of enterprise services shall  
8 establish procedures for the competitive solicitation and award of  
9 personal service contracts, recordkeeping requirements, and procedures  
10 for the reporting and filing of contracts. The director shall develop  
11 procurement policies and procedures, such as unbundled contracting and  
12 subcontracting, that encourage and facilitate the purchase of products  
13 and services by state agencies and institutions from Washington small  
14 businesses to the maximum extent practicable and consistent with  
15 international trade agreement commitments. For reporting purposes, the  
16 director may establish categories for grouping of contracts. The  
17 procedures required under this section shall also include the criteria  
18 for amending personal service contracts. At the beginning of each  
19 biennium, the director may, by administrative policy, adjust the dollar  
20 thresholds prescribed in RCW 39.29.011, 39.29.018, and 39.29.040 to  
21 levels not to exceed the percentage increase in the implicit price  
22 deflator. Adjusted dollar thresholds shall be rounded to the nearest  
23 five hundred dollar increment.

24 **Sec. 528.** RCW 39.29.068 and 1998 c 245 s 33 and 1998 c 101 s 10  
25 are each reenacted and amended to read as follows:

26 The (~~office of financial management~~) department of enterprise  
27 services shall maintain a publicly available list of all personal  
28 service contracts entered into by state agencies during each fiscal  
29 year. The list shall identify the contracting agency, the contractor,  
30 the purpose of the contract, effective dates and periods of  
31 performance, the cost of the contract and funding source, any  
32 modifications to the contract, and whether the contract was  
33 competitively procured or awarded on a sole source basis. The (~~office~~  
34 ~~of financial management~~) department of enterprise services shall also  
35 ensure that state accounting definitions and procedures are consistent  
36 with RCW 39.29.006 and permit the reporting of personal services

1 expenditures by agency and by type of service. Designations of type of  
2 services shall include, but not be limited to, management and  
3 organizational services, legal and expert witness services, financial  
4 services, computer and information services, social or technical  
5 research, marketing, communications, and employee training or  
6 recruiting services. The (~~office of financial management~~) department  
7 of enterprise services shall report annually to the fiscal committees  
8 of the senate and house of representatives on sole source contracts  
9 filed under this chapter. The report shall describe: (1) The number  
10 and aggregate value of contracts for each category established in this  
11 section; (2) the number and aggregate value of contracts of five  
12 thousand dollars or greater but less than twenty thousand dollars; (3)  
13 the number and aggregate value of contracts of twenty thousand dollars  
14 or greater; (4) the justification provided by agencies for the use of  
15 sole source contracts; and (5) any trends in the use of sole source  
16 contracts.

17 **Sec. 529.** RCW 39.29.075 and 1987 c 414 s 9 are each amended to  
18 read as follows:

19 As requested by the legislative auditor, the (~~office of financial~~  
20 ~~management~~) department of enterprise services shall provide  
21 information on contracts filed under this chapter for use in  
22 preparation of summary reports on personal services contracts.

23 **Sec. 530.** RCW 39.29.090 and 1998 c 101 s 11 are each amended to  
24 read as follows:

25 Personal service contracts awarded by institutions of higher  
26 education from nonstate funds do not have to be filed in advance and  
27 approved by the (~~office of financial management~~) department of  
28 enterprise services. Any such contract is subject to all other  
29 requirements of this chapter, including the requirements under RCW  
30 39.29.068 for annual reporting of personal service contracts to the  
31 (~~office of financial management~~) department of enterprise services.

32 **Sec. 531.** RCW 39.29.100 and 2002 c 260 s 7 are each amended to  
33 read as follows:

34 (1) The (~~office of financial management~~) department of enterprise

1 services shall adopt uniform guidelines for the effective and efficient  
2 management of personal service contracts and client service contracts  
3 by all state agencies. The guidelines must, at a minimum, include:

4 (a) Accounting methods, systems, measures, and principles to be  
5 used by agencies and contractors;

6 (b) Precontract procedures for selecting potential contractors  
7 based on their qualifications and ability to perform;

8 (c) Incorporation of performance measures and measurable benchmarks  
9 in contracts, and the use of performance audits;

10 (d) Uniform contract terms to ensure contract performance and  
11 compliance with state and federal standards;

12 (e) Proper payment and reimbursement methods to ensure that the  
13 state receives full value for taxpayer moneys, including cost  
14 settlements and cost allowance;

15 (f) Postcontract procedures, including methods for recovering  
16 improperly spent or overspent moneys for disallowance and adjustment;

17 (g) Adequate contract remedies and sanctions to ensure compliance;

18 (h) Monitoring, fund tracking, risk assessment, and auditing  
19 procedures and requirements;

20 (i) Financial reporting, record retention, and record access  
21 procedures and requirements;

22 (j) Procedures and criteria for terminating contracts for cause or  
23 otherwise; and

24 (k) Any other subject related to effective and efficient contract  
25 management.

26 (2) The (~~office of financial management~~) department of enterprise  
27 services shall submit the guidelines required by subsection (1) of this  
28 section to the governor and the appropriate standing committees of the  
29 legislature no later than December 1, 2002.

30 (3) The (~~office of financial management~~) department of enterprise  
31 services shall publish a guidebook for use by state agencies containing  
32 the guidelines required by subsection (1) of this section.

33 **Sec. 532.** RCW 39.29.110 and 2002 c 260 s 8 are each amended to  
34 read as follows:

35 (1) A state agency entering into or renewing personal service  
36 contracts or client service contracts shall follow the guidelines  
37 required by RCW 39.29.100.

1 (2) A state agency that has entered into or renewed personal  
2 service contracts or client service contracts during a calendar year  
3 shall, on or before January 1st of the following calendar year, provide  
4 the (~~office of financial management~~) department of enterprise  
5 services with a report detailing the procedures the agency employed in  
6 entering into, renewing, and managing the contracts.

7 (3) The provisions of this section apply to state agencies entering  
8 into or renewing contracts after January 1, 2003.

9 **Sec. 533.** RCW 39.29.120 and 2002 c 260 s 9 are each amended to  
10 read as follows:

11 (1) The (~~office of financial management~~) department of enterprise  
12 services shall provide a training course for agency personnel  
13 responsible for executing and managing personal service contracts and  
14 client service contracts. The course must contain training on  
15 effective and efficient contract management under the guidelines  
16 established under RCW 39.29.100. State agencies shall require agency  
17 employees responsible for executing or managing personal service  
18 contracts and client service contracts to complete the training course  
19 to the satisfaction of the (~~office of financial management~~)  
20 department of enterprise services. Beginning January 1, 2004, no  
21 agency employee may execute or manage personal service contracts or  
22 client service contracts unless the employee has completed the training  
23 course. Any request for exception to this requirement shall be  
24 submitted to the (~~office of financial management~~) department of  
25 enterprise services in writing and shall be approved by the (~~office of~~  
26 ~~financial management~~) department of enterprise services prior to the  
27 employee executing or managing the contract.

28 (2)(a) The (~~office of financial management~~) department of  
29 enterprise services shall conduct risk-based audits of the contracting  
30 practices associated with individual personal service and client  
31 service contracts from multiple state agencies to ensure compliance  
32 with the guidelines established in RCW 39.29.110. The (~~office of~~  
33 ~~financial management~~) department of enterprise services shall conduct  
34 the number of audits deemed appropriate by the director of the (~~office~~  
35 ~~of financial management~~) department of enterprise services based on  
36 funding provided.

1 (b) The (~~office of financial management~~) department of enterprise  
2 services shall forward the results of the audits conducted under this  
3 section to the governor, the appropriate standing committees of the  
4 legislature, and the joint legislative audit and review committee.

5 **Sec. 534.** RCW 43.88.580 and 2008 c 326 s 3 are each amended to  
6 read as follows:

7 (1) The (~~office of financial management~~) department of enterprise  
8 services shall make electronically available to the public a database  
9 of state agency contracts for personal services required to be filed  
10 with the (~~office of financial management~~) department of enterprise  
11 services under chapter 39.29 RCW.

12 (2) The state expenditure information web site described in RCW  
13 44.48.150 shall include a link to the (~~office of financial~~  
14 ~~management~~) department of enterprise services database described in  
15 subsection (1) of this section.

16 NEW SECTION. **Sec. 535.** RCW 43.41.280, 43.41.290, 43.41.300,  
17 43.41.310, 43.41.320, 43.41.330, 43.41.340, 43.41.350, and 43.41.360  
18 are each recodified as sections in chapter 43.19 RCW.

19 **PART VI**

20 **POWERS AND DUTIES TRANSFERRED FROM THE**  
21 **DEPARTMENT OF INFORMATION SERVICES**

22 **Sec. 601.** RCW 43.105.080 and 2010 1st sp.s. c 37 s 931 are each  
23 amended to read as follows:

24 There is created a revolving fund to be known as the data  
25 processing revolving fund in the custody of the state treasurer. The  
26 revolving fund shall be used for the acquisition of equipment,  
27 software, supplies, and services and the payment of salaries, wages,  
28 and other costs incidental to the acquisition, development, operation,  
29 and administration of information services, telecommunications,  
30 systems, software, supplies and equipment, including the payment of  
31 principal and interest on bonds issued for capital projects, by the  
32 department, Washington State University's computer services center, the  
33 department of (~~personnel's~~) enterprise services' personnel  
34 information systems (~~division, the office of financial management's~~)

1 group and financial systems management group, and other users as  
2 (~~jointly~~) determined by the (~~department and the~~) office of  
3 financial management. The revolving fund is subject to the allotment  
4 procedure provided under chapter 43.88 RCW. Disbursements from the  
5 revolving fund for the services component of the department are not  
6 subject to appropriation. Disbursements for the strategic planning and  
7 policy component of the department are subject to appropriation. All  
8 disbursements from the fund are subject to the allotment procedures  
9 provided under chapter 43.88 RCW. The department shall establish and  
10 implement a billing structure to assure all agencies pay an equitable  
11 share of the costs.

12 During the 2009-2011 fiscal biennium, the legislature may transfer  
13 from the data processing revolving account to the state general fund  
14 such amounts as reflect the excess fund balance associated with the  
15 information technology pool.

16 As used in this section, the word "supplies" shall not be  
17 interpreted to delegate or abrogate the division of purchasing's  
18 responsibilities and authority to purchase supplies as described in RCW  
19 43.19.190 and 43.19.200.

20 **Sec. 602.** RCW 43.105.320 and 1999 c 287 s 18 are each amended to  
21 read as follows:

22 The department of (~~information~~) enterprise services may become a  
23 licensed certification authority, under chapter 19.34 RCW, for the  
24 purpose of providing services to agencies, local governments, and other  
25 entities and persons for purposes of official state business. The  
26 department is not subject to RCW 19.34.100(1)(a). The department shall  
27 only issue certificates, as defined in RCW 19.34.020, in which the  
28 subscriber is:

29 (1) The state of Washington or a department, office, or agency of  
30 the state;

31 (2) A city, county, district, or other municipal corporation, or a  
32 department, office, or agency of the city, county, district, or  
33 municipal corporation;

34 (3) An agent or employee of an entity described by subsection (1)  
35 or (2) of this section, for purposes of official public business;

36 (4) Any other person or entity engaged in matters of official  
37 public business, however, such certificates shall be limited only to

1 matters of official public business. The department may issue  
2 certificates to such persons or entities only if after issuing a  
3 request for proposals from certification authorities licensed under  
4 chapter 19.34 RCW and review of the submitted proposals, makes a  
5 determination that such private services are not sufficient to meet the  
6 department's published requirements. The department must set forth in  
7 writing the basis of any such determination and provide procedures for  
8 challenge of the determination as provided by the state procurement  
9 requirements; or

10 (5) An applicant for a license as a certification authority for the  
11 purpose of compliance with RCW 19.34.100(1)(a).

12 **Sec. 603.** RCW 43.105.370 and 2009 c 509 s 2 are each amended to  
13 read as follows:

14 (1) The broadband mapping account is established in the custody of  
15 the state treasurer. The department shall deposit into the account  
16 such funds received from legislative appropriation, federal (~~grants~~  
17 ~~authorized under the federal broadband data improvement act, P.L. 110-~~  
18 ~~385, Title I~~) funding, and donated funds from private and public  
19 sources. Expenditures from the account may be used only for the  
20 purposes of RCW 43.105.372 through 43.105.376 (as recodified by this  
21 act). Only the director of the department or the director's designee  
22 may authorize expenditures from the account. The account is subject to  
23 the allotment procedures under chapter 43.88 RCW, but an appropriation  
24 is not required for expenditures.

25 (2) The department (~~of information services~~) is the single  
26 eligible entity in the state for purposes of the federal broadband  
27 (~~data improvement act, P.L. 110-385, Title I~~) mapping activities.

28 (3) Federal funding received by the department (~~under the federal~~  
29 ~~broadband data improvement act, P.L. 110-385, Title I,~~) for broadband  
30 mapping activities must be used in accordance with (~~the~~) any federal  
31 requirements (~~of that act~~) and, subject to those requirements, may be  
32 distributed by the department on a competitive basis to other entities  
33 in the state (~~to achieve the purposes of that act~~).

34 (4) The department (~~of information services~~) shall consult with  
35 (~~the department of community, trade, and economic development or its~~  
36 ~~successor agency,~~) the office of financial management(~~(7)~~) and the  
37 utilities and transportation commission in coordinating broadband

1 mapping activities. In carrying out any broadband mapping activities,  
2 the provisions of P.L. 110-385, Title I, regarding trade secrets,  
3 commercial or financial information, and privileged or confidential  
4 information submitted by the federal communications commission or a  
5 broadband provider are deemed to encompass the consulted agencies.

6 **Sec. 604.** RCW 43.105.372 and 2009 c 509 s 3 are each amended to  
7 read as follows:

8 (1) Subject to the availability of federal or state funding, the  
9 department may:

10 (a) Develop an interactive web site to allow residents to self-  
11 report whether high-speed internet is available at their home or  
12 residence and at what speed; and

13 (b) Conduct a detailed survey of all high-speed internet  
14 infrastructure owned or leased by state agencies and (~~creating~~  
15 ~~[create]~~) create a geographic information system map of all high-speed  
16 internet infrastructure owned or leased by the state.

17 (2) State agencies responding to a survey request from the  
18 department under subsection (1)(b) of this section shall respond in a  
19 reasonable and timely manner, not to exceed one hundred twenty days.  
20 The department shall request of state agencies, at a minimum:

21 (a) The total bandwidth of high-speed internet infrastructure owned  
22 or leased;

23 (b) The cost of maintaining that high-speed internet  
24 infrastructure, if owned, or the price paid for the high-speed internet  
25 infrastructure, if leased; and

26 (c) The leasing entity, if applicable.

27 (3) The department may adopt rules as necessary to carry out the  
28 provisions of this section.

29 (4) For purposes of this section, "state agency" includes every  
30 state office, department, division, bureau, board, commission, or other  
31 state agency.

32 **Sec. 605.** RCW 43.105.374 and 2009 c 509 s 4 are each amended to  
33 read as follows:

34 (1) The department is authorized, through a competitive bidding  
35 process, to procure on behalf of the state a geographic information  
36 system map detailing high-speed internet infrastructure, service



1 availability, and adoption. This geographic information system map may  
2 include adoption information, availability information, type of high-  
3 speed internet deployment technology, and available speed tiers for  
4 high-speed internet based on any publicly available data.

5 (2) The department may procure this map either by:

6 (a) Contracting for and purchasing a completed map or updates to a  
7 map from a third party; or

8 (b) Working directly with the federal communications commission to  
9 accept publicly available data.

10 (3) The department shall establish an accountability and oversight  
11 structure to ensure that there is transparency in the bidding and  
12 contracting process and full financial and technical accountability for  
13 any information or actions taken by a third-party contractor creating  
14 this map.

15 (4) In contracting for purchase of the map or updates to a map in  
16 subsection (2)(a) of this section, the department may take no action,  
17 nor impose any condition on the third party, that causes any record  
18 submitted by a public or private broadband service provider to the  
19 third party to meet the standard of a public record as defined in RCW  
20 42.56.010. This prohibition does not apply to any records delivered to  
21 the department by the third party as a component of the ((completed))  
22 map. For the purpose of RCW 42.56.010((+2+)) (3), the purchase by the  
23 department of a completed map or updates to a map may not be deemed use  
24 or ownership by the department of the underlying information used by  
25 the third party to complete the map.

26 (5) Data or information that is publicly available as of July 1,  
27 2009, will not cease to be publicly available due to any provision of  
28 chapter 509, Laws of 2009.

29 **Sec. 606.** RCW 43.105.376 and 2009 c 509 s 5 are each amended to  
30 read as follows:

31 (1) The department, in coordination with ((the department of  
32 community, trade, and economic development and)) the utilities and  
33 transportation commission, and such advisors as the department chooses,  
34 may prepare regular reports that identify the following:

35 (a) The geographic areas of greatest priority for the deployment of  
36 advanced telecommunications infrastructure in the state;

1 (b) A detailed explanation of how any amount of funding received  
2 from the federal government for the purposes of broadband mapping,  
3 deployment, and adoption will be or have been used; and

4 (c) A determination of how nonfederal sources may be utilized to  
5 achieve the purposes of broadband mapping, deployment, and adoption  
6 activities in the state.

7 (2) To the greatest extent possible, the initial report should be  
8 based upon the information identified in the geographic system maps  
9 developed under the requirements of this chapter.

10 (3) The initial report should be delivered to the appropriate  
11 committees of the legislature as soon as feasible, but no later than  
12 January 18, 2010.

13 (4) Any future reports prepared by the department based upon the  
14 requirements of subsection (1) of this section should be delivered to  
15 the appropriate committees of the legislature by January 15th of each  
16 year.

17 **Sec. 607.** RCW 43.105.380 and 2009 c 509 s 6 are each amended to  
18 read as follows:

19 The community technology opportunity program is created to support  
20 the efforts of community technology programs throughout the state. The  
21 community technology opportunity program must be administered by the  
22 department (~~(of information services)~~). The department may contract  
23 for services in order to carry out the department's obligations under  
24 this section.

25 (1) In implementing the community technology opportunity program  
26 the (~~administrator~~) director must, to the extent funds are  
27 appropriated for this purpose:

28 (a) Provide organizational and capacity building support to  
29 community technology programs throughout the state, and identify and  
30 facilitate the availability of other public and private sources of  
31 funds to enhance the purposes of the program and the work of community  
32 technology programs. No more than fifteen percent of funds received by  
33 the (~~administrator~~) director for the program may be expended on these  
34 functions;

35 (b) Establish a competitive grant program and provide grants to  
36 community technology programs to provide training and skill-building  
37 opportunities; access to hardware and software; internet connectivity;

1 digital media literacy; assistance in the adoption of information and  
2 communication technologies in low-income and underserved areas of the  
3 state; and development of locally relevant content and delivery of  
4 vital services through technology.

5 (2) Grant applicants must:

6 (a) Provide evidence that the applicant is a nonprofit entity or a  
7 public entity that is working in partnership with a nonprofit entity;

8 (b) Define the geographic area or population to be served;

9 (c) Include in the application the results of a needs assessment  
10 addressing, in the geographic area or among the population to be  
11 served: The impact of inadequacies in technology access or knowledge,  
12 barriers faced, and services needed;

13 (d) Explain in detail the strategy for addressing the needs  
14 identified and an implementation plan including objectives, tasks, and  
15 benchmarks for the applicant and the role that other organizations will  
16 play in assisting the applicant's efforts;

17 (e) Provide evidence of matching funds and resources, which are  
18 equivalent to at least one-quarter of the grant amount committed to the  
19 applicant's strategy;

20 (f) Provide evidence that funds applied for, if received, will be  
21 used to provide effective delivery of community technology services in  
22 alignment with the goals of this program and to increase the  
23 applicant's level of effort beyond the current level; and

24 (g) Comply with such other requirements as the ((~~administrator~~))  
25 director establishes.

26 (3) The ((~~administrator~~)) director may use no more than ten percent  
27 of funds received for the community technology opportunity program to  
28 cover administrative expenses.

29 (4) The ((~~administrator~~)) director must establish expected program  
30 outcomes for each grant recipient and must require grant recipients to  
31 provide an annual accounting of program outcomes.

32 **Sec. 608.** RCW 43.105.382 and 2009 c 509 s 8 are each amended to  
33 read as follows:

34 The Washington community technology opportunity account is  
35 established in the state treasury. The governor or the governor's  
36 designee and the director or the director's designee shall deposit into  
37 the account federal grants to the state ((~~authorized under Division B,~~

1 ~~Title VI of the American recovery and reinvestment act of 2009~~)),  
2 legislative appropriations, and donated funds from private and public  
3 sources for purposes related to broadband deployment and adoption,  
4 including matching funds required by the act. Donated funds from  
5 private and public sources may be deposited into the account.  
6 Expenditures from the account may be used only as matching funds for  
7 federal and other grants to fund the operation of the community  
8 technology opportunity program under this chapter, and to fund other  
9 broadband-related activities authorized in chapter 509, Laws of 2009.  
10 Only the director or the director's designee may authorize expenditures  
11 from the account.

12 **Sec. 609.** RCW 43.105.390 and 2009 c 509 s 9 are each amended to  
13 read as follows:

14 (1) The governor may take all appropriate steps to (~~carry out the~~  
15 ~~purposes of Division B, Title VI of the American recovery and~~  
16 ~~reinvestment act of 2009, P.L. 111-5, and~~) seek federal funding in  
17 order to maximize investment in broadband deployment and adoption in  
18 the state of Washington (~~consistent with chapter 509, Laws of 2009~~).  
19 Such steps may include the designation of a broadband deployment and  
20 adoption coordinator; review and prioritization of grant applications  
21 by public and private entities as directed by the national  
22 telecommunications and information administration, the rural utility  
23 services, and the federal communications commission; disbursement of  
24 block grant funding; and direction to state agencies to provide  
25 staffing as necessary to carry out this section. The authority for  
26 overseeing broadband adoption and deployment efforts on behalf of the  
27 state is vested in the department.

28 (2) The department may apply for federal funds and other grants or  
29 donations, may deposit such funds in the Washington community  
30 technology opportunity account created in RCW 43.105.382 (as recodified  
31 by this act), may oversee implementation of federally funded or  
32 mandated broadband programs for the state and may adopt rules to  
33 administer the programs. These programs may include but are not  
34 limited to the following:

35 (a) Engaging in periodic statewide surveys of residents,  
36 businesses, and nonprofit organizations concerning their use and

1 adoption of high-speed internet, computer, and related information  
2 technology for the purpose of identifying barriers to adoption;

3 (b) Working with communities to identify barriers to the adoption  
4 of broadband service and related information technology services by  
5 individuals, nonprofit organizations, and businesses;

6 (c) Identifying broadband demand opportunities in communities by  
7 working cooperatively with local organizations, government agencies,  
8 and businesses;

9 (d) Creating, implementing, and administering programs to improve  
10 computer ownership, technology literacy, digital media literacy, and  
11 high-speed internet access for populations not currently served or  
12 underserved in the state. This may include programs to provide low-  
13 income families, community-based nonprofit organizations, nonprofit  
14 entities, and public entities that work in partnership with nonprofit  
15 entities to provide increased access to computers and broadband, with  
16 reduced cost internet access;

17 (e) Administering the community technology opportunity program  
18 under RCW 43.105.380 and 43.105.382 (as recodified by this act);

19 (f) Creating additional programs to spur the development of high-  
20 speed internet resources in the state;

21 (g) Establishing technology literacy and digital inclusion programs  
22 and establishing low-cost hardware, software, and internet purchasing  
23 programs that may include allowing participation by community  
24 technology programs in state purchasing programs; and

25 (h) Developing technology loan programs targeting small businesses  
26 or businesses located in unserved and underserved areas.

27 **Sec. 610.** RCW 43.105.400 and 2009 c 509 s 10 are each amended to  
28 read as follows:

29 ~~((+1))~~ Subject to the availability of federal or state funding,  
30 the department may ~~((reconvene the high-speed internet work group  
31 previously established by chapter 262, Laws of 2008. The work group is  
32 renamed the advisory council on digital inclusion, and is))~~ convene an  
33 advisory group ~~((to the department))~~ on digital inclusion and  
34 technology planning. The ~~((council must))~~ advisory group may include,  
35 but is not limited to, volunteer representatives from community  
36 technology organizations, telecommunications providers, higher  
37 education institutions, K-12 education institutions, public health

1 institutions, public housing entities, and local government and other  
2 governmental entities that are engaged in community technology  
3 activities.

4 ~~((2) The council shall prepare a report by January 15th of each  
5 year and submit it to the department, the governor, and the appropriate  
6 committees of the legislature. The report must contain:~~

7 ~~(a) An analysis of how support from public and private sector  
8 partnerships, the philanthropic community, and other not-for-profit  
9 organizations in the community, along with strong relationships with  
10 the state board for community and technical colleges, the higher  
11 education coordinating board, and higher education institutions, could  
12 establish a variety of high-speed internet access alternatives for  
13 citizens;~~

14 ~~(b) Proposed strategies for continued broadband deployment and  
15 adoption efforts, as well as further development of advanced  
16 telecommunications applications;~~

17 ~~(c) Recommendations on methods for maximizing the state's research  
18 and development capacity at universities and in the private sector for  
19 developing advanced telecommunications applications and services, and  
20 recommendations on incentives to stimulate the demand for and  
21 development of these applications and services;~~

22 ~~(d) An identification of barriers that hinder the advancement of  
23 technology entrepreneurship in the state; and~~

24 ~~(e) An evaluation of programs designed to advance digital literacy  
25 and computer access that are made available by the federal government,  
26 local agencies, telecommunications providers, and business and  
27 charitable entities.))~~

28 **Sec. 611.** RCW 41.07.030 and 1975 1st ex.s. c 239 s 3 are each  
29 amended to read as follows:

30 The costs of administering, maintaining, and operating the central  
31 personnel-payroll system shall be distributed to the using state  
32 agencies. In order to insure proper and equitable distribution of  
33 costs the department of personnel shall utilize cost accounting  
34 procedures to identify all costs incurred in the administration,  
35 maintenance, and operation of the central personnel-payroll system. In  
36 order to facilitate proper and equitable distribution of costs to the  
37 using state agencies the department of personnel is authorized to

1 utilize the data processing revolving fund created by RCW 43.105.080  
2 (as recodified by this act) and the (~~department of~~) personnel service  
3 fund created by RCW 41.06.280.

4 **Sec. 612.** RCW 43.99I.040 and 1997 c 456 s 39 are each amended to  
5 read as follows:

6 (1) On each date on which any interest or principal and interest  
7 payment is due on bonds issued for the purposes of RCW 43.99I.020(4),  
8 the state treasurer shall transfer from property taxes in the state  
9 general fund levied for this support of the common schools under RCW  
10 84.52.065 to the general fund of the state treasury for unrestricted  
11 use the amount computed in RCW 43.99I.030 for the bonds issued for the  
12 purposes of RCW 43.99I.020(4).

13 (2) On each date on which any interest or principal and interest  
14 payment is due on bonds issued for the purposes of RCW 43.99I.020(5),  
15 the state treasurer shall transfer from higher education operating fees  
16 deposited in the general fund to the general fund of the state treasury  
17 for unrestricted use, or if chapter 231, Laws of 1992 (Senate Bill No.  
18 6285) becomes law and changes the disposition of higher education  
19 operating fees from the general fund to another account, the state  
20 treasurer shall transfer the proportional share from the University of  
21 Washington operating fees account, the Washington State University  
22 operating fees account, and the Central Washington University operating  
23 fees account the amount computed in RCW 43.99I.030 for the bonds issued  
24 for the purposes of RCW 43.99I.020(6).

25 (3) On each date on which any interest or principal and interest  
26 payment is due on bonds issued for the purposes of RCW 43.99I.020(6),  
27 the state treasurer shall transfer from the data processing revolving  
28 fund created in RCW 43.105.080 (as recodified by this act) to the  
29 general fund of the state treasury the amount computed in RCW  
30 43.99I.030 for the bonds issued for the purposes of RCW 43.99I.020(6).

31 (4) On each date on which any interest or principal and interest  
32 payment is due on bonds issued for the purpose of RCW 43.99I.020(7),  
33 the Washington state dairy products commission shall cause the amount  
34 computed in RCW 43.99I.030 for the bonds issued for the purposes of RCW  
35 43.99I.020(7) to be paid out of the commission's general operating fund  
36 to the state treasurer for deposit into the general fund of the state  
37 treasury.

1 (5) The higher education operating fee accounts for the University  
2 of Washington, Washington State University, and Central Washington  
3 University established by chapter 231, Laws of 1992 and repealed by  
4 chapter 18, Laws of 1993 1st sp. sess. are reestablished in the state  
5 treasury for purposes of fulfilling debt service reimbursement  
6 transfers to the general fund required by bond resolutions and  
7 covenants for bonds issued for purposes of RCW 43.99I.020(5).

8 (6) For bonds issued for purposes of RCW 43.99I.020(5), on each  
9 date on which any interest or principal and interest payment is due,  
10 the board of regents or board of trustees of the University of  
11 Washington, Washington State University, or Central Washington  
12 University shall cause the amount as determined by the state treasurer  
13 to be paid out of the local operating fee account for deposit by the  
14 universities into the state treasury higher education operating fee  
15 accounts. The state treasurer shall transfer the proportional share  
16 from the University of Washington operating fees account, the  
17 Washington State University operating fees account, and the Central  
18 Washington University operating fees account the amount computed in RCW  
19 43.99I.030 for the bonds issued for the purposes of RCW 43.99I.020(6)  
20 to reimburse the general fund.

21 NEW SECTION. **Sec. 613.** The following acts or parts of acts are  
22 each repealed:

23 (1) RCW 43.105.300 (Education in use of technology encouraged) and  
24 1996 c 171 s 14; and

25 (2) RCW 43.105.360 (Web directory--Public community technology  
26 programs) and 2008 c 262 s 5.

27 NEW SECTION. **Sec. 614.** RCW 43.105.080, 43.105.320, and 43.105.410  
28 are each recodified as sections in chapter 43.19 RCW.

29 NEW SECTION. **Sec. 615.** RCW 43.105.370, 43.105.372, 43.105.374,  
30 43.105.376, 43.105.380, 43.105.382, 43.105.390, and 43.105.400 are each  
31 recodified as sections in chapter 43.330 RCW.

32 **PART VII**

33 **CREATING THE OFFICE OF CHIEF INFORMATION OFFICER**



1        NEW SECTION.    **Sec. 701.** Information technology is a tool used by  
2 state agencies to improve their ability to deliver public services  
3 efficiently and effectively. Advances in information technology -  
4 including advances in hardware, software, and business processes for  
5 implementing and managing these resources - offer new opportunities to  
6 improve the level of support provided to citizens and state agencies  
7 and to reduce the per-transaction cost of these services. These  
8 advances are one component in the process of reengineering how  
9 government delivers services to citizens.

10        To fully realize the service improvements and cost efficiency from  
11 the effective application of information technology to its business  
12 processes, state government must establish decision-making structures  
13 that connect business processes and information technology in an  
14 operating model. Many of these business practices transcend individual  
15 agency processes and should be worked at the enterprise level. To do  
16 this requires an effective partnership of executive management,  
17 business processes owners, and providers of support functions necessary  
18 to efficiently and effectively deliver services to citizens.

19        To maximize the potential for information technology to contribute  
20 to government business process reengineering the state must establish  
21 clear central authority to plan, set enterprise standards, and provide  
22 project oversight and management analysis of the various aspects of a  
23 business process.

24        Establishing the office of chief information officer and partnering  
25 it with the director of financial management will provide state  
26 government with the cohesive structure necessary to develop improved  
27 operating models with agency directors and reengineer business process  
28 to enhance service delivery while capturing savings.

29        NEW SECTION.    **Sec. 702.** (1) The office of the chief information  
30 officer is created within the office of financial management.

31        (2) Powers, duties, and functions assigned to the department of  
32 information services as specified in this chapter shall be transferred  
33 to the office of chief information officer as provided in this chapter.

34        (3) The primary duties of the office are:

35        (a) To prepare and lead the implementation of a strategic direction  
36 and enterprise architecture for information technology for state  
37 government;

1 (b) To enable the standardization and consolidation of information  
2 technology infrastructure across all state agencies to support  
3 enterprise-based system development and improve and maintain service  
4 delivery;

5 (c) To establish standards and policies for the consistent and  
6 efficient operation of information technology services throughout state  
7 government;

8 (d) To establish statewide enterprise architecture that will serve  
9 as the organizing standard for information technology for state  
10 agencies;

11 (e) Educate and inform state managers and policymakers on  
12 technological developments, industry trends and best practices,  
13 industry benchmarks that strengthen decision making and professional  
14 development, and industry understanding for public managers and  
15 decision makers.

16 (4) In the case of institutions of higher education, the powers of  
17 the office and the provisions of this chapter apply to business and  
18 administrative applications but do not apply to academic and research  
19 applications.

20 (5) The legislature and the judiciary, which are constitutionally  
21 recognized as separate branches of government, are strongly encouraged  
22 to coordinate with the office and participate in shared services  
23 initiatives and the development of enterprise-based strategies, where  
24 appropriate.

25 NEW SECTION. **Sec. 703.** (1) The executive head and appointing  
26 authority of the office is the chief information officer. The chief  
27 information officer shall be appointed by the governor, subject to  
28 confirmation by the senate. The chief information officer shall serve  
29 at the pleasure of the governor. The chief information officer shall  
30 be paid a salary fixed by the governor. If a vacancy occurs in the  
31 position of chief information officer while the senate is not in  
32 session, the governor shall make a temporary appointment until the next  
33 meeting of the senate at which time he or she shall present to that  
34 body his or her nomination for the position.

35 (2) The chief information officer may employ staff members, some of  
36 whom may be exempt from chapter 41.06 RCW, and any additional staff  
37 members as are necessary to administer this chapter, and such other

1 duties as may be authorized by law. The chief information officer may  
2 delegate any power or duty vested in him or her by this chapter or  
3 other law.

4 (3) The internal affairs of the office shall be under the control  
5 of the chief information officer in order that the chief information  
6 officer may manage the office in a flexible and intelligent manner as  
7 dictated by changing contemporary circumstances. Unless specifically  
8 limited by law, the chief information officer shall have complete  
9 charge and supervisory powers over the office. The chief information  
10 officer may create such administrative structures as the chief  
11 information officer deems appropriate, except as otherwise specified by  
12 law, and the chief information officer may employ staff members as may  
13 be necessary in accordance with chapter 41.06 RCW, except as otherwise  
14 provided by law.

15 NEW SECTION. **Sec. 704.** The chief information officer shall:

16 (1) Supervise and administer the activities of the office of chief  
17 information officer;

18 (2) Exercise all the powers and perform all the duties prescribed  
19 by law with respect to the administration of this chapter including:

20 (a) Appoint such professional, technical, and clerical assistants  
21 and employees as may be necessary to perform the duties imposed by this  
22 chapter; and

23 (b) Report to the governor any matters relating to abuses and  
24 evasions of this chapter.

25 (3) In addition to other powers and duties granted, the chief  
26 information officer has the following powers and duties:

27 (a) Enter into contracts on behalf of the state to carry out the  
28 purposes of this chapter;

29 (b) Accept and expend gifts and grants that are related to the  
30 purposes of this chapter, whether such grants be of federal or other  
31 funds;

32 (c) Apply for grants from public and private entities, and receive  
33 and administer any grant funding received for the purpose and intent of  
34 this chapter;

35 (d) Adopt rules in accordance with chapter 34.05 RCW and perform  
36 all other functions necessary and proper to carry out the purposes of  
37 this chapter;

1 (e) Delegate powers, duties, and functions as the chief information  
2 officer deems necessary for efficient administration, but the chief  
3 information officer shall be responsible for the official acts of the  
4 officers and employees of the office; and

5 (f) Perform other duties as are necessary and consistent with law.

6 NEW SECTION. **Sec. 705.** The definitions in this section apply  
7 throughout this chapter unless the context clearly requires otherwise.

8 (1) "Backbone network" means the shared high-density portions of  
9 the state's telecommunications transmission facilities. It includes  
10 specially conditioned high-speed communications carrier lines,  
11 multiplexors, switches associated with such communications lines, and  
12 any equipment and software components necessary for management and  
13 control of the backbone network.

14 (2) "Board" means the information technology advisory board.

15 (3) "Committee" means the state interoperability executive  
16 committee.

17 (4) "Educational sectors" means those institutions of higher  
18 education, school districts, and educational service districts that use  
19 the network for distance education, data transmission, and other uses  
20 permitted by the board.

21 (5) "Enterprise architecture" means an ongoing program for  
22 translating business vision and strategy into effective enterprise  
23 change. It is a continuous activity. Enterprise architecture creates,  
24 communicates, and improves the key principles and models that describe  
25 the enterprise's future state and enable its evolution.

26 (6) "Equipment" means the machines, devices, and transmission  
27 facilities used in information processing, including but not limited to  
28 computers, terminals, telephones, wireless communications system  
29 facilities, cables, and any physical facility necessary for the  
30 operation of such equipment.

31 (7) "Information" includes, but is not limited to, data, text,  
32 voice, and video.

33 (8) "Information technology" includes, but is not limited to, all  
34 electronic technology systems and services, automated information  
35 handling, system design and analysis, conversion of data, computer  
36 programming, information storage and retrieval, telecommunications,

1 requisite system controls, simulation, electronic commerce, and all  
2 related interactions between people and machines.

3 (9) "Information technology portfolio" or "portfolio" means a  
4 strategic management process documenting relationships between agency  
5 missions and information technology and telecommunications investments.

6 (10) "K-20 network" means the network established in section 718 of  
7 this act.

8 (11) "Local governments" includes all municipal and quasi-municipal  
9 corporations and political subdivisions, and all agencies of such  
10 corporations and subdivisions authorized to contract separately.

11 (12) "Office" means the office of the chief information officer.

12 (13) "Oversight" means a process of comprehensive risk analysis and  
13 management designed to ensure optimum use of information technology  
14 resources and telecommunications.

15 (14) "Proprietary software" means that software offered for sale or  
16 license.

17 (15) "State agency" or "agency" means every state office,  
18 department, division, bureau, board, commission, or other state agency,  
19 including offices headed by a statewide elected official.

20 (16) "Telecommunications" includes, but is not limited to, wireless  
21 or wired systems for transport of voice, video, and data  
22 communications, network systems, requisite facilities, equipment,  
23 system controls, simulation, electronic commerce, and all related  
24 interactions between people and machines. "Telecommunications" does  
25 not include public safety communications.

26 **STANDARDS AND POLICIES**

27 NEW SECTION. **Sec. 706.** (1) The chief information officer shall  
28 establish standards and policies to govern information technology in  
29 the state of Washington.

30 (2) The office shall have the following powers and duties related  
31 to information services:

32 (a) To develop statewide standards and policies governing the  
33 acquisition and disposition of equipment, software, and personal and  
34 purchased services, licensing of the radio spectrum by or on behalf of  
35 state agencies, and confidentiality of computerized data;

1 (b) To develop statewide or interagency technical policies,  
2 standards, and procedures;

3 (c) To review and approve standards and common specifications for  
4 new or expanded telecommunications networks proposed by agencies,  
5 public postsecondary education institutions, educational service  
6 districts, or statewide or regional providers of K-12 information  
7 technology services;

8 (d) To provide direction concerning strategic planning goals and  
9 objectives for the state. The office shall seek input from the  
10 legislature and the judiciary; and

11 (e) To establish policies for the periodic review by the office of  
12 agency performance which may include but are not limited to analysis  
13 of:

14 (i) Planning, management, control, and use of information services;

15 (ii) Training and education; and

16 (iii) Project management.

17 (3) Statewide technical standards to promote and facilitate  
18 electronic information sharing and access are an essential component of  
19 acceptable and reliable public access service and complement content-  
20 related standards designed to meet those goals. The office shall:

21 (a) Establish technical standards to facilitate electronic access  
22 to government information and interoperability of information systems,  
23 including wireless communications systems; and

24 (b) Require agencies to include an evaluation of electronic public  
25 access needs when planning new information systems or major upgrades of  
26 systems.

27 In developing these standards, the office is encouraged to include  
28 the state library, state archives, and appropriate representatives of  
29 state and local government.

30 (4) The office shall perform other matters and things necessary to  
31 carry out the purposes and provisions of this chapter.

## 32 STRATEGIC PLANNING

33 NEW SECTION. **Sec. 707.** (1) The office shall prepare a state  
34 strategic information technology plan which shall establish a statewide  
35 mission, goals, and objectives for the use of information technology,  
36 including goals for electronic access to government records,

1 information, and services. The plan shall be developed in accordance  
2 with the standards and policies established by the office. The office  
3 shall seek the advice of the board in the development of this plan.

4 The plan shall be updated as necessary and submitted to the  
5 governor and the legislature.

6 (2) The office shall prepare a biennial state performance report on  
7 information technology based on agency performance reports required  
8 under section 710 of this act and other information deemed appropriate  
9 by the office. The report shall include, but not be limited to:

10 (a) An analysis, based upon agency portfolios, of the state's  
11 information technology infrastructure, including its value, condition,  
12 and capacity;

13 (b) An evaluation of performance relating to information  
14 technology;

15 (c) An assessment of progress made toward implementing the state  
16 strategic information technology plan, including progress toward  
17 electronic access to public information and enabling citizens to have  
18 two-way access to public records, information, and services; and

19 (d) An analysis of the success or failure, feasibility, progress,  
20 costs, and timeliness of implementation of major information technology  
21 projects under section 712 of this act. At a minimum, the portion of  
22 the report regarding major technology projects must include:

23 (i) The total cost data for the entire life-cycle of the project,  
24 including capital and operational costs, broken down by staffing costs,  
25 contracted service, hardware purchase or lease, software purchase or  
26 lease, travel, and training. The original budget must also be shown  
27 for comparison;

28 (ii) The original proposed project schedule and the final actual  
29 project schedule;

30 (iii) Data regarding progress towards meeting the original goals  
31 and performance measures of the project;

32 (iv) Discussion of lessons learned on the project, performance of  
33 any contractors used, and reasons for project delays or cost increases;  
34 and

35 (v) Identification of benefits generated by major information  
36 technology projects developed under section 712 of this act.

37 Copies of the report shall be distributed biennially to the

1 governor and the legislature. The major technology section of the  
2 report must examine major information technology projects completed in  
3 the previous biennium.

#### 4 **PORTFOLIO MANAGEMENT**

5 NEW SECTION. **Sec. 708.** Management of information technology  
6 across state government requires managing resources and business  
7 processes across multiple agencies. It is no longer sufficient to  
8 pursue efficiencies within agency or individual business process  
9 boundaries. The state must manage the business process changes and  
10 information technology in support of business processes as a statewide  
11 portfolio. The chief information officer will use agency information  
12 technology portfolio planning as input to develop a statewide portfolio  
13 to guide resource allocation and prioritization decisions.

14 NEW SECTION. **Sec. 709.** An agency information technology portfolio  
15 shall serve as the basis for making information technology decisions  
16 and plans which may include, but are not limited to:

- 17 (1) System refurbishment, acquisitions, and development efforts;  
18 (2) Setting goals and objectives for using information technology;  
19 (3) Assessments of information processing performance, resources,  
20 and capabilities;  
21 (4) Ensuring the appropriate transfer of technological expertise  
22 for the operation of new systems developed using external resources;  
23 (5) Guiding new investment demand, prioritization, selection,  
24 performance, and asset value of technology and telecommunications; and  
25 (6) Progress toward providing electronic access to public  
26 information.

27 NEW SECTION. **Sec. 710.** (1) Each agency shall develop an  
28 information technology portfolio consistent with RCW 43.105.172 (as  
29 recodified by this act). The superintendent of public instruction  
30 shall develop its portfolio in conjunction with educational service  
31 districts and statewide or regional providers of K-12 education  
32 information technology services.

33 (2) Agency portfolios shall include, but not be limited to, the  
34 following:



1 (a) A baseline assessment of the agency's information technology  
2 resources and capabilities that will serve as the benchmark for  
3 subsequent planning and performance measures;

4 (b) A statement of the agency's mission, goals, and objectives for  
5 information technology, including goals and objectives for achieving  
6 electronic access to agency records, information, and services;

7 (c) An explanation of how the agency's mission, goals, and  
8 objectives for information technology support and conform to the state  
9 strategic information technology plan developed under section 707 of  
10 this act;

11 (d) An implementation strategy to provide electronic access to  
12 public records and information. This implementation strategy must be  
13 assembled to include:

14 (i) Compliance with Title 40 RCW;

15 (ii) Adequate public notice and opportunity for comment;

16 (iii) Consideration of a variety of electronic technologies,  
17 including those that help transcend geographic locations, standard  
18 business hours, economic conditions of users, and disabilities;

19 (iv) Methods to educate both state employees and the public in the  
20 effective use of access technologies;

21 (e) Projects and resources required to meet the objectives of the  
22 portfolio; and

23 (f) Where feasible, estimated schedules and funding required to  
24 implement identified projects.

25 (3) Portfolios developed under subsection (1) of this section shall  
26 be submitted to the office for review and approval. The chief  
27 information officer may reject, require modification to, or approve  
28 portfolios as deemed appropriate. Portfolios submitted under this  
29 subsection shall be updated and submitted for review and approval as  
30 necessary.

31 (4) Each agency shall prepare and submit to the office a biennial  
32 performance report that evaluates progress toward the objectives  
33 articulated in its information technology portfolio and the strategic  
34 priorities of the state. The superintendent of public instruction  
35 shall develop its portfolio in conjunction with educational service  
36 districts and statewide or regional providers of K-12 education  
37 information technology services. The report shall include:

1 (a) An evaluation of the agency's performance relating to  
2 information technology;

3 (b) An assessment of progress made toward implementing the agency  
4 information technology portfolio;

5 (c) Progress toward electronic access to public information and  
6 enabling citizens to have two-way interaction for obtaining information  
7 and services from agencies; and

8 (d) An inventory of agency information services, equipment, and  
9 proprietary software.

10 (5) The office shall establish standards, elements, form, and  
11 format for plans and reports developed under this section.

12 (6) Agency activities to increase electronic access to public  
13 records and information, as required by this section, must be  
14 implemented within available resources and existing agency planning  
15 processes.

16 (7) The office may exempt any agency from any or all of the  
17 requirements of this section.

## 18 BUDGET REVIEW

19 NEW SECTION. **Sec. 711.** (1) At the request of the director of  
20 financial management, the office shall evaluate both state agency  
21 information technology current spending and technology budget requests,  
22 including those proposed by the superintendent of public instruction,  
23 in conjunction with educational service districts, or statewide or  
24 regional providers of K-12 education information technology services.  
25 The office shall submit recommendations for funding all or part of such  
26 requests to the director of financial management. The office shall  
27 also submit recommendations regarding consolidation and coordination of  
28 similar proposals or other efficiencies it finds in reviewing  
29 proposals.

30 (2) The office shall establish criteria, consistent with portfolio-  
31 based information technology management, for the evaluation of agency  
32 budget requests under this section. Technology budget requests shall  
33 be evaluated in the context of the state's information technology  
34 portfolio; technology initiatives underlying budget requests are  
35 subject to review by the office. Criteria shall include, but not be  
36 limited to: Feasibility of the proposed projects, consistency with the

1 state strategic information technology plan and the state enterprise  
2 architecture, consistency with information technology portfolios,  
3 appropriate provision for public electronic access to information,  
4 evidence of business process streamlining and gathering of business and  
5 technical requirements, services, duration of investment, costs, and  
6 benefits.

7 **PROJECT MANAGEMENT OVERSIGHT**

8 NEW SECTION. **Sec. 712.** (1) The office shall establish standards  
9 and policies governing the planning, implementation, and evaluation of  
10 major information technology projects, including those proposed by the  
11 superintendent of public instruction, in conjunction with educational  
12 service districts, or statewide or regional providers of K-12 education  
13 information technology services. The standards and policies shall:

14 (a) Establish criteria to identify projects which are subject to  
15 this section. Such criteria shall include, but not be limited to,  
16 significant anticipated cost, complexity, or statewide significance of  
17 the project; and

18 (b) Establish a model process and procedures which state agencies  
19 shall follow in developing and implementing projects within their  
20 information technology portfolios. This process may include project  
21 oversight experts or panels, as appropriate. Agencies may propose, for  
22 approval by the office, a process and procedures unique to the agency.  
23 The office may accept or require modification of such agency proposals  
24 or the office may reject such agency proposals and require use of the  
25 model process and procedures established under this subsection. Any  
26 process and procedures developed under this subsection shall require  
27 (i) distinct and identifiable phases upon which funding may be based,  
28 (ii) user validation of products through system demonstrations and  
29 testing of prototypes and deliverables, and (iii) other elements  
30 identified by the office.

31 The chief information officer may suspend or terminate a major  
32 project, and direct that the project funds be placed into unallotted  
33 reserve status, if the chief information officer determines that the  
34 project is not meeting or is not expected to meet anticipated  
35 performance standards.

1 (2) The office of financial management shall establish policies and  
2 standards consistent with portfolio-based information technology  
3 management to govern the funding of projects developed under this  
4 section. The policies and standards shall provide for:

5 (a) Funding of a project under terms and conditions mutually agreed  
6 to by the chief information officer, the director of financial  
7 management, and the head of the agency proposing the project. However,  
8 the office of financial management may require incremental funding of  
9 a project on a phase-by-phase basis whereby funds for a given phase of  
10 a project may be released only when the office of financial management  
11 determines, with the advice of the office, that the previous phase is  
12 satisfactorily completed; and

13 (b) Other elements deemed necessary by the office of financial  
14 management.

15 NEW SECTION. **Sec. 713.** (1) Prior to making a commitment to  
16 purchase, acquire, or develop a major information technology project or  
17 service, state agencies must provide a proposal to the office outlining  
18 the business case of the proposed product or service, including the  
19 upfront and ongoing cost of the proposal.

20 (2) Within sixty days of receipt of a proposal, the office shall  
21 approve the proposal, reject it, or propose modifications.

22 (3) In reviewing a proposal, the office must determine whether the  
23 product or service is consistent with:

24 (a) The standards and policies developed by the office pursuant to  
25 section 706 of this act; and

26 (b) The state's enterprise-based strategy.

27 (4) If a substantially similar product or service is offered by the  
28 consolidated technology services agency established in RCW 43.105.047,  
29 the office may require the agency to procure the product or service  
30 through the consolidated technology services agency, if doing so would  
31 benefit the state as an enterprise.

32 (5) The office shall provide guidance to agencies as to what  
33 threshold of information technology spending constitutes a major  
34 information technology product or service under this section.

35 **ENTERPRISE ARCHITECTURE**



1           NEW SECTION.   **Sec. 715.** (1) The information technology advisory  
2 board is created within the office of chief information officer. The  
3 board shall be composed of nine members appointed by the governor. The  
4 board members shall consist of:

5           (a) The chief information officer, who shall serve as the board  
6 chair;

7           (b) No more than four members who are representatives of state  
8 agencies, at least one of whom must have direct experience using the  
9 software projects overseen by the office or reasonably expects to use  
10 the new software developed under the oversight of the office; and

11           (c) At least four members who are representatives of the private  
12 sector.

13           (2)(a) Members shall serve three-year terms. Members may not serve  
14 more than two consecutive terms.

15           (b) Of the initial members, two must be appointed for a one-year  
16 term, three must be appointed for a two-year term, and three must be  
17 appointed for a three-year term. Thereafter, members must be appointed  
18 for three-year terms.

19           (c) Vacancies shall be filled in the same manner that the original  
20 appointments were made for the remainder of the member's term.

21           (3) Members of the board shall be reimbursed for travel expenses as  
22 provided in RCW 43.03.050 and 43.03.060.

23           (4) The office shall provide staff support to the board.

24           NEW SECTION.   **Sec. 716.** The board shall advise the chief  
25 information officer on information technology related matters and:

26           (1) Review policies and standards brought by the chief information  
27 officer or requested by a board member, receive comments from agency  
28 executives on the implications of proposed policies and standards, and  
29 provide recommendations to the chief information officer;

30           (2) Provide a forum to solicit external expertise and perspective  
31 on developments in information technology, enterprise architecture,  
32 standards, and policy development; and

33           (3) Provide a forum where ideas and issues related to information  
34 technology plans, policies, and standards can be reviewed.

35           **INTEROPERABILITY COMMITTEE--TRANSFER FROM DEPARTMENT OF**

1 **INFORMATION SERVICES**

2 NEW SECTION. **Sec. 717.** (1) The chief information officer shall  
3 appoint a state interoperability executive committee, the membership of  
4 which must include, but not be limited to, representatives of the  
5 military department, the Washington state patrol, the department of  
6 transportation, the office of the chief information officer, the  
7 department of natural resources, city and county governments, state and  
8 local fire chiefs, police chiefs, and sheriffs, and state and local  
9 emergency management directors. The chair and legislative members of  
10 the board will serve as nonvoting ex officio members of the committee.  
11 Voting membership may not exceed fifteen members.

12 (2) The chief information officer shall appoint the chair of the  
13 committee from among the voting members of the committee.

14 (3) The state interoperability executive committee has the  
15 following responsibilities:

16 (a) Develop policies and make recommendations to the office for  
17 technical standards for state wireless radio communications systems,  
18 including emergency communications systems. The standards must  
19 address, among other things, the interoperability of systems, taking  
20 into account both existing and future systems and technologies;

21 (b) Coordinate and manage on behalf of the office the licensing and  
22 use of state-designated and state-licensed radio frequencies, including  
23 the spectrum used for public safety and emergency communications, and  
24 serve as the point of contact with the federal communications  
25 commission on matters relating to allocation, use, and licensing of  
26 radio spectrum;

27 (c) Coordinate the purchasing of all state wireless radio  
28 communications system equipment to ensure that:

29 (i) After the transition from a radio over internet protocol  
30 network, any new trunked system shall be, at a minimum, project-25;

31 (ii) Any new system that requires advanced digital features shall  
32 be, at a minimum, project-25; and

33 (iii) Any new system or equipment purchases shall be, at a minimum,  
34 upgradable to project-25;

35 (d) Seek support, including possible federal or other funding, for  
36 state-sponsored wireless communications systems;

37 (e) Develop recommendations for legislation that may be required to  
38 promote interoperability of state wireless communications systems;

1 (f) Foster cooperation and coordination among public safety and  
2 emergency response organizations;

3 (g) Work with wireless communications groups and associations to  
4 ensure interoperability among all public safety and emergency response  
5 wireless communications systems; and

6 (h) Perform such other duties as may be assigned by the office to  
7 promote interoperability of wireless communications systems.

8 (4) The office shall provide administrative support to the  
9 committee.

10 **K-20 GOVERNANCE AND OPERATIONS OVERSIGHT--TRANSFER FROM**  
11 **DEPARTMENT OF INFORMATION SERVICES**

12 NEW SECTION. **Sec. 718.** (1) The office has the duty to govern and  
13 oversee the technical design, implementation, and operation of the K-20  
14 network including, but not limited to, the following duties:  
15 Establishment and implementation of K-20 network technical policy,  
16 including technical standards and conditions of use; review and  
17 approval of network design; and resolving user/provider disputes.

18 (2) The office has the following powers and duties:

19 (a) In cooperation with the educational sectors and other  
20 interested parties, to establish goals and measurable objectives for  
21 the network;

22 (b) To ensure that the goals and measurable objectives of the  
23 network are the basis for any decisions or recommendations regarding  
24 the technical development and operation of the network;

25 (c) To adopt, modify, and implement policies to facilitate network  
26 development, operation, and expansion. Such policies may include but  
27 need not be limited to the following issues: Quality of educational  
28 services; access to the network by recognized organizations and  
29 accredited institutions that deliver educational programming, including  
30 public libraries; prioritization of programming within limited  
31 resources; prioritization of access to the system and the sharing of  
32 technological advances; network security; identification and evaluation  
33 of emerging technologies for delivery of educational programs; future  
34 expansion or redirection of the system; network fee structures; and  
35 costs for the development and operation of the network;



1 (d) To prepare and submit to the governor and the legislature a  
2 coordinated budget for network development, operation, and expansion.  
3 The budget shall include the chief information officer's  
4 recommendations on (i) any state funding requested for network  
5 transport and equipment, distance education facilities and hardware or  
6 software specific to the use of the network, and proposed new network  
7 end sites, (ii) annual copayments to be charged to public educational  
8 sector institutions and other public entities connected to the network,  
9 and (iii) charges to nongovernmental entities connected to the network;

10 (e) To adopt and monitor the implementation of a methodology to  
11 evaluate the effectiveness of the network in achieving the educational  
12 goals and measurable objectives;

13 (f) To establish by rule acceptable use policies governing user  
14 eligibility for participation in the K-20 network, acceptable uses of  
15 network resources, and procedures for enforcement of such policies.  
16 The office shall set forth appropriate procedures for enforcement of  
17 acceptable use policies, that may include suspension of network  
18 connections and removal of shared equipment for violations of network  
19 conditions or policies. The office shall have sole responsibility for  
20 the implementation of enforcement procedures relating to technical  
21 conditions of use.

22 NEW SECTION. **Sec. 719.** The office shall maintain, in consultation  
23 with the K-20 network users, the K-20 operations cooperative, which  
24 shall be responsible for day-to-day network management, technical  
25 network status monitoring, technical problem response coordination, and  
26 other duties as agreed to by the office and the educational sectors.  
27 Funding for the K-20 operations cooperative shall be provided from the  
28 education technology revolving fund under RCW 43.105.835 (as recodified  
29 by this act).

30 NEW SECTION. **Sec. 720.** The chief information officer, in  
31 conjunction with the K-20 network users, shall maintain a technical  
32 plan of the K-20 telecommunications system and ongoing system  
33 enhancements. The office shall ensure that the technical plan adheres  
34 to the goals and objectives established under section 706 of this act.  
35 The technical plan shall provide for:

1 (1) A telecommunications backbone connecting educational service  
2 districts, the main campuses of public baccalaureate institutions, the  
3 branch campuses of public research institutions, and the main campuses  
4 of community colleges and technical colleges.

5 (2)(a) Connection to the K-20 network by entities that include, but  
6 need not be limited to: School districts, public higher education off-  
7 campus and extension centers, and branch campuses of community colleges  
8 and technical colleges, as prioritized by the chief information  
9 officer; (b) distance education facilities and components for entities  
10 listed in this subsection and subsection (1) of this section; and (c)  
11 connection for independent nonprofit institutions of higher education,  
12 provided that:

13 (i) The chief information officer and each independent nonprofit  
14 institution of higher education to be connected agree in writing to  
15 terms and conditions of connectivity. The terms and conditions shall  
16 ensure, among other things, that the provision of K-20 services does  
17 not violate Article VIII, section 5 of the state Constitution and that  
18 the institution shall adhere to K-20 network policies; and

19 (ii) The chief information officer determines that inclusion of the  
20 independent nonprofit institutions of higher education will not  
21 significantly affect the network's eligibility for federal universal  
22 service fund discounts or subsidies.

23 (3) Subsequent phases may include, but need not be limited to,  
24 connections to public libraries, state and local governments, community  
25 resource centers, and the private sector.

26 NEW SECTION. **Sec. 721.** (1) In overseeing the technical aspects of  
27 the K-20 network, the office is not intended to duplicate the statutory  
28 responsibilities of the higher education coordinating board, the  
29 superintendent of public instruction, the state librarian, or the  
30 governing boards of the institutions of higher education.

31 (2) The office may not interfere in any curriculum or legally  
32 offered programming offered over the K-20 network.

33 (3) The responsibility to review and approve standards and common  
34 specifications for the K-20 network remains the responsibility of the  
35 office under section 706 of this act.

36 (4) The coordination of telecommunications planning for the common  
37 schools remains the responsibility of the superintendent of public

1 instruction. Except as set forth in section 706(2)(e) of this act, the  
2 office may recommend, but not require, revisions to the  
3 superintendent's telecommunications plans.

4 **Sec. 722.** RCW 43.105.835 and 2004 c 276 s 910 are each amended to  
5 read as follows:

6 (1) The education technology revolving fund is created in the  
7 custody of the state treasurer. All receipts from billings under  
8 subsection (2) of this section must be deposited in the revolving fund.  
9 Only the (~~director of the department of information services or the~~  
10 ~~director's designee~~) chief information officer or the chief  
11 information officer's designee may authorize expenditures from the  
12 fund. The revolving fund shall be used to pay for K-20 network  
13 operations, transport, equipment, software, supplies, and services,  
14 maintenance and depreciation of on-site data, and shared  
15 infrastructure, and other costs incidental to the development,  
16 operation, and administration of shared educational information  
17 technology services, telecommunications, and systems. The revolving  
18 fund shall not be used for the acquisition, maintenance, or operations  
19 of local telecommunications infrastructure or the maintenance or  
20 depreciation of on-premises video equipment specific to a particular  
21 institution or group of institutions.

22 (2) The revolving fund and all disbursements from the revolving  
23 fund are subject to the allotment procedure under chapter 43.88 RCW,  
24 but an appropriation is not required for expenditures. The  
25 (~~department of information services~~) office shall, (~~in consultation~~  
26 ~~with entities connected to the network under RCW 43.105.820 and~~)  
27 subject to the review and approval of the office of financial  
28 management, establish and implement a billing structure for network  
29 services identified in subsection (1) of this section.

30 (3) The (~~department~~) office shall charge those public entities  
31 connected to the K-20 (~~telecommunications [telecommunication system]~~  
32 ~~under RCW 43.105.820~~) telecommunications system under section 720 of  
33 this act an annual copayment per unit of transport connection as  
34 determined by the legislature after consideration of the (~~K-20~~)  
35 board's recommendations. This copayment shall be deposited into the  
36 revolving fund to be used for the purposes in subsection (1) of this  
37 section. It is the intent of the legislature to appropriate to the

1 revolving fund such moneys as necessary to cover the costs for  
2 transport, maintenance, and depreciation of data equipment located at  
3 the individual public institutions, maintenance and depreciation of the  
4 K-20 network backbone, and services provided to the network under ((RCW  
5 43.105.815-

6 (4) ~~During the 2003-05 biennium, the legislature may transfer~~  
7 ~~moneys from the education technology revolving fund to the state~~  
8 ~~general fund and the data processing revolving fund such amounts as~~  
9 ~~reflect the excess fund balance of the account)) section 718 of this  
10 act.~~

11 **GENERAL PROVISIONS RELATED TO OFFICE OF CHIEF INFORMATION OFFICER**

12 NEW SECTION. **Sec. 723.** A new section is added to chapter 41.06  
13 RCW to read as follows:

14 In addition to the exemptions under RCW 41.06.070, the provisions  
15 of this chapter do not apply in the office of the chief information  
16 officer to the chief information officer, the chief information  
17 officer's confidential secretary, assistant directors, and any other  
18 exempt staff members provided for in section 703 of this act.

19 **Sec. 724.** RCW 43.105.290 and 1996 c 171 s 13 are each amended to  
20 read as follows:

21 The state library, with the assistance of the ((~~department of~~  
22 ~~information services~~)) office and the state archives, shall establish  
23 a pilot project to design and test an electronic information locator  
24 system, allowing members of the public to locate and access electronic  
25 public records. In designing the system, the following factors shall  
26 be considered: (1) Ease of operation by citizens; (2) access through  
27 multiple technologies, such as direct dial and toll-free numbers,  
28 kiosks, and the internet; (3) compatibility with private online  
29 services; and (4) capability of expanding the electronic public records  
30 included in the system. The pilot project may restrict the type and  
31 quality of electronic public records that are included in the system to  
32 test the feasibility of making electronic public records and  
33 information widely available to the public.

1           **Sec. 725.** RCW 28A.650.015 and 2009 c 556 s 17 are each amended to  
2 read as follows:

3           (1) The superintendent of public instruction, to the extent funds  
4 are appropriated, shall develop and implement a Washington state K-12  
5 education technology plan. The technology plan shall be updated on at  
6 least a biennial basis, shall be developed to coordinate and expand the  
7 use of education technology in the common schools of the state. The  
8 plan shall be consistent with applicable provisions of chapter 43.105  
9 RCW. The plan, at a minimum, shall address:

10           (a) The provision of technical assistance to schools and school  
11 districts for the planning, implementation, and training of staff in  
12 the use of technology in curricular and administrative functions;

13           (b) The continued development of a network to connect school  
14 districts, institutions of higher learning, and other sources of online  
15 information; and

16           (c) Methods to equitably increase the use of education technology  
17 by students and school personnel throughout the state.

18           (2) The superintendent of public instruction shall appoint an  
19 educational technology advisory committee to assist in the development  
20 and implementation of the technology plan in subsection (1) of this  
21 section. The committee shall include, but is not limited to, persons  
22 representing: The (~~department of information services~~) office of the  
23 chief information officer, educational service districts, school  
24 directors, school administrators, school principals, teachers,  
25 classified staff, higher education faculty, parents, students,  
26 business, labor, scientists and mathematicians, the higher education  
27 coordinating board, the workforce training and education coordinating  
28 board, and the state library.

29           (3) The plan adopted and implemented under this section may not  
30 impose on school districts any requirements that are not specifically  
31 required by federal law or regulation, including requirements to  
32 maintain eligibility for the federal schools and libraries program of  
33 the universal service fund.

34           **Sec. 726.** RCW 39.94.040 and 2010 1st sp.s. c 36 s 6015 and 2010  
35 1st sp.s. c 35 s 406 are each reenacted and amended to read as follows:

36           (1) Except as provided in RCW 28B.10.022, the state may not enter  
37 into any financing contract for itself if the aggregate principal

1 amount payable thereunder is greater than an amount to be established  
2 from time to time by the state finance committee or participate in a  
3 program providing for the issuance of certificates of participation,  
4 including any contract for credit enhancement, without the prior  
5 approval of the state finance committee. Except as provided in RCW  
6 28B.10.022, the state finance committee shall approve the form of all  
7 financing contracts or a standard format for all financing contracts.  
8 The state finance committee also may:

9 (a) Consolidate existing or potential financing contracts into  
10 master financing contracts with respect to property acquired by one or  
11 more agencies, departments, instrumentalities of the state, the state  
12 board for community and technical colleges, or a state institution of  
13 higher learning; or to be acquired by an other agency;

14 (b) Approve programs providing for the issuance of certificates of  
15 participation in master financing contracts for the state or for other  
16 agencies;

17 (c) Enter into agreements with trustees relating to master  
18 financing contracts; and

19 (d) Make appropriate rules for the performance of its duties under  
20 this chapter.

21 (2) In the performance of its duties under this chapter, the state  
22 finance committee may consult with representatives from the department  
23 of general administration, the office of financial management, and the  
24 (~~department of information services~~) office of the chief information  
25 officer.

26 (3) With the approval of the state finance committee, the state  
27 also may enter into agreements with trustees relating to financing  
28 contracts and the issuance of certificates of participation.

29 (4) Except for financing contracts for real property used for the  
30 purposes described under chapter 28B.140 RCW, the state may not enter  
31 into any financing contract for real property of the state without  
32 prior approval of the legislature. For the purposes of this  
33 requirement, a financing contract must be treated as used for real  
34 property if it is being entered into by the state for the acquisition  
35 of land; the acquisition of an existing building; the construction of  
36 a new building; or a major remodeling, renovation, rehabilitation, or  
37 rebuilding of an existing building. Prior approval of the legislature  
38 is not required under this chapter for a financing contract entered

1 into by the state under this chapter for energy conservation  
2 improvements to existing buildings where such improvements include:  
3 (a) Fixtures and equipment that are not part of a major remodeling,  
4 renovation, rehabilitation, or rebuilding of the building, or (b) other  
5 improvements to the building that are being performed for the primary  
6 purpose of energy conservation. Such energy conservation improvements  
7 must be determined eligible for financing under this chapter by the  
8 office of financial management in accordance with financing guidelines  
9 established by the state treasurer, and are to be treated as personal  
10 property for the purposes of this chapter.

11 (5) The state may not enter into any financing contract on behalf  
12 of an other agency without the approval of such a financing contract by  
13 the governing body of the other agency.

14 **Sec. 727.** RCW 40.14.020 and 2002 c 358 s 4 are each amended to  
15 read as follows:

16 All public records shall be and remain the property of the state of  
17 Washington. They shall be delivered by outgoing officials and  
18 employees to their successors and shall be preserved, stored,  
19 transferred, destroyed or disposed of, and otherwise managed, only in  
20 accordance with the provisions of this chapter. In order to insure the  
21 proper management and safeguarding of public records, the division of  
22 archives and records management is established in the office of the  
23 secretary of state. The state archivist, who shall administer the  
24 division and have reasonable access to all public records, wherever  
25 kept, for purposes of information, surveying, or cataloguing, shall  
26 undertake the following functions, duties, and responsibilities:

27 (1) To manage the archives of the state of Washington;

28 (2) To centralize the archives of the state of Washington, to make  
29 them available for reference and scholarship, and to insure their  
30 proper preservation;

31 (3) To inspect, inventory, catalog, and arrange retention and  
32 transfer schedules on all record files of all state departments and  
33 other agencies of state government;

34 (4) To insure the maintenance and security of all state public  
35 records and to establish safeguards against unauthorized removal or  
36 destruction;

1 (5) To establish and operate such state record centers as may from  
2 time to time be authorized by appropriation, for the purpose of  
3 preserving, servicing, screening and protecting all state public  
4 records which must be preserved temporarily or permanently, but which  
5 need not be retained in office space and equipment;

6 (6) To adopt rules under chapter 34.05 RCW:

7 (a) Setting standards for the durability and permanence of public  
8 records maintained by state and local agencies;

9 (b) Governing procedures for the creation, maintenance,  
10 transmission, cataloging, indexing, storage, or reproduction of  
11 photographic, optical, electronic, or other images of public documents  
12 or records in a manner consistent with current standards, policies, and  
13 procedures of the (~~department of information services~~) office of the  
14 chief information officer for the acquisition of information  
15 technology;

16 (c) Governing the accuracy and durability of, and facilitating  
17 access to, photographic, optical, electronic, or other images used as  
18 public records; or

19 (d) To carry out any other provision of this chapter;

20 (7) To gather and disseminate to interested agencies information on  
21 all phases of records management and current practices, methods,  
22 procedures, techniques, and devices for efficient and economical  
23 management and preservation of records;

24 (8) To operate a central microfilming bureau which will microfilm,  
25 at cost, records approved for filming by the head of the office of  
26 origin and the archivist; to approve microfilming projects undertaken  
27 by state departments and all other agencies of state government; and to  
28 maintain proper standards for this work;

29 (9) To maintain necessary facilities for the review of records  
30 approved for destruction and for their economical disposition by sale  
31 or burning; directly to supervise such destruction of public records as  
32 shall be authorized by the terms of this chapter;

33 (10) To assist and train state and local agencies in the proper  
34 methods of creating, maintaining, cataloging, indexing, transmitting,  
35 storing, and reproducing photographic, optical, electronic, or other  
36 images used as public records;

37 (11) To solicit, accept, and expend donations as provided in RCW  
38 43.07.037 for the purpose of the archive program. These purposes



1 include, but are not limited to, acquisition, accession,  
2 interpretation, and display of archival materials. Donations that do  
3 not meet the criteria of the archive program may not be accepted.

4 **Sec. 728.** RCW 42.17.460 and 1999 c 401 s 1 are each amended to  
5 read as follows:

6 It is the intent of the legislature to ensure that the commission  
7 provide the general public timely access to all contribution and  
8 expenditure reports submitted by candidates, continuing political  
9 committees, bona fide political parties, lobbyists, and lobbyists'  
10 employers. The legislature finds that failure to meet goals for full  
11 and timely disclosure threatens to undermine our electoral process.

12 Furthermore, the legislature intends for the commission to consult  
13 with the (~~department of information services~~) office of the chief  
14 information officer as it seeks to implement chapter 401, Laws of 1999,  
15 and that the commission follow the standards and procedures established  
16 by the (~~department of information services~~) office of the chief  
17 information officer in chapter 43.105 RCW as they relate to information  
18 technology.

19 **Sec. 729.** RCW 42.17.467 and 1999 c 401 s 5 are each amended to  
20 read as follows:

21 In preparing the information technology plan, the commission shall  
22 consult with affected state agencies, the (~~department of information~~  
23 ~~services~~) office of the chief information officer, and stakeholders in  
24 the commission's work, including representatives of political  
25 committees, bona fide political parties, news media, and the general  
26 public.

27 **Sec. 730.** RCW 42.17.469 and 1999 c 401 s 6 are each amended to  
28 read as follows:

29 The commission shall submit the information technology plan to the  
30 senate and house of representatives fiscal committees, the governor,  
31 the senate state and local government committee, the house of  
32 representatives state government committee, and the (~~department of~~  
33 ~~information services~~) office of the chief information officer by  
34 February 1, 2000. It is the intent of the legislature that the

1 commission thereafter comply with the requirements of chapter 43.105  
2 RCW with respect to preparation and submission of biennial performance  
3 reports on the commission's information technology.

4 **Sec. 731.** RCW 42.17.471 and 1999 c 401 s 7 are each amended to  
5 read as follows:

6 The commission shall prepare and submit to the (~~department of~~  
7 ~~information services~~) office of the chief information officer a  
8 biennial performance report (~~in accordance with chapter 43.105 RCW~~).

9 The report must include:

10 (1) An evaluation of the agency's performance relating to  
11 information technology;

12 (2) An assessment of progress made toward implementing the agency  
13 information technology plan;

14 (3) An analysis of the commission's performance measures, set forth  
15 in RCW 42.17.463, that relate to the electronic filing of reports and  
16 timely public access to those reports via the commission's web site;

17 (4) A comprehensive description of the methods by which citizens  
18 may interact with the agency in order to obtain information and  
19 services from the commission; and

20 (5) An inventory of agency information services, equipment, and  
21 proprietary software.

22 **Sec. 732.** RCW 42.17A.060 and 1999 c 401 s 1 are each amended to  
23 read as follows:

24 It is the intent of the legislature to ensure that the commission  
25 provide the general public timely access to all contribution and  
26 expenditure reports submitted by candidates, continuing political  
27 committees, bona fide political parties, lobbyists, and lobbyists'  
28 employers. The legislature finds that failure to meet goals for full  
29 and timely disclosure threatens to undermine our electoral process.

30 Furthermore, the legislature intends for the commission to consult  
31 with the (~~department of information services~~) office of the chief  
32 information officer as it seeks to implement chapter 401, Laws of 1999,  
33 and that the commission follow the standards and procedures established  
34 by the (~~department of information services~~) office of the chief  
35 information officer in chapter 43.105 RCW as they relate to information  
36 technology.

1       **Sec. 733.** RCW 43.88.092 and 2010 c 282 s 3 are each amended to  
2 read as follows:

3       (1) As part of the biennial budget process, the office of financial  
4 management shall collect from agencies, and agencies shall provide,  
5 information to produce reports, summaries, and budget detail sufficient  
6 to allow review, analysis, and documentation of all current and  
7 proposed expenditures for information technology by state agencies.  
8 Information technology budget detail must be included as part of the  
9 budget submittal documentation required pursuant to RCW 43.88.030.

10       (2) The office of financial management must collect, and present as  
11 part of the biennial budget documentation, information for all existing  
12 information technology projects as defined by information services  
13 board policy. The office of financial management must work with the  
14 (~~department of information services~~) office of the chief information  
15 officer to maximize the ability to draw this information from the  
16 information technology portfolio management data collected by the  
17 department of information services pursuant to RCW 43.105.170.  
18 Connecting project information collected through the portfolio  
19 management process with financial data developed under subsection (1)  
20 of this section provides transparency regarding expenditure data for  
21 existing technology projects.

22       (3) The biennial budget documentation submitted by the office of  
23 financial management pursuant to RCW 43.88.030 must include an  
24 information technology plan identifying proposed large information  
25 technology projects. This plan must be presented using a method  
26 similar to the capital budget, identifying project costs through stages  
27 of the project and across fiscal periods and biennia from project  
28 initiation to implementation. This information must be submitted  
29 electronically, in a format to be determined by the office of financial  
30 management and the legislative evaluation and accountability program  
31 committee.

32       (4) The office of financial management shall also institute a  
33 method of accounting for information technology-related expenditures,  
34 including creating common definitions for what constitutes an  
35 information technology investment.

36       **Sec. 734.** RCW 43.105.410 and 2010 c 282 s 2 are each amended to  
37 read as follows:

1 (1) State agencies that are purchasing wireless devices or services  
2 must make such purchases through the state master contract, unless the  
3 state agency provides to the office of (~~financial management~~) the  
4 chief information officer evidence that the state agency is securing  
5 its wireless devices or services from another source for a lower cost  
6 than through participation in the state master contract.

7 (2) For the purposes of this section, "state agency" means any  
8 office, department, board, commission, or other unit of state  
9 government, but does not include a unit of state government headed by  
10 a statewide elected official, an institution of higher education as  
11 defined in RCW 28B.10.016, the higher education coordinating board, the  
12 state board for community and technical colleges, or agencies of the  
13 legislative or judicial branches of state government.

#### 14 STATE DATA CENTER

15 NEW SECTION. **Sec. 735.** (1) Except as provided by subsection (2)  
16 of this section, state agencies shall locate all existing and new  
17 servers in the state data center.

18 (2) Agencies with a service requirement that requires servers to be  
19 located outside the state data center must receive a waiver from the  
20 office. Waivers must be based upon written justification from the  
21 requesting agency citing specific service or performance requirements  
22 for locating servers outside the state's common platform.

23 (3) The office, in consultation with the office of financial  
24 management, shall continue to develop the business plan and migration  
25 schedule for moving all state agencies into the state data center.

26 (4) The legislature and the judiciary, which are constitutionally  
27 recognized as separate branches of government, may enter into an  
28 interagency agreement with the office to migrate its servers into the  
29 state data center.

30 (5) This section does not apply to institutions of higher  
31 education.

#### 32 MIGRATION TO A CENTRAL SERVICE PROVIDER

33 NEW SECTION. **Sec. 736.** (1) The office shall conduct a needs  
34 assessment and develop a migration strategy to ensure that, over time,

1 all state agencies are moving towards using the consolidated technology  
2 services agency established in RCW 43.105.047 as their central service  
3 provider for all utility-based infrastructure services, including  
4 centralized PC and infrastructure support. Agency specific application  
5 services shall remain managed within individual agencies.

6 (2) The office shall develop short-term and long-term objectives as  
7 part of the migration strategy.

8 (3) For the purposes of this section, "utility-based infrastructure  
9 services" includes personal computer and portable device support,  
10 servers and server administration, security administration, network  
11 administration, telephony, e-mail, and other information technology  
12 services commonly utilized by state agencies.

13 (4) This section does not apply to institutions of higher  
14 education.

## 15 PART VIII

### 16 CREATING THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY

17 NEW SECTION. **Sec. 801.** A new section is added to chapter 43.105  
18 RCW to read as follows:

19 To achieve maximum benefit from advances in information technology  
20 the state establishes a centralized provider and procurer of certain  
21 information technology services as an agency to support the needs of  
22 state agencies. This agency shall be known as the consolidated  
23 technology services agency. To ensure maximum benefit to the state,  
24 state agencies shall rely on the consolidated technology services  
25 agency for those services with a business case of broad use,  
26 uniformity, scalability, and price sensitivity to aggregation and  
27 volume.

28 To successfully meet agency needs and meet its obligation as the  
29 primary service provider for these services, the consolidated  
30 technology services agency must offer high quality services at the  
31 lowest possible price. It must be able to attract an adaptable and  
32 competitive workforce, be authorized to procure services where the  
33 business case justifies it, and be accountable to its customers for the  
34 efficient and effective delivery of critical business services.

35 The consolidated technology services agency is established as an  
36 agency in state government. The agency is established with clear

1 accountability to the agencies it serves and to the public. This  
2 accountability will come through enhanced transparency in the agency's  
3 operation and performance. The agency is also established with broad  
4 flexibility to adapt its operations and service catalog to address the  
5 needs of customer agencies, and to do so in the most cost-effective  
6 ways.

7 **Sec. 802.** RCW 43.105.020 and 2010 1st sp.s. c 7 s 64 are each  
8 amended to read as follows:

9 The definitions in this section apply throughout this chapter  
10 unless the context clearly requires otherwise.

11 (1) (~~"Administrator" means the community technology opportunity~~  
12 ~~program administrator designated by the department.~~

13 (2) ~~"Backbone network" means the shared high density portions of~~  
14 ~~the state's telecommunications transmission facilities. It includes~~  
15 ~~specially conditioned high speed communications carrier lines,~~  
16 ~~multiplexors, switches associated with such communications lines, and~~  
17 ~~any equipment and software components necessary for management and~~  
18 ~~control of the backbone network.~~

19 (3) ~~"Board" means the information services board.~~

20 (4) ~~"Broadband" means a high speed, high capacity transmission~~  
21 ~~medium, using land based, satellite, wireless, or any other mechanism,~~  
22 ~~that can carry either signals or transmit data, or both, over long~~  
23 ~~distances by using a wide range of frequencies.~~

24 (5) ~~"Committee" means the state interoperability executive~~  
25 ~~committee.~~

26 (6) ~~"Common vendor registration and bid notification system" has~~  
27 ~~the definition in RCW 39.29.006.~~

28 (7) ~~"Community technology programs" means programs that are engaged~~  
29 ~~in diffusing information and communications technology in local~~  
30 ~~communities, particularly in unserved and underserved areas of the~~  
31 ~~state. These programs may include, but are not limited to, programs~~  
32 ~~that provide education and skill building opportunities, hardware and~~  
33 ~~software, internet connectivity, digital media literacy, development of~~  
34 ~~locally relevant content, and delivery of vital services through~~  
35 ~~technology.~~

36 (8) ~~"Council" means the advisory council on digital inclusion~~  
37 ~~created in RCW 43.105.400.~~

1       ~~(9) "Department" means the department of information services.~~  
2       ~~(10))~~ "Agency" means the consolidated technology services agency.  
3       (2) "Board" means the consolidated technology services board.  
4       (3) "Customer agencies" means all entities that purchase or use  
5 information technology resources, telecommunications, or services from  
6 the consolidated technology services agency.  
7       (4) "Director" means the director of the ((department))  
8 consolidated technology services agency.  
9       ~~((11) "Educational sectors" means those institutions of higher~~  
10 ~~education, school districts, and educational service districts that use~~  
11 ~~the network for distance education, data transmission, and other uses~~  
12 ~~permitted by the K-20 board.~~  
13       ~~(12))~~ (5) "Equipment" means the machines, devices, and  
14 transmission facilities used in information processing, ((such as))  
15 including but not limited to computers, ((word processors,)) terminals,  
16 telephones, wireless communications system facilities, cables, and any  
17 physical facility necessary for the operation of such equipment.  
18       ~~((13) "High speed internet" means broadband.~~  
19       ~~(14) "Information" includes, but is not limited to, data, text,~~  
20 ~~voice, and video.~~  
21       ~~(15) "Information processing" means the electronic capture,~~  
22 ~~collection, storage, manipulation, transmission, retrieval, and~~  
23 ~~presentation of information in the form of data, text, voice, or image~~  
24 ~~and includes telecommunications and office automation functions.~~  
25       ~~(16) "Information services" means data processing,~~  
26 ~~telecommunications, office automation, and computerized information~~  
27 ~~systems.~~  
28       ~~(17))~~ "Enterprise architecture" means an ongoing program for  
29 translating business vision and strategy into effective enterprise  
30 change. It is a continuous activity. Enterprise architecture creates,  
31 communicates, and improves the key principles and models that describe  
32 the enterprise's future state and enable its evolution.  
33       (7) "Information technology" includes, but is not limited to, all  
34 electronic technology systems and services, automated information  
35 handling, system design and analysis, conversion of data, computer  
36 programming, information storage and retrieval, telecommunications,  
37 requisite system controls, simulation, electronic commerce, and all  
38 related interactions between people and machines.

1       (8) "Information technology portfolio" or "portfolio" means a  
2 strategic management process documenting relationships between agency  
3 missions and information technology and telecommunications investments.

4       ~~((18) "K-20 network" means the network established in RCW  
5 43.105.820.~~

6       ~~(19))~~ (9) "Local governments" includes all municipal and quasi  
7 municipal corporations and political subdivisions, and all agencies of  
8 such corporations and subdivisions authorized to contract separately.

9       ~~((20))~~ (10) "Oversight" means a process of comprehensive risk  
10 analysis and management designed to ensure optimum use of information  
11 technology resources and telecommunications.

12       ~~((21))~~ (11) "Proprietary software" means that software offered  
13 for sale or license.

14       ~~((22) "Purchased services" means services provided by a vendor to  
15 accomplish routine, continuing, and necessary functions. This term  
16 includes, but is not limited to, services acquired for equipment  
17 maintenance and repair, operation of a physical plant, security,  
18 computer hardware and software installation and maintenance,  
19 telecommunications installation and maintenance, data entry, keypunch  
20 services, programming services, and computer time sharing.~~

21       ~~(23) "Small business" has the definition in RCW 39.29.006.~~

22       ~~(24) "Telecommunications" means the transmission of information by  
23 wire, radio, optical cable, electromagnetic, or other means.~~

24       ~~(25) "Video telecommunications" means the electronic  
25 interconnection of two or more sites for the purpose of transmitting  
26 and/or receiving visual and associated audio information. Video  
27 telecommunications shall not include existing public television  
28 broadcast stations as currently designated by the department of  
29 commerce under chapter 43.330 RCW.)~~

30       (12) "Telecommunications"  
31 includes, but is not limited to, wireless or wired systems for  
32 transport of voice, video, and data communications, network systems,  
33 requisite facilities, equipment, system controls, simulation,  
34 electronic commerce, and all related interactions between people and  
35 machines. "Telecommunications" does not include public safety  
communications.

36       **Sec. 803.** RCW 43.105.047 and 1999 c 80 s 5 are each amended to  
37 read as follows:



1        There is created the ~~((department of information services))~~  
2 consolidated technology services agency, an agency of state government.  
3 The ~~((department))~~ agency shall be headed by a director appointed by  
4 the governor with the consent of the senate. The director shall serve  
5 at the governor's pleasure and shall receive such salary as determined  
6 by the governor. The director shall:

7        (1) Appoint a confidential secretary and such deputy and assistant  
8 directors as needed to administer the ~~((department))~~ agency; and

9        ~~((Maintain and fund a strategic planning and policy component  
10 separate from the services component of the department;~~

11        ~~(3) Appoint, after consulting with the board, the assistant or  
12 deputy director for the planning component;~~

13        ~~(4))~~ Appoint such professional, technical, and clerical assistants  
14 and employees as may be necessary to perform the duties imposed by this  
15 chapter(~~(+~~

16        ~~(5) Report to the governor and the board any matters relating to  
17 abuses and evasions of this chapter; and~~

18        ~~(6) Recommend statutory changes to the governor and the board)).~~

19        **Sec. 804.** RCW 43.105.052 and 2010 1st sp.s. c 7 s 16 are each  
20 amended to read as follows:

21        The ~~((department))~~ agency shall:

22        ~~((Perform all duties and responsibilities the board delegates  
23 to the department, including but not limited to:~~

24        ~~(a) The review of agency information technology portfolios and  
25 related requests; and~~

26        ~~(b) Implementation of statewide and interagency policies,  
27 standards, and guidelines;~~

28        ~~(2))~~ Make available information services to ~~((state))~~ public  
29 agencies ((and local governments)) and public benefit nonprofit  
30 corporations ((on a full cost recovery basis)). For the purposes of  
31 this section "public agency" means any agency of this state or another  
32 state; any political subdivision, or unit of local government of this  
33 state or another state including, but not limited to, municipal  
34 corporations, quasi-municipal corporations, special purpose districts,  
35 and local service districts; any agency of the United States; and any  
36 Indian tribe recognized as such by the federal government and "public  
37 benefit nonprofit corporation" means a public benefit nonprofit

1 corporation as defined in RCW 24.03.005 that is receiving local, state,  
2 or federal funds either directly or through a public agency other than  
3 an Indian tribe or political subdivision of another state(~~(. — These~~  
4 ~~services may include, but are not limited to:~~

5 ~~(a) Telecommunications services for voice, data, and video;~~

6 ~~(b) Mainframe computing services;~~

7 ~~(c) Support for departmental and microcomputer evaluation,~~  
8 ~~installation, and use;~~

9 ~~(d) Equipment acquisition assistance, including leasing, brokering,~~  
10 ~~and establishing master contracts;~~

11 ~~(e) Facilities management services for information technology~~  
12 ~~equipment, equipment repair, and maintenance service;~~

13 ~~(f) Negotiation with local cable companies and local governments to~~  
14 ~~provide for connection to local cable services to allow for access to~~  
15 ~~these public and educational channels in the state;~~

16 ~~(g) Office automation services;~~

17 ~~(h) System development services; and~~

18 ~~(i) Training.~~

19 ~~These services are for discretionary use by customers and customers~~  
20 ~~may elect other alternatives for service if those alternatives are more~~  
21 ~~cost-effective or provide better service. Agencies may be required to~~  
22 ~~use the backbone network portions of the telecommunications services~~  
23 ~~during an initial start-up period not to exceed three years));~~

24 ~~((+3))~~ (2) Establish rates and fees for services provided by the  
25 ~~((department to assure that the services component of the department is~~  
26 ~~self-supporting))~~ agency. A billing rate plan shall be developed for  
27 a two-year period to coincide with the budgeting process. The rate  
28 plan shall be subject to review at least annually by the office of  
29 financial management. The rate plan shall show the proposed rates by  
30 each cost center and will show the components of the rate structure as  
31 mutually determined by the ~~((department))~~ agency and the office of  
32 financial management. ~~((The same rate structure will apply to all user~~  
33 ~~agencies of each cost center.))~~ The rate plan and any adjustments to  
34 rates shall be approved by the office of financial management(~~(. — The~~  
35 ~~services component shall not subsidize the operations of the strategic~~  
36 ~~planning and policy component));~~

37 ~~((+4))~~ (3) With the advice of the ~~((information services))~~ board

1 and customer agencies, develop a state strategic information technology  
2 plan and performance reports as required under ((RCW 43.105.160))  
3 section 707 of this act;

4 ((+5)) (4) Develop plans for the ((department's)) agency's  
5 achievement of statewide goals and objectives set forth in the state  
6 strategic information technology plan required under ((RCW 43.105.160-  
7 These plans shall address such services as telecommunications, central  
8 and distributed computing, local area networks, office automation, and  
9 end user computing. The department shall seek the advice of the board  
10 in the development of these plans;

11 (6) Under direction of the information services board and in  
12 collaboration with the department of personnel, and other agencies as  
13 may be appropriate, develop training plans and coordinate training  
14 programs that are responsive to the needs of agencies;

15 (7) Identify opportunities for the effective use of information  
16 services and coordinate appropriate responses to those opportunities;

17 (8) Assess agencies' projects, acquisitions, plans, information  
18 technology portfolios, or overall information processing performance as  
19 requested by the board, agencies, the director of financial management,  
20 or the legislature. Agencies may be required to reimburse the  
21 department for agency requested reviews) section 707 of this act;

22 ((9) Develop planning, budgeting, and expenditure reporting  
23 requirements, in conjunction with the office of financial management,  
24 for agencies to follow;

25 (10) Assist the office of financial management with budgetary and  
26 policy review of agency plans for information services;

27 (11) Provide staff support from the strategic planning and policy  
28 component to the board for:

29 (a) Meeting preparation, notices, and minutes;

30 (b) Promulgation of policies, standards, and guidelines adopted by  
31 the board;

32 (c) Supervision of studies and reports requested by the board;

33 (d) Conducting reviews and assessments as directed by the board;

34 (12) Be the lead agency in coordinating video telecommunications  
35 services for all state agencies and develop, pursuant to board  
36 policies, standards and common specifications for leased and purchased  
37 telecommunications equipment. The department shall not evaluate the  
38 merits of school curriculum, higher education course offerings, or

1 ~~other education and training programs proposed for transmission and/or~~  
2 ~~reception using video telecommunications resources. Nothing in this~~  
3 ~~section shall abrogate or abridge the legal responsibilities of~~  
4 ~~licensees of telecommunications facilities as licensed by the federal~~  
5 ~~communication commission on March 27, 1990+)) and~~

6 ((+13+)) (5) Perform all other matters and things necessary to  
7 carry out the purposes and provisions of this chapter.

8 NEW SECTION. **Sec. 805.** A new section is added to chapter 43.105  
9 RCW to read as follows:

10 (1) There is hereby created the consolidated technology services  
11 board. The board shall be composed of eleven members appointed by the  
12 governor. Seven of the board members shall consist of customer  
13 representatives either in the position of chief executive officer,  
14 chief financial officer, or chief information officer. Four of the  
15 board members shall be legislators, who serve as ex officio, nonvoting  
16 members of the board.

17 (2)(a) Nonlegislative members shall serve three-year terms.  
18 Members may not serve more than two consecutive terms.

19 (b) Of the initial nonlegislative members, two must be appointed  
20 for a one-year term, two must be appointed for a two-year term, and  
21 three must be appointed for a three-year term. Thereafter, members  
22 must be appointed for three-year terms.

23 (c) Vacancies shall be filled in the same manner that the original  
24 appointments were made for the remainder of the member's term.

25 (3)(a) Of the initial legislative members, the president of the  
26 senate and the speaker of the house of representatives shall make the  
27 appointments.

28 (b) The president of the senate shall appoint one member from each  
29 of the two largest caucuses in the senate.

30 (c) The speaker of the house of representatives shall appoint one  
31 member from each of the two largest caucuses of the house of  
32 representatives.

33 (4) A majority of the members of the board shall constitute a  
34 quorum for the transaction of business.

35 **Sec. 806.** RCW 43.19.190 and 2002 c 200 s 3 are each amended to  
36 read as follows:

1 The director of general administration, through the state  
2 purchasing and material control director, shall:

3 (1) Establish and staff such administrative organizational units  
4 within the division of purchasing as may be necessary for effective  
5 administration of the provisions of RCW 43.19.190 through 43.19.1939;

6 (2) Purchase all material, supplies, services, and equipment needed  
7 for the support, maintenance, and use of all state institutions,  
8 colleges, community colleges, technical colleges, college districts,  
9 and universities, the offices of the elective state officers, the  
10 supreme court, the court of appeals, the administrative and other  
11 departments of state government, and the offices of all appointive  
12 officers of the state: PROVIDED, That the provisions of RCW 43.19.190  
13 through 43.19.1937 do not apply in any manner to the operation of the  
14 state legislature except as requested by the legislature: PROVIDED,

15 That the provisions of this section and RCW 43.19.1901 through  
16 43.19.1925 do not apply to the consolidated technology services agency  
17 created in RCW 43.105.047: PROVIDED, That any agency may purchase

18 material, supplies, services, and equipment for which the agency has  
19 notified the purchasing and material control director that it is more  
20 cost-effective for the agency to make the purchase directly from the  
21 vendor: PROVIDED, That primary authority for the purchase of

22 specialized equipment, instructional, and research material for their  
23 own use shall rest with the colleges, community colleges, and  
24 universities: PROVIDED FURTHER, That universities operating hospitals

25 and the state purchasing and material control director, as the agent  
26 for state hospitals as defined in RCW 72.23.010, and for health care  
27 programs provided in state correctional institutions as defined in RCW

28 72.65.010(3) and veterans' institutions as defined in RCW 72.36.010 and  
29 72.36.070, may make purchases for hospital operation by participating  
30 in contracts for materials, supplies, and equipment entered into by

31 nonprofit cooperative hospital group purchasing organizations:  
32 PROVIDED FURTHER, That primary authority for the purchase of materials,  
33 supplies, and equipment for resale to other than public agencies shall

34 rest with the state agency concerned: PROVIDED FURTHER, That authority  
35 to purchase services as included herein does not apply to personal  
36 services as defined in chapter 39.29 RCW, unless such organization

37 specifically requests assistance from the division of purchasing in  
38 obtaining personal services and resources are available within the

1 division to provide such assistance: PROVIDED FURTHER, That the  
2 authority for the purchase of insurance and bonds shall rest with the  
3 risk manager under RCW ((43.19.1935)) 43.41.310: PROVIDED FURTHER,  
4 That, except for the authority of the risk manager to purchase  
5 insurance and bonds, the director is not required to provide purchasing  
6 services for institutions of higher education that choose to exercise  
7 independent purchasing authority under RCW 28B.10.029: PROVIDED  
8 FURTHER, That the authority to purchase interpreter services and  
9 interpreter brokerage services on behalf of limited-English speaking or  
10 sensory-impaired applicants and recipients of public assistance shall  
11 rest with the department of social and health services;

12 (3) Have authority to delegate to state agencies authorization to  
13 purchase or sell, which authorization shall specify restrictions as to  
14 dollar amount or to specific types of material, equipment, services,  
15 and supplies. Acceptance of the purchasing authorization by a state  
16 agency does not relieve such agency from conformance with other  
17 sections of RCW 43.19.190 through 43.19.1939, or from policies  
18 established by the director. Also, delegation of such authorization to  
19 a state agency, including an educational institution to which this  
20 section applies, to purchase or sell material, equipment, services, and  
21 supplies shall not be granted, or otherwise continued under a previous  
22 authorization, if such agency is not in substantial compliance with  
23 overall state purchasing and material control policies as established  
24 herein;

25 (4) Contract for the testing of material, supplies, and equipment  
26 with public and private agencies as necessary and advisable to protect  
27 the interests of the state;

28 (5) Prescribe the manner of inspecting all deliveries of supplies,  
29 materials, and equipment purchased through the division;

30 (6) Prescribe the manner in which supplies, materials, and  
31 equipment purchased through the division shall be delivered, stored,  
32 and distributed;

33 (7) Provide for the maintenance of a catalogue library,  
34 manufacturers' and wholesalers' lists, and current market information;

35 (8) Provide for a commodity classification system and may, in  
36 addition, provide for the adoption of standard specifications;

37 (9) Provide for the maintenance of inventory records of supplies,  
38 materials, and other property;

1 (10) Prepare rules and regulations governing the relationship and  
2 procedures between the division of purchasing and state agencies and  
3 vendors;

4 (11) Publish procedures and guidelines for compliance by all state  
5 agencies, including those educational institutions to which this  
6 section applies, which implement overall state purchasing and material  
7 control policies;

8 (12) Advise state agencies, including educational institutions,  
9 regarding compliance with established purchasing and material control  
10 policies under existing statutes.

11 NEW SECTION. Sec. 807. A new section is added to chapter 43.105  
12 RCW to read as follows:

13 The board has the following powers and duties:

14 (1) Approve rates for services offered by the agency;

15 (2) Approve the budget proposal to the office of financial  
16 management for the agency;

17 (3) Approve the catalog of services to be provided or procured for  
18 client agencies;

19 (4) Prepare and submit an annual performance evaluation of the  
20 director to the governor;

21 (5) Prepare and submit a performance assessment of the agency to  
22 the governor annually; and

23 (6) Advise the director on operational issues and plans brought  
24 before the board by the director.

25 NEW SECTION. Sec. 808. A new section is added to chapter 43.105  
26 RCW to read as follows:

27 The director in consultation with the board shall set performance  
28 targets and approve plans for achieving measurable and specific goals  
29 for the agency. By January 2012, the appropriate organizational  
30 performance and accountability measures and performance targets shall  
31 be submitted to the governor. These measures and targets shall include  
32 measures of performance demonstrating specific and measurable  
33 improvements related to service delivery and costs, operational  
34 efficiencies, and overall customer satisfaction. The agency shall  
35 develop a dashboard of key performance measures that will be updated  
36 quarterly and made available on the agency public web site.

1 The director shall report to the governor on agency performance at  
2 least quarterly. The reports shall be included on the agency's web  
3 site and accessible to the public.

4 **Sec. 809.** RCW 43.105.057 and 1992 c 20 s 11 are each amended to  
5 read as follows:

6 The (~~department of information services and the information~~  
7 ~~services board, respectively,~~) agency shall adopt rules as necessary  
8 under chapter 34.05 RCW to implement the provisions of this chapter.

9 **Sec. 810.** RCW 43.105.060 and 1987 c 504 s 10 are each amended to  
10 read as follows:

11 State and local government agencies are authorized to enter into  
12 any contracts with the (~~department or its successor~~) agency which may  
13 be necessary or desirable to effectuate the purposes and policies of  
14 this chapter or for maximum utilization of facilities and services  
15 which are the subject of this chapter.

16 **Sec. 811.** RCW 39.29.040 and 2002 c 260 s 11 and 2002 c 200 s 2 are  
17 each reenacted and amended to read as follows:

18 This chapter does not apply to:

19 (1) Contracts specifying a fee of less than five thousand dollars  
20 if the total of the contracts from that agency with the contractor  
21 within a fiscal year does not exceed five thousand dollars;

22 (2) Contracts awarded to companies that furnish a service where the  
23 tariff is established by the utilities and transportation commission or  
24 other public entity;

25 (3) Intergovernmental agreements awarded to any governmental  
26 entity, whether federal, state, or local and any department, division,  
27 or subdivision thereof;

28 (4) Contracts awarded for services to be performed for a standard  
29 fee, when the standard fee is established by the contracting agency or  
30 any other governmental entity and a like contract is available to all  
31 qualified applicants;

32 (5) Contracts for services that are necessary to the conduct of  
33 collaborative research if prior approval is granted by the funding  
34 source;



1 (6) Contracts for client services except as otherwise indicated in  
2 this chapter;

3 (7) Contracts for architectural and engineering services as defined  
4 in RCW 39.80.020, which shall be entered into under chapter 39.80 RCW;

5 (8) Contracts for the employment of expert witnesses for the  
6 purposes of litigation;

7 (9) Contracts for bank supervision authorized under RCW 30.38.040;  
8 ((and))

9 (10) Contracts for interpreter services and interpreter brokerage  
10 services on behalf of limited-English speaking or sensory-impaired  
11 applicants and recipients of public assistance; and

12 (11) Contracts awarded by the consolidated technology services  
13 agency.

14 **Sec. 812.** RCW 19.34.231 and 1999 c 287 s 12 are each amended to  
15 read as follows:

16 (1) If a signature of a unit of state or local government,  
17 including its appropriate officers or employees, is required by  
18 statute, administrative rule, court rule, or requirement of the office  
19 of financial management, that unit of state or local government shall  
20 become a subscriber to a certificate issued by a licensed certification  
21 authority for purposes of conducting official public business with  
22 electronic records.

23 (2) A city or county may become a licensed certification authority  
24 under RCW 19.34.100 for purposes of providing services to local  
25 government, if authorized by ordinance adopted by the city or county  
26 legislative authority.

27 (3) A unit of state government, except the secretary (~~and the~~  
28 ~~department of information services~~), may not act as a certification  
29 authority.

30 **Sec. 813.** RCW 19.34.420 and 1998 c 33 s 2 are each amended to read  
31 as follows:

32 (1) The following information, when in the possession of the  
33 secretary(~~, the department of information services,~~) or the state  
34 auditor for purposes of this chapter, shall not be made available for  
35 public disclosure, inspection, or copying, unless the request is made  
36 under an order of a court of competent jurisdiction based upon an

1 express written finding that the need for the information outweighs any  
2 reason for maintaining the privacy and confidentiality of the  
3 information or records:

- 4 (a) A trade secret, as defined by RCW 19.108.010; and
- 5 (b) Information regarding design, security, or programming of a  
6 computer system used for purposes of licensing or operating a  
7 certification authority or repository under this chapter.

8 (2) The state auditor, or an authorized agent, must be given access  
9 to all information referred to in subsection (1) of this section for  
10 the purpose of conducting audits under this chapter or under other law,  
11 but shall not make that information available for public inspection or  
12 copying except as provided in subsection (1) of this section.

13 **Sec. 814.** RCW 46.20.157 and 1999 c 6 s 21 are each amended to read  
14 as follows:

15 (1) Except as provided in subsection (2) of this section, the  
16 department shall annually provide to the (~~department of information~~  
17 ~~services~~) consolidated technology services agency an electronic data  
18 file. The data file must:

19 (a) Contain information on all licensed drivers and identicard  
20 holders who are eighteen years of age or older and whose records have  
21 not expired for more than two years;

22 (b) Be provided at no charge; and

23 (c) Contain the following information on each such person: Full  
24 name, date of birth, residence address including county, sex, and most  
25 recent date of application, renewal, replacement, or change of driver's  
26 license or identicard.

27 (2) Before complying with subsection (1) of this section, the  
28 department shall remove from the file the names of any certified  
29 participants in the Washington state address confidentiality program  
30 under chapter 40.24 RCW that have been identified to the department by  
31 the secretary of state.

32 **Sec. 815.** RCW 2.36.054 and 1993 c 408 s 3 are each amended to read  
33 as follows:

34 Unless otherwise specified by rule of the supreme court, the jury  
35 source list and master jury list for each county shall be created as  
36 provided by this section.

1           (1) The superior court of each county, after consultation with the  
2 county clerk and county auditor of that jurisdiction, shall annually  
3 notify the ~~((department of information services))~~ consolidated  
4 technology services agency not later than March 1 of each year of its  
5 election to use either a jury source list that is merged by the county  
6 or a jury source list that is merged by the ~~((department of information~~  
7 ~~services))~~ consolidated technology services agency. The ~~((department~~  
8 ~~of information services))~~ consolidated technology services agency shall  
9 annually furnish at no charge to the superior court of each county a  
10 separate list of the registered voters residing in that county as  
11 supplied annually by the secretary of state and a separate list of  
12 driver's license and identicard holders residing in that county as  
13 supplied annually by the department of licensing, or a merged list of  
14 all such persons residing in that county, in accordance with the annual  
15 notification required by this subsection. The lists provided by the  
16 ~~((department of information services))~~ consolidated technology services  
17 agency shall be in an electronic format mutually agreed upon by the  
18 superior court requesting it and the department of information  
19 services. The annual merger of the list of registered voters residing  
20 in each county with the list of licensed drivers and identicard holders  
21 residing in each county to form a jury source list for each county  
22 shall be in accordance with the standards and methodology established  
23 in this chapter or by superseding court rule whether the merger is  
24 accomplished by the ~~((department of information services))~~ consolidated  
25 technology services agency or by a county.

26           (2) Persons on the lists of registered voters and driver's license  
27 and identicard holders shall be identified by a minimum of last name,  
28 first name, middle initial where available, date of birth, gender, and  
29 county of residence. Identifying information shall be used when  
30 merging the lists to ensure to the extent reasonably possible that  
31 persons are only listed once on the merged list. Conflicts in  
32 addresses are to be resolved by using the most recent record by date of  
33 last vote in a general election, date of driver's license or identicard  
34 address change or date of voter registration.

35           (3) The ~~((department of information services))~~ consolidated  
36 technology services agency shall provide counties that elect to receive  
37 a jury source list merged by ~~((department of information services))~~ the  
38 consolidated technology services agency with a list of names which are

1 possible duplicates that cannot be resolved based on the identifying  
2 information required under subsection (2) of this section. If a  
3 possible duplication cannot subsequently be resolved satisfactorily  
4 through reasonable efforts by the county receiving the merged list, the  
5 possible duplicate name shall be stricken from the jury source list  
6 until the next annual jury source list is prepared.

7 **Sec. 816.** RCW 29A.08.760 and 2009 c 369 s 35 are each amended to  
8 read as follows:

9 The secretary of state shall provide a duplicate copy of the master  
10 statewide computer file or electronic data file of registered voters to  
11 the ~~((department of information services))~~ consolidated technology  
12 services agency for purposes of creating the jury source list without  
13 cost. Restrictions as to the commercial use of the information on the  
14 statewide computer tape or data file of registered voters, and  
15 penalties for its misuse, shall be the same as provided in RCW  
16 29A.08.720 and 29A.08.740.

17 **Sec. 817.** RCW 43.63A.550 and 1998 c 245 s 71 are each amended to  
18 read as follows:

19 (1) The department shall assist in the process of inventorying and  
20 collecting data on public and private land for the acquisition of data  
21 describing land uses, demographics, infrastructure, critical areas,  
22 transportation corridors physical features, housing, and other  
23 information useful in managing growth throughout the state. For this  
24 purpose the department ~~((shall))~~ may contract with the ~~((department of~~  
25 ~~information services))~~ consolidated technology services agency and  
26 shall form an advisory group consisting of representatives from state,  
27 local, and federal agencies, colleges and universities, and private  
28 firms with expertise in land planning, and geographic information  
29 systems.

30 (2) The department shall establish a sequence for acquiring data,  
31 giving priority to rapidly growing areas. The data shall be retained  
32 in a manner to facilitate its use in preparing maps, aggregating with  
33 data from multiple jurisdictions, and comparing changes over time.  
34 Data shall further be retained in a manner which permits its access via  
35 computer.

1 (3) The department shall work with other state agencies, local  
2 governments, and private organizations that are inventorying public and  
3 private lands to ensure close coordination and to ensure that  
4 duplication of efforts does not occur.

5 NEW SECTION. **Sec. 818.** Collective bargaining agreements  
6 negotiated under this chapter shall not be effective prior to July 1,  
7 2012. Any collective bargaining agreement entered into before July 1,  
8 2012, shall not have any terms extending beyond June 30, 2012, for  
9 employees affected by this chapter. The duration of any collective  
10 bargaining agreement under this chapter shall not exceed one fiscal  
11 biennium.

12 NEW SECTION. **Sec. 819.** Unless the context clearly requires  
13 otherwise, the definitions in this section apply throughout this  
14 chapter.

15 (1) "Agency" means the consolidated technology services agency as  
16 defined in chapter 43.105 RCW.

17 (2) "Collective bargaining" means the performance of the mutual  
18 obligation of the representatives of the employer and the exclusive  
19 bargaining representative to meet at reasonable times and to bargain in  
20 good faith in an effort to reach agreement with respect to the subjects  
21 of bargaining specified under section 821 of this act. The obligation  
22 to bargain does not compel either party to agree to a proposal or to  
23 make a concession, except as otherwise provided in this chapter.

24 (3) "Commission" means the public employment relations commission.

25 (4) "Confidential employee" means an employee who, in the regular  
26 course of his or her duties, assists in a confidential capacity persons  
27 who formulate, determine, and effectuate management policies with  
28 regard to labor relations or who, in the regular course of his or her  
29 duties, has authorized access to information relating to the  
30 effectuation or review of the employer's collective bargaining  
31 policies, or who assists or aids a manager.

32 (5) "Director" means the director of the public employment  
33 relations commission.

34 (6) "Employee" means any employee of the consolidated technology  
35 services agency, including employees whose work has ceased in

1 connection with the pursuit of lawful activities protected by this  
2 chapter, except:

3 (a) Confidential employees;

4 (b) Managers as defined in subsection (11) of this section; or

5 (c) Internal auditors in the agency.

6 (7) "Employee organization" means any organization, union, or  
7 association in which employees participate and that exists for the  
8 purpose, in whole or in part, of collective bargaining with employers.

9 (8) "Employer" means the state of Washington.

10 (9) "Exclusive bargaining representative" means any employee  
11 organization that has been certified under this chapter as the  
12 representative of the employees in an appropriate bargaining unit.

13 (10) "Labor dispute" means any controversy concerning terms,  
14 tenure, or conditions of employment, or concerning the association or  
15 representation of persons in negotiating, fixing, maintaining,  
16 changing, or seeking to arrange terms or conditions of employment with  
17 respect to the subjects of bargaining provided in this chapter,  
18 regardless of whether the disputants stand in the proximate relation of  
19 employer and employee.

20 (11) "Manager" means any employee who:

21 (a) Formulates statewide policy or directs the work of the agency  
22 or agency subdivision;

23 (b) Is responsible to administer one or more statewide policies or  
24 programs of the agency or agency subdivision;

25 (c) Manages, administers, and controls a local branch office of the  
26 agency or agency subdivision, including the physical, financial, or  
27 personnel resources;

28 (d) Has substantial responsibility in personnel administration,  
29 legislative relations, public information, or the preparation and  
30 administration of budgets; or

31 (e) Functionally is above the first level of supervision and  
32 exercises authority that is not merely routine or clerical in nature  
33 and requires the consistent use of independent judgment.

34 (12) "Supervisor" means an employee who has authority, in the  
35 interest of the employer, to hire, transfer, suspend, lay off, recall,  
36 promote, discharge, direct, reward, or discipline employees, or to  
37 adjust employee grievances, or effectively to recommend such action, if  
38 the exercise of the authority is not of a merely routine nature but

1 requires the consistent exercise of individual judgment. However, no  
2 employee who is a manager as defined in subsection (11) of this section  
3 may be included in a collective bargaining unit established under this  
4 chapter.

5 (13) "Unfair labor practice" means any unfair labor practice listed  
6 in section 830 of this act.

7 NEW SECTION. **Sec. 820.** (1) For the purpose of negotiating  
8 collective bargaining agreements under this chapter, the employer shall  
9 be represented by the governor or governor's designee.

10 (2) If an exclusive bargaining representative represents more than  
11 one bargaining unit, the exclusive bargaining representative shall  
12 negotiate one master collective bargaining agreement on behalf of all  
13 the employees in bargaining units that the exclusive bargaining  
14 representative represents.

15 (3) The governor shall submit a request for funds necessary to  
16 implement the compensation and fringe benefit provisions in the master  
17 collective bargaining agreement or for legislation necessary to  
18 implement the agreement. Requests for funds necessary to implement the  
19 provisions of bargaining agreements shall not be submitted to the  
20 legislature by the governor unless such requests:

21 (a) Have been submitted to the director of financial management by  
22 October 1st prior to the legislative session at which the requests are  
23 to be considered; and

24 (b) Have been certified by the director of financial management as  
25 being feasible financially for the state.

26 The legislature shall approve or reject the submission of the  
27 request for funds as a whole. The legislature shall not consider a  
28 request for funds to implement a collective bargaining agreement unless  
29 the request is transmitted to the legislature as part of the governor's  
30 budget document submitted under RCW 43.88.030 and 43.88.060. If the  
31 legislature rejects or fails to act on the submission, either party may  
32 reopen all or part of the agreement or the exclusive bargaining  
33 representative may seek to implement the procedures provided for in  
34 section 828 of this act.

35 (4) The governor shall periodically consult with the joint  
36 committee on employment relations pursuant to RCW 41.80.010(5)  
37 regarding appropriations necessary to implement the compensation and

1 fringe benefit provisions in the master collective bargaining  
2 agreements, and upon completion of negotiations, advise the committee  
3 on the elements of the agreements and on any legislation necessary to  
4 implement the agreements.

5 (5) If, after the compensation and fringe benefit provisions of an  
6 agreement are approved by the legislature, a significant revenue  
7 shortfall occurs resulting in reduced appropriations, as declared by  
8 proclamation of the governor or by resolution of the legislature, both  
9 parties shall immediately enter into collective bargaining for a  
10 mutually agreed upon modification of the agreement.

11 (6) After the expiration date of a collective bargaining agreement  
12 negotiated under this chapter, all of the terms and conditions  
13 specified in the collective bargaining agreement remain in effect until  
14 the effective date of a subsequently negotiated agreement, not to  
15 exceed one year from the expiration date stated in the agreement.  
16 Thereafter, the employer may unilaterally implement its last, best  
17 offer.

18 (7) For collective bargaining agreements negotiated for the period  
19 of July 1, 2012, through June 30, 2013, the governor shall submit a  
20 request for funds necessary to implement the compensation and fringe  
21 benefit provisions in the collective bargaining agreement or for  
22 legislation necessary to implement the agreement. Requests for funds  
23 necessary to implement the provisions of bargaining agreements shall  
24 not be submitted to the legislature by the governor unless such  
25 requests:

26 (a) Have been submitted to the director of financial management by  
27 January 15, 2012; and

28 (b) Have been certified by the director of financial management as  
29 being feasible financially for the state.

30 The legislature shall approve or reject the submission of the  
31 request for funds as a whole. If the legislature rejects or fails to  
32 act on the submission, either party may reopen all or part of the  
33 agreement or the exclusive bargaining representative may seek to  
34 implement the procedures provided for in section 828 of this act.

35 NEW SECTION. **Sec. 821.** (1) Except as otherwise provided in this  
36 chapter, the matters subject to bargaining include wages, hours, and  
37 other terms and conditions of employment.



1 (2) The employer is not required to bargain over matters pertaining  
2 to health care benefits or other employee insurance benefits, except as  
3 required in subsection (3) of this section.

4 (3) The employer and one coalition of all the exclusive bargaining  
5 representatives subject to this chapter and chapters 41.80 and 47.64  
6 RCW shall conduct negotiations regarding the dollar amount expended on  
7 behalf of each employee for health care benefits.

8 (4) The employer and the exclusive bargaining representative shall  
9 not bargain over or agree to any proposal that would:

10 (a) Prevent the implementation of approved affirmative action  
11 plans;

12 (b) Limit the ability of the employer from using a performance-  
13 based system in adjusting wages, conducting and implementing layoffs,  
14 and hiring and promotion procedures; or

15 (c) Interfere with or alter the employer's sole discretion to  
16 determine what level of discipline to impose for any employee.

17 (5) The employer and the exclusive bargaining representative shall  
18 not bargain over matters pertaining to management rights established in  
19 section 823 of this act, the performance-based evaluation system, and  
20 the decision and impacts of contracts authorized by section 833 of this  
21 act.

22 (6) Except as otherwise provided in this chapter, if a conflict  
23 exists between an executive order, administrative rule, or agency  
24 policy relating to wages, hours, and terms and conditions of employment  
25 and a collective bargaining agreement negotiated under this chapter,  
26 the collective bargaining agreement shall prevail. A provision of a  
27 collective bargaining agreement that conflicts with the terms of a  
28 statute is invalid and unenforceable.

29 NEW SECTION. **Sec. 822.** (1) The parties to a collective bargaining  
30 agreement shall reduce the agreement to writing.

31 (2) A collective bargaining agreement shall contain provisions  
32 that:

33 (a) Provide for a grievance procedure that culminates with final  
34 and binding arbitration of all disputes arising over the interpretation  
35 or application of the collective bargaining agreement and that is valid  
36 and enforceable under its terms when entered into in accordance with  
37 this chapter;

1 (b) Prohibit consideration or review of the level of discipline in  
2 the grievance procedure and at binding arbitration;

3 (c) Prohibit grievances on the performance-based evaluation system,  
4 including adjusting wages and salary increases, conducting and  
5 implementing layoffs, and hiring and promotion procedures; and

6 (d) Require processing of disciplinary actions or terminations of  
7 employment of employees covered by the collective bargaining agreement  
8 entirely under the procedures of the collective bargaining agreement.  
9 Any employee, when fully reinstated, shall be guaranteed all employee  
10 rights and benefits, including back pay, sick leave, vacation accrual,  
11 and retirement and federal old age, survivors, and disability insurance  
12 act credits, but without back pay for any period of suspension.

13 (3) If collective bargaining between an employer and an exclusive  
14 bargaining representative is concluded after the termination date of  
15 the previous collective bargaining agreement between the employer and  
16 an employee organization representing the same bargaining units, the  
17 effective date of the new collective bargaining agreement may be the  
18 day after the termination of the previous collective bargaining  
19 agreement, subject to the parties' agreement, and all benefits included  
20 in the new collective bargaining agreement, including wage or salary  
21 increases, may accrue beginning with that effective date.

22 NEW SECTION. **Sec. 823.** The employer shall not bargain over rights  
23 of management which, in addition to all powers, duties, and rights  
24 established by constitutional provision or statute, shall include but  
25 not be limited to the following:

26 (1) The functions and programs of the employer, the use of  
27 technology, and the structure of the organization;

28 (2) The employer's budget and the size of the agency workforce,  
29 including determining the basis for layoffs;

30 (3) The right to direct and supervise employees;

31 (4) The right to take whatever actions are deemed necessary to  
32 carry out the mission of the state and its agencies during emergencies;

33 (5) The right of the employer to use a performance-based system in  
34 adjusting wages, conducting and implementing layoffs, and hiring and  
35 promotion procedures; and

36 (6) Retirement plans and retirement benefits.



1 if the commission considers the larger unit to be appropriate. If  
2 consolidation is appropriate, the commission shall certify the employee  
3 organization as the exclusive bargaining representative of the new  
4 unit.

5 NEW SECTION. **Sec. 827.** (1) The commission shall determine all  
6 questions pertaining to representation and shall administer all  
7 elections and be responsible for the processing and adjudication of all  
8 disputes that arise as a consequence of elections. The commission  
9 shall adopt rules that provide for at least the following:

- 10 (a) Secret balloting;
- 11 (b) Consulting with employee organizations;
- 12 (c) Access to lists of employees, job classification, work  
13 locations, and home mailing addresses;
- 14 (d) Absentee voting;
- 15 (e) Procedures for the greatest possible participation in voting;
- 16 (f) Campaigning on the employer's property during working hours;
- 17 and
- 18 (g) Election observers.

19 (2) If an employee organization has been certified as the exclusive  
20 bargaining representative of the employees of a bargaining unit, the  
21 employee organization may act for and negotiate master collective  
22 bargaining agreements that will include within the coverage of the  
23 agreement all employees in the bargaining unit as provided in section  
24 820(2) of this act. However, if a master collective bargaining  
25 agreement is in effect for the exclusive bargaining representative, it  
26 shall apply to the bargaining unit for which the certification has been  
27 issued. Nothing in this section requires the parties to engage in new  
28 negotiations during the term of that agreement.

29 (3) The certified exclusive bargaining representative shall be  
30 responsible for representing the interests of all the employees in the  
31 bargaining unit. This section does not limit an exclusive  
32 representative's right to exercise its discretion to refuse to process  
33 grievances of employees that are unmeritorious.

- 34 (4) No question concerning representation may be raised if:
- 35 (a) Fewer than twelve months have elapsed since the last  
36 certification or election; or

1 (b) A valid collective bargaining agreement exists covering the  
2 unit, except for that period of no more than one hundred twenty  
3 calendar days nor less than ninety calendar days before the expiration  
4 of the contract.

5 NEW SECTION. **Sec. 828.** Should the parties fail to reach agreement  
6 in negotiating a collective bargaining agreement, either party may  
7 request of the commission the assistance of an impartial third party to  
8 mediate the negotiations.

9 If a collective bargaining agreement previously negotiated under  
10 this chapter should expire while negotiations are underway, the terms  
11 and conditions specified in the collective bargaining agreement shall  
12 remain in effect for a period not to exceed one year from the  
13 expiration date stated in the agreement. Thereafter, the employer may  
14 unilaterally implement its last, best offer.

15 If resolution is not reached through mediation by one hundred days  
16 beyond the expiration date of a contract previously negotiated under  
17 this chapter, or one hundred days from the initiation of mediated  
18 negotiations if no such contract exists, an independent fact finder  
19 shall be appointed by the commission.

20 The fact finder shall meet with the parties or their  
21 representatives, or both, and make inquiries and investigations, hold  
22 hearings, and take such other steps as may be appropriate. If the  
23 dispute is not settled, the fact finder shall make findings of fact and  
24 recommend terms of settlement within thirty days.

25 Such recommendations, together with the findings of fact, shall be  
26 submitted in writing to the parties and the commission privately before  
27 they are made public. The commission, the fact finder, the employer,  
28 or the exclusive bargaining representative may make such findings and  
29 recommendations public if the dispute is not settled within ten working  
30 days after their receipt from the fact finder.

31 This section does not prohibit an employer and an exclusive  
32 bargaining representative from agreeing to substitute, at their own  
33 expense, their own procedure for resolving impasses in collective  
34 bargaining for that provided in this section or from agreeing to  
35 utilize for the purposes of this section any other governmental or  
36 other agency or person in lieu of the commission.

1 Costs for mediator services shall be borne by the commission, and  
2 costs for fact-finding shall be borne equally by the negotiating  
3 parties.

4 NEW SECTION. **Sec. 829.** (1) A collective bargaining agreement may  
5 contain a union security provision requiring as a condition of  
6 employment the payment, no later than the thirtieth day following the  
7 beginning of employment or July 1, 2013, whichever is later, of an  
8 agency shop fee to the employee organization that is the exclusive  
9 bargaining representative for the bargaining unit in which the employee  
10 is employed. The amount of the fee shall be equal to the amount  
11 required to become a member in good standing of the employee  
12 organization. Each employee organization shall establish a procedure  
13 by which any employee so requesting may pay a representation fee no  
14 greater than the part of the membership fee that represents a pro rata  
15 share of expenditures for purposes germane to the collective bargaining  
16 process, to contract administration, or to pursuing matters affecting  
17 wages, hours, and other conditions of employment.

18 (2) An employee who is covered by a union security provision and  
19 who asserts a right of nonassociation based on bona fide religious  
20 tenets, or teachings of a church or religious body of which the  
21 employee is a member, shall, as a condition of employment, make  
22 payments to the employee organization, for purposes within the program  
23 of the employee organization as designated by the employee that would  
24 be in harmony with his or her individual conscience. The amount of the  
25 payments shall be equal to the periodic dues and fees uniformly  
26 required as a condition of acquiring or retaining membership in the  
27 employee organization minus any included monthly premiums for insurance  
28 programs sponsored by the employee organization. The employee shall  
29 not be a member of the employee organization but is entitled to all the  
30 representation rights of a member of the employee organization.

31 (3) Upon filing with the employer the written authorization of a  
32 bargaining unit employee under this chapter, the employee organization  
33 that is the exclusive bargaining representative of the bargaining unit  
34 shall have the exclusive right to have deducted from the salary of the  
35 employee an amount equal to the fees and dues uniformly required as a  
36 condition of acquiring or retaining membership in the employee  
37 organization. The fees and dues shall be deducted each pay period from

1 the pay of all employees who have given authorization for the deduction  
2 and shall be transmitted by the employer as provided for by agreement  
3 between the employer and the employee organization.

4 (4) Employee organizations that before July 1, 2013, were entitled  
5 to the benefits of this section shall continue to be entitled to these  
6 benefits.

7 NEW SECTION. **Sec. 830.** (1) It is an unfair labor practice for an  
8 employer:

9 (a) To interfere with, restrain, or coerce employees in the  
10 exercise of the rights guaranteed by this chapter;

11 (b) To dominate or interfere with the formation or administration  
12 of any employee organization or contribute financial or other support  
13 to it. However, subject to rules adopted by the commission, an  
14 employer shall not be prohibited from permitting employees to confer  
15 with it or its representatives or agents during working hours without  
16 loss of time or pay;

17 (c) To encourage or discourage membership in any employee  
18 organization by discrimination in regard to hire, tenure of employment,  
19 or any term or condition of employment;

20 (d) To discharge or discriminate otherwise against an employee  
21 because that employee has filed charges or given testimony under this  
22 chapter; or

23 (e) To refuse to bargain collectively with the representatives of  
24 its employees.

25 (2) It is an unfair labor practice for an employee organization:

26 (a) To restrain or coerce an employee in the exercise of the rights  
27 guaranteed by this chapter. However, this subsection does not impair  
28 the right of an employee organization to prescribe its own rules with  
29 respect to the acquisition or retention of membership in the employee  
30 organization or to an employer in the selection of its representatives  
31 for the purpose of bargaining or the adjustment of grievances;

32 (b) To cause or attempt to cause an employer to discriminate  
33 against an employee in violation of subsection (1)(c) of this section;

34 (c) To discriminate against an employee because that employee has  
35 filed charges or given testimony under this chapter;

36 (d) To refuse to bargain collectively with an employer.

1 (3) The expressing of any views, arguments, or opinion, or the  
2 dissemination thereof to the public, whether in written, printed,  
3 graphic, or visual form, shall not constitute or be evidence of an  
4 unfair labor practice under this chapter, if such expression contains  
5 no threat of reprisal or force or promise of benefit.

6 NEW SECTION. **Sec. 831.** (1) The commission is empowered and  
7 directed to prevent any unfair labor practice and to issue appropriate  
8 remedial orders. However, a complaint shall not be processed for any  
9 unfair labor practice occurring more than six months before the filing  
10 of the complaint with the commission. This power shall not be affected  
11 or impaired by any means of adjustment, mediation, or conciliation in  
12 labor disputes that have been or may hereafter be established by law.

13 (2) If the commission determines that any person has engaged in or  
14 is engaging in an unfair labor practice, the commission shall issue and  
15 cause to be served upon the person an order requiring the person to  
16 cease and desist from such unfair labor practice, and to take such  
17 affirmative action as will effectuate the purposes and policy of this  
18 chapter, such as the payment of damages and the reinstatement of  
19 employees.

20 (3) The commission may petition the superior court for the county  
21 in which the main office of the employer is located or in which the  
22 person who has engaged or is engaging in such unfair labor practice  
23 resides or transacts business, for the enforcement of its order and for  
24 appropriate temporary relief.

25 NEW SECTION. **Sec. 832.** (1) For the purposes of implementing final  
26 and binding arbitration under grievance procedures required by section  
27 822 of this act the parties to a collective bargaining agreement may  
28 agree on one or more permanent umpires to serve as arbitrator, or may  
29 agree on any impartial person to serve as arbitrator, or may agree to  
30 select arbitrators from any source available to them, including federal  
31 and private agencies, in addition to the staff and list of arbitrators  
32 maintained by the commission. If the parties cannot agree to the  
33 selection of an arbitrator, the commission shall supply a list of names  
34 in accordance with the procedures established by the commission.

35 (2) An arbitrator may require any person to attend as a witness and  
36 to bring with him or her any book, record, document, or other evidence.



1 The fees for such attendance shall be paid by the party requesting  
2 issuance of the subpoena and shall be the same as the fees of witnesses  
3 in the superior court. Arbitrators may administer oaths. Subpoenas  
4 shall issue and be signed by the arbitrator and shall be served in the  
5 same manner as subpoenas to testify before a court of record in this  
6 state. If any person so summoned to testify refuses or neglects to  
7 obey such subpoena, upon petition authorized by the arbitrator, the  
8 superior court may compel the attendance of the person before the  
9 arbitrator or punish the person for contempt in the same manner  
10 provided for the attendance of witnesses or the punishment of them in  
11 the courts of this state.

12 (3) The arbitrator shall appoint a time and place for the hearing  
13 and notify the parties thereof, and may adjourn the hearing from time  
14 to time as may be necessary, and, on application of either party and  
15 for good cause, may postpone the hearing to a time not extending beyond  
16 the date fixed by the collective bargaining agreement for making the  
17 award. The arbitration award shall be in writing and signed by the  
18 arbitrator. The arbitrator shall, promptly upon its rendition, serve  
19 a true copy of the award on each of the parties or their attorneys of  
20 record.

21 (4) If a party to a collective bargaining agreement negotiated  
22 under this chapter refuses to submit a grievance for arbitration, the  
23 other party to the collective bargaining agreement may invoke the  
24 jurisdiction of the superior court of Thurston county or of any county  
25 in which the labor dispute exists and such court shall have  
26 jurisdiction to issue an order compelling arbitration. Disputes  
27 concerning compliance with grievance procedures shall be reserved for  
28 determination by the arbitrator. Arbitration shall be ordered if the  
29 grievance states a claim that on its face is covered by the collective  
30 bargaining agreement. Doubts as to the coverage of the arbitration  
31 clause shall be resolved in favor of arbitration.

32 (5) If a party to a collective bargaining agreement negotiated  
33 under this chapter refuses to comply with the award of an arbitrator  
34 determining a grievance arising under the collective bargaining  
35 agreement, the other party to the collective bargaining agreement may  
36 invoke the jurisdiction of the superior court of Thurston county or of  
37 any county in which the labor dispute exists and such court shall have  
38 jurisdiction to issue an order enforcing the arbitration award.



1 of general administration in the Revised Code of Washington shall be  
2 construed to mean the director or the department of enterprise  
3 services.

4 (2)(a) All reports, documents, surveys, books, records, files,  
5 papers, or written material in the possession of the department of  
6 general administration shall be delivered to the custody of the  
7 department of enterprise services. All cabinets, furniture, office  
8 equipment, motor vehicles, and other tangible property employed by the  
9 department of general administration shall be made available to the  
10 department of enterprise services. All funds, credits, or other assets  
11 held by the department of general administration shall be assigned to  
12 the department of enterprise services.

13 (b) Any appropriations made to the department of general  
14 administration shall, on the effective date of this section, be  
15 transferred and credited to the department of enterprise services.

16 (c) If any question arises as to the transfer of any personnel,  
17 funds, books, documents, records, papers, files, equipment, or other  
18 tangible property used or held in the exercise of the powers and the  
19 performance of the duties and functions transferred, the director of  
20 financial management shall make a determination as to the proper  
21 allocation and certify the same to the state agencies concerned.

22 (3) All rules and all pending business before the department of  
23 general administration shall be continued and acted upon by the  
24 department of enterprise services. All existing contracts and  
25 obligations shall remain in full force and shall be performed by the  
26 department of enterprise services.

27 (4) The transfer of the powers, duties, functions, and personnel of  
28 the department of general administration shall not affect the validity  
29 of any act performed before the effective date of this section.

30 (5) If apportionments of budgeted funds are required because of the  
31 transfers directed by this section, the director of financial  
32 management shall certify the apportionments to the agencies affected,  
33 the state auditor, and the state treasurer. Each of these shall make  
34 the appropriate transfer and adjustments in funds and appropriation  
35 accounts and equipment records in accordance with the certification.

36 (6) All employees of the department of general administration  
37 engaged in performing the powers, functions, and duties transferred to  
38 the department of enterprise services, are transferred to the

1 department of enterprise services. All employees classified under  
2 chapter 41.06 RCW, the state civil service law, are assigned to the  
3 department of enterprise services to perform their usual duties upon  
4 the same terms as formerly, without any loss of rights, subject to any  
5 action that may be appropriate thereafter in accordance with the laws  
6 and rules governing state civil service law.

7 (7) Unless or until modified by the public employment relations  
8 commission pursuant to section 901 of this act:

9 (a) The bargaining units of employees at the department of general  
10 administration existing on the effective date of this section shall be  
11 considered appropriate units at the department of enterprise services  
12 and will be so certified by the public employment relations commission.

13 (b) The exclusive bargaining representatives recognized as  
14 representing the bargaining units of employees at the department of  
15 general administration existing on the effective date of this section  
16 shall continue as the exclusive bargaining representatives of the  
17 transferred bargaining units without the necessity of an election.

18 NEW SECTION. **Sec. 903.** A new section is added to chapter 43.19  
19 RCW to read as follows:

20 (1) The public printer is hereby abolished effective December 1,  
21 2011.

22 (2)(a) All reports, documents, surveys, books, records, files,  
23 papers, or written material in the possession of the public printer  
24 shall be delivered to the custody of the state archivist or the  
25 department of enterprise services, as needed. All cabinets, furniture,  
26 office equipment, motor vehicles, and other tangible property employed  
27 by the public printer shall be made available to the department of  
28 enterprise services for its use or disposition as needed.

29 (b) The office of financial management shall determine the  
30 disposition of all funds, credits, or other assets held by the public  
31 printer. In addition, the office of financial management shall  
32 determine the disposition of any appropriations made to the public  
33 printer on the effective date of this section.

34 (c) If any question arises as to the transfer of any funds, books,  
35 documents, records, papers, files, equipment, or other tangible  
36 property used or held in the exercise of the powers and the performance

1 of the duties and functions abolished, the director of financial  
2 management shall make a determination as to the proper allocation and  
3 certify the same to the state agencies concerned.

4 (3) The abolishment of the powers, duties, and functions of the  
5 public printer shall not affect the validity of any act performed  
6 before the effective date of this section.

7 (5) If apportionments of budgeted funds are required because of the  
8 transfers directed by this section, the director of financial  
9 management shall certify the apportionments to the agencies affected,  
10 the state auditor, and the state treasurer. Each of these shall make  
11 the appropriate transfer and adjustments in funds and appropriation  
12 accounts and equipment records in accordance with the certification.

13 NEW SECTION. **Sec. 904.** A new section is added to chapter 43.19  
14 RCW to read as follows:

15 (1) The powers, duties, and functions of the department of  
16 information services as set forth in sections 601, 602, and 614 of this  
17 act are hereby transferred to the department of enterprise services.

18 (2)(a) All reports, documents, surveys, books, records, files,  
19 papers, or written material in the possession of the department of  
20 information services pertaining to the powers, duties, and functions  
21 transferred shall be delivered to the custody of the department of  
22 enterprise services. All cabinets, furniture, office equipment, motor  
23 vehicles, and other tangible property employed by the department of  
24 information services in carrying out the powers, duties, and functions  
25 transferred shall be made available to the department of enterprise  
26 services. All funds, credits, or other assets held by the department  
27 of information services in connection with the powers, duties, and  
28 functions transferred shall be assigned to the department of enterprise  
29 services.

30 (b) Any appropriations made to the department of information  
31 services for carrying out the powers, functions, and duties transferred  
32 shall, on the effective date of this section, be transferred and  
33 credited to the department of enterprise services.

34 (c) If any question arises as to the transfer of any personnel,  
35 funds, books, documents, records, papers, files, equipment, or other  
36 tangible property used or held in the exercise of the powers and the

1 performance of the duties and functions transferred, the director of  
2 financial management shall make a determination as to the proper  
3 allocation and certify the same to the state agencies concerned.

4 (3) All rules and all pending business before the department of  
5 information services pertaining to the powers, duties, and functions  
6 transferred shall be continued and acted upon by the department of  
7 enterprise services. All existing contracts and obligations shall  
8 remain in full force and shall be performed by the department of  
9 enterprise services.

10 (4) The transfer of the powers, duties, functions, and personnel of  
11 the department of information services shall not affect the validity of  
12 any act performed before the effective date of this section.

13 (5) If apportionments of budgeted funds are required because of the  
14 transfers directed by this section, the director of financial  
15 management shall certify the apportionments to the agencies affected,  
16 the state auditor, and the state treasurer. Each of these shall make  
17 the appropriate transfer and adjustments in funds and appropriation  
18 accounts and equipment records in accordance with the certification.

19 (6) All employees of the department of information services engaged  
20 in performing the powers, functions, and duties transferred to the  
21 department of enterprise services, are transferred to the department of  
22 enterprise services. All employees classified under chapter 41.06 RCW,  
23 the state civil service law, are assigned to the department of  
24 enterprise services to perform their usual duties upon the same terms  
25 as formerly, without any loss of rights, subject to any action that may  
26 be appropriate thereafter in accordance with the laws and rules  
27 governing state civil service law.

28 (7) Unless or until modified by the public employment relations  
29 commission pursuant to section 901 of this act:

30 (a) The portions of the bargaining units of employees at the  
31 department of information services existing on the effective date of  
32 this section shall be considered appropriate units at the department of  
33 enterprise services and will be so certified by the public employment  
34 relations commission.

35 (b) The exclusive bargaining representatives recognized as  
36 representing the portions of the bargaining units of employees at the  
37 department of information services existing on the effective date of

1 this section shall continue as the exclusive bargaining representative  
2 of the transferred bargaining units without the necessity of an  
3 election.

4 NEW SECTION. **Sec. 905.** A new section is added to chapter 43.19  
5 RCW to read as follows:

6 (1) Those powers, duties, and functions of the department of  
7 personnel being transferred to the department of enterprise services as  
8 set forth in Part IV of this act are hereby transferred to the  
9 department of enterprise services.

10 (2)(a) All reports, documents, surveys, books, records, files,  
11 papers, or written material in the possession of the department of  
12 personnel pertaining to the powers, duties, and functions transferred  
13 shall be delivered to the custody of the department of enterprise  
14 services. All cabinets, furniture, office equipment, motor vehicles,  
15 and other tangible property employed by the department of personnel in  
16 carrying out the powers, duties, and functions transferred shall be  
17 made available to the department of enterprise services. All funds,  
18 credits, or other assets held by the department of personnel in  
19 connection with the powers, duties, and functions transferred shall be  
20 assigned to the department of enterprise services.

21 (b) Any appropriations made to the department of personnel for  
22 carrying out the powers, functions, and duties transferred shall, on  
23 the effective date of this section, be transferred and credited to the  
24 department of enterprise services.

25 (c) If any question arises as to the transfer of any personnel,  
26 funds, books, documents, records, papers, files, equipment, or other  
27 tangible property used or held in the exercise of the powers and the  
28 performance of the duties and functions transferred, the director of  
29 financial management shall make a determination as to the proper  
30 allocation and certify the same to the state agencies concerned.

31 (3) All rules and all pending business before the department of  
32 personnel pertaining to the powers, duties, and functions transferred  
33 shall be continued and acted upon by the department of enterprise  
34 services. All existing contracts and obligations shall remain in full  
35 force and shall be performed by the department of enterprise services.

36 (4) The transfer of the powers, duties, functions, and personnel of

1 the department of personnel shall not affect the validity of any act  
2 performed before the effective date of this section.

3 (5) If apportionments of budgeted funds are required because of the  
4 transfers directed by this section, the director of financial  
5 management shall certify the apportionments to the agencies affected,  
6 the state auditor, and the state treasurer. Each of these shall make  
7 the appropriate transfer and adjustments in funds and appropriation  
8 accounts and equipment records in accordance with the certification.

9 (6) All employees of the department of personnel engaged in  
10 performing the powers, functions, and duties transferred to the  
11 department of enterprise services, are transferred to the department of  
12 enterprise services. All employees classified under chapter 41.06 RCW,  
13 the state civil service law, are assigned to the department of  
14 enterprise services to perform their usual duties upon the same terms  
15 as formerly, without any loss of rights, subject to any action that may  
16 be appropriate thereafter in accordance with the laws and rules  
17 governing state civil service law.

18 NEW SECTION. **Sec. 906.** A new section is added to chapter 43.41  
19 RCW to read as follows:

20 (1) Those powers, duties, and functions of the department of  
21 personnel being transferred to the office of financial management as  
22 set forth in Part IV of this act are hereby transferred to the office  
23 of financial management.

24 (2)(a) All reports, documents, surveys, books, records, files,  
25 papers, or written material in the possession of the department of  
26 personnel pertaining to the powers, duties, and functions transferred  
27 shall be delivered to the custody of the office of financial  
28 management. All cabinets, furniture, office equipment, motor vehicles,  
29 and other tangible property employed by the department of personnel in  
30 carrying out the powers, duties, and functions transferred shall be  
31 made available to the office of financial management. All funds,  
32 credits, or other assets held by the department of personnel in  
33 connection with the powers, duties, and functions transferred shall be  
34 assigned to the office of financial management.

35 (b) Any appropriations made to the department of personnel for  
36 carrying out the powers, functions, and duties transferred shall, on



1 the effective date of this section, be transferred and credited to the  
2 office of financial management.

3 (c) If any question arises as to the transfer of any personnel,  
4 funds, books, documents, records, papers, files, equipment, or other  
5 tangible property used or held in the exercise of the powers and the  
6 performance of the duties and functions transferred, the director of  
7 financial management shall make a determination as to the proper  
8 allocation and certify the same to the state agencies concerned.

9 (3) All rules and all pending business before the department of  
10 personnel pertaining to the powers, duties, and functions transferred  
11 shall be continued and acted upon by the office of financial  
12 management. All existing contracts and obligations shall remain in  
13 full force and shall be performed by the office of financial  
14 management.

15 (4) The transfer of the powers, duties, functions, and personnel of  
16 the department of personnel shall not affect the validity of any act  
17 performed before the effective date of this section.

18 (5) If apportionments of budgeted funds are required because of the  
19 transfers directed by this section, the director of financial  
20 management shall certify the apportionments to the agencies affected,  
21 the state auditor, and the state treasurer. Each of these shall make  
22 the appropriate transfer and adjustments in funds and appropriation  
23 accounts and equipment records in accordance with the certification.

24 (6) All employees of the department of personnel engaged in  
25 performing the powers, functions, and duties transferred to the office  
26 of financial management, are transferred to the office of financial  
27 management. All employees classified under chapter 41.06 RCW, the  
28 state civil service law, are assigned to the office of financial  
29 management to perform their usual duties upon the same terms as  
30 formerly, without any loss of rights, subject to any action that may be  
31 appropriate thereafter in accordance with the laws and rules governing  
32 state civil service law.

33 NEW SECTION. **Sec. 907.** A new section is added to chapter 43.19  
34 RCW to read as follows:

35 (1) The powers, duties, and functions of the office of financial  
36 management as set forth in Part V of this act are hereby transferred to  
37 the department of enterprise services.

1 (2)(a) All reports, documents, surveys, books, records, files,  
2 papers, or written material in the possession of the office of  
3 financial management pertaining to the powers, duties, and functions  
4 transferred shall be delivered to the custody of the department of  
5 enterprise services. All cabinets, furniture, office equipment, motor  
6 vehicles, and other tangible property employed by the office of  
7 financial management in carrying out the powers, duties, and functions  
8 transferred shall be made available to the department of enterprise  
9 services. All funds, credits, or other assets held by the office of  
10 financial management in connection with the powers, duties, and  
11 functions transferred shall be assigned to the department of enterprise  
12 services.

13 (b) Any appropriations made to the office of financial management  
14 for carrying out the powers, functions, and duties transferred shall,  
15 on the effective date of this section, be transferred and credited to  
16 the department of enterprise services.

17 (c) If any question arises as to the transfer of any personnel,  
18 funds, books, documents, records, papers, files, equipment, or other  
19 tangible property used or held in the exercise of the powers and the  
20 performance of the duties and functions transferred, the director of  
21 financial management shall make a determination as to the proper  
22 allocation and certify the same to the state agencies concerned.

23 (3) All rules and all pending business before the office of  
24 financial management pertaining to the powers, duties, and functions  
25 transferred shall be continued and acted upon by the department of  
26 enterprise services. All existing contracts and obligations shall  
27 remain in full force and shall be performed by the department of  
28 enterprise services.

29 (4) The transfer of the powers, duties, functions, and personnel of  
30 the office of financial management shall not affect the validity of any  
31 act performed before the effective date of this section.

32 (5) If apportionments of budgeted funds are required because of the  
33 transfers directed by this section, the director of financial  
34 management shall certify the apportionments to the agencies affected,  
35 the state auditor, and the state treasurer. Each of these shall make  
36 the appropriate transfer and adjustments in funds and appropriation  
37 accounts and equipment records in accordance with the certification.

1 (6) All employees of the office of financial management engaged in  
2 performing the powers, functions, and duties transferred to the  
3 department of enterprise services, are transferred to the department of  
4 enterprise services. All employees classified under chapter 41.06 RCW,  
5 the state civil service law, are assigned to department of enterprise  
6 services to perform their usual duties upon the same terms as formerly,  
7 without any loss of rights, subject to any action that may be  
8 appropriate thereafter in accordance with the laws and rules governing  
9 state civil service law.

10 NEW SECTION. **Sec. 908.** A new section is added to chapter 43.330  
11 RCW to read as follows:

12 (1) All powers, duties, and functions of the department of  
13 information services pertaining to high-speed internet activities are  
14 transferred to the department of commerce. All references to the  
15 director or the department of information services in the Revised Code  
16 of Washington shall be construed to mean the director or the department  
17 of commerce when referring to the functions transferred in this  
18 section.

19 (2)(a) All reports, documents, surveys, books, records, files,  
20 papers, or written material in the possession of the department of  
21 information services pertaining to the powers, functions, and duties  
22 transferred shall be delivered to the custody of the department of  
23 commerce. All cabinets, furniture, office equipment, motor vehicles,  
24 and other tangible property employed by the department of information  
25 services in carrying out the powers, functions, and duties transferred  
26 shall be made available to the department of commerce. All funds,  
27 credits, or other assets held in connection with the powers, functions,  
28 and duties transferred shall be assigned to the department of commerce.

29 (b) Any appropriations made to the department of information  
30 services for carrying out the powers, functions, and duties transferred  
31 shall, on the effective date of this section, be transferred and  
32 credited to the department of commerce.

33 (c) Whenever any question arises as to the transfer of any  
34 personnel, funds, books, documents, records, papers, files, equipment,  
35 or other tangible property used or held in the exercise of the powers  
36 and the performance of the duties and functions transferred, the

1 director of financial management shall make a determination as to the  
2 proper allocation and certify the same to the state agencies concerned.

3 (3) All employees of the department of information services engaged  
4 in performing the powers, functions, and duties transferred are  
5 transferred to the jurisdiction of the department of commerce. All  
6 employees classified under chapter 41.06 RCW, the state civil service  
7 law, are assigned to the department of commerce to perform their usual  
8 duties upon the same terms as formerly, without any loss of rights,  
9 subject to any action that may be appropriate thereafter in accordance  
10 with the laws and rules governing state civil service.

11 (4) All rules and all pending business before the department of  
12 information services pertaining to the powers, functions, and duties  
13 transferred shall be continued and acted upon by the department of  
14 commerce. All existing contracts and obligations shall remain in full  
15 force and shall be performed by the department of commerce.

16 (5) The transfer of the powers, duties, functions, and personnel of  
17 the department of information services shall not affect the validity of  
18 any act performed before the effective date of this section.

19 (6) If apportionments of budgeted funds are required because of the  
20 transfers directed by this section, the director of financial  
21 management shall certify the apportionments to the agencies affected,  
22 the state auditor, and the state treasurer. Each of these shall make  
23 the appropriate transfer and adjustments in funds and appropriation  
24 accounts and equipment records in accordance with the certification.

25 (7) All classified employees of the department of information  
26 services assigned to the department of commerce under this section  
27 whose positions are within an existing bargaining unit description at  
28 the department of commerce shall become a part of the existing  
29 bargaining unit at the department of commerce and shall be considered  
30 an appropriate inclusion or modification of the existing bargaining  
31 unit under the provisions of chapter 41.80 RCW.

32 **Sec. 909.** RCW 41.06.070 and 2010 c 271 s 801, 2010 c 2 s 2, and  
33 2010 c 1 s 1 are each reenacted and amended to read as follows:

34 (1) The provisions of this chapter do not apply to:

35 (a) The members of the legislature or to any employee of, or  
36 position in, the legislative branch of the state government including

1 members, officers, and employees of the legislative council, joint  
2 legislative audit and review committee, statute law committee, and any  
3 interim committee of the legislature;

4 (b) The justices of the supreme court, judges of the court of  
5 appeals, judges of the superior courts or of the inferior courts, or to  
6 any employee of, or position in the judicial branch of state  
7 government;

8 (c) Officers, academic personnel, and employees of technical  
9 colleges;

10 (d) The officers of the Washington state patrol;

11 (e) Elective officers of the state;

12 (f) The chief executive officer of each agency;

13 (g) In the departments of employment security and social and health  
14 services, the director and the director's confidential secretary; in  
15 all other departments, the executive head of which is an individual  
16 appointed by the governor, the director, his or her confidential  
17 secretary, and his or her statutory assistant directors;

18 (h) In the case of a multimember board, commission, or committee,  
19 whether the members thereof are elected, appointed by the governor or  
20 other authority, serve ex officio, or are otherwise chosen:

21 (i) All members of such boards, commissions, or committees;

22 (ii) If the members of the board, commission, or committee serve on  
23 a part-time basis and there is a statutory executive officer: The  
24 secretary of the board, commission, or committee; the chief executive  
25 officer of the board, commission, or committee; and the confidential  
26 secretary of the chief executive officer of the board, commission, or  
27 committee;

28 (iii) If the members of the board, commission, or committee serve  
29 on a full-time basis: The chief executive officer or administrative  
30 officer as designated by the board, commission, or committee; and a  
31 confidential secretary to the chair of the board, commission, or  
32 committee;

33 (iv) If all members of the board, commission, or committee serve ex  
34 officio: The chief executive officer; and the confidential secretary  
35 of such chief executive officer;

36 (i) The confidential secretaries and administrative assistants in  
37 the immediate offices of the elective officers of the state;

38 (j) Assistant attorneys general;

1 (k) Commissioned and enlisted personnel in the military service of  
2 the state;

3 (l) Inmate, student, part-time, or temporary employees, and part-  
4 time professional consultants, as defined by the Washington personnel  
5 resources board;

6 (m) ~~((The public printer or to any employees of or positions in the  
7 state printing plant;~~

8 ~~(n))~~ Officers and employees of the Washington state fruit  
9 commission;

10 ~~((o))~~ (n) Officers and employees of the Washington apple  
11 commission;

12 ~~((p))~~ (o) Officers and employees of the Washington state dairy  
13 products commission;

14 ~~((q))~~ (p) Officers and employees of the Washington tree fruit  
15 research commission;

16 ~~((r))~~ (q) Officers and employees of the Washington state beef  
17 commission;

18 ~~((s))~~ (r) Officers and employees of the Washington grain  
19 commission;

20 ~~((t))~~ (s) Officers and employees of any commission formed under  
21 chapter 15.66 RCW;

22 ~~((u))~~ (t) Officers and employees of agricultural commissions  
23 formed under chapter 15.65 RCW;

24 ~~((v))~~ (u) Officers and employees of the nonprofit corporation  
25 formed under chapter 67.40 RCW;

26 ~~((w))~~ (v) Executive assistants for personnel administration and  
27 labor relations in all state agencies employing such executive  
28 assistants including but not limited to all departments, offices,  
29 commissions, committees, boards, or other bodies subject to the  
30 provisions of this chapter and this subsection shall prevail over any  
31 provision of law inconsistent herewith unless specific exception is  
32 made in such law;

33 ~~((x))~~ (w) In each agency with fifty or more employees: Deputy  
34 agency heads, assistant directors or division directors, and not more  
35 than three principal policy assistants who report directly to the  
36 agency head or deputy agency heads;

37 ~~((y))~~ (x) All employees of the marine employees' commission;

1       (~~(z)~~) (y) Staff employed by the department of commerce to  
2 administer energy policy functions;

3       (~~(aa)~~) (z) The manager of the energy facility site evaluation  
4 council;

5       (~~(bb)~~) (aa) A maximum of ten staff employed by the department of  
6 commerce to administer innovation and policy functions, including the  
7 three principal policy assistants exempted under (x) of this  
8 subsection;

9       (~~(cc)~~) (bb) Staff employed by Washington State University to  
10 administer energy education, applied research, and technology transfer  
11 programs under RCW 43.21F.045 as provided in RCW 28B.30.900(5);

12       (cc) Officers and employees of the consolidated technology services  
13 agency formed under RCW 43.105.047, except those employees represented  
14 by an exclusive bargaining representative;

15       (dd) Effective July 1, 2012, all officers and employees of the  
16 consolidated technology services agency formed under RCW 43.105.047,  
17 including those employees represented by an exclusive bargaining  
18 representative.

19       (2) The following classifications, positions, and employees of  
20 institutions of higher education and related boards are hereby exempted  
21 from coverage of this chapter:

22       (a) Members of the governing board of each institution of higher  
23 education and related boards, all presidents, vice presidents, and  
24 their confidential secretaries, administrative, and personal  
25 assistants; deans, directors, and chairs; academic personnel; and  
26 executive heads of major administrative or academic divisions employed  
27 by institutions of higher education; principal assistants to executive  
28 heads of major administrative or academic divisions; other managerial  
29 or professional employees in an institution or related board having  
30 substantial responsibility for directing or controlling program  
31 operations and accountable for allocation of resources and program  
32 results, or for the formulation of institutional policy, or for  
33 carrying out personnel administration or labor relations functions,  
34 legislative relations, public information, development, senior computer  
35 systems and network programming, or internal audits and investigations;  
36 and any employee of a community college district whose place of work is  
37 one which is physically located outside the state of Washington and who

1 is employed pursuant to RCW 28B.50.092 and assigned to an educational  
2 program operating outside of the state of Washington;

3 (b) The governing board of each institution, and related boards,  
4 may also exempt from this chapter classifications involving research  
5 activities, counseling of students, extension or continuing education  
6 activities, graphic arts or publications activities requiring  
7 prescribed academic preparation or special training as determined by  
8 the board: PROVIDED, That no nonacademic employee engaged in office,  
9 clerical, maintenance, or food and trade services may be exempted by  
10 the board under this provision;

11 (c) Printing craft employees in the department of printing at the  
12 University of Washington.

13 (3) In addition to the exemptions specifically provided by this  
14 chapter, the director (~~of personnel~~) may provide for further  
15 exemptions pursuant to the following procedures. The governor or other  
16 appropriate elected official may submit requests for exemption to the  
17 (~~director of personnel~~) office of financial management stating the  
18 reasons for requesting such exemptions. The director (~~of personnel~~)  
19 shall hold a public hearing, after proper notice, on requests submitted  
20 pursuant to this subsection. If the director determines that the  
21 position for which exemption is requested is one involving substantial  
22 responsibility for the formulation of basic agency or executive policy  
23 or one involving directing and controlling program operations of an  
24 agency or a major administrative division thereof, the director (~~of~~  
25 ~~personnel~~) shall grant the request (~~and such determination shall be~~  
26 ~~final as to any decision made before July 1, 1993~~). The total number  
27 of additional exemptions permitted under this subsection shall not  
28 exceed one percent of the number of employees in the classified service  
29 not including employees of institutions of higher education and related  
30 boards for those agencies not directly under the authority of any  
31 elected public official other than the governor, and shall not exceed  
32 a total of twenty-five for all agencies under the authority of elected  
33 public officials other than the governor.

34 The salary and fringe benefits of all positions presently or  
35 hereafter exempted except for the chief executive officer of each  
36 agency, full-time members of boards and commissions, administrative  
37 assistants and confidential secretaries in the immediate office of an  
38 elected state official, and the personnel listed in subsections (1)(j)



1 through ~~((v))~~ (u) and ~~((y))~~ (x) and (2) of this section, shall be  
2 determined by the director ~~((of personnel))~~. Changes to the  
3 classification plan affecting exempt salaries must meet the same  
4 provisions for classified salary increases resulting from adjustments  
5 to the classification plan as outlined in RCW 41.06.152.

6 From February 18, 2009, through June 30, 2011, a salary or wage  
7 increase shall not be granted to any position exempt from  
8 classification under this chapter, except that a salary or wage  
9 increase may be granted to employees pursuant to collective bargaining  
10 agreements negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW,  
11 or negotiated by the nonprofit corporation formed under chapter 67.40  
12 RCW, and except that increases may be granted for positions for which  
13 the employer has demonstrated difficulty retaining qualified employees  
14 if the following conditions are met:

15 (a) The salary increase can be paid within existing resources; and

16 (b) The salary increase will not adversely impact the provision of  
17 client services.

18 Any agency granting a salary increase from February 15, 2010,  
19 through June 30, 2011, to a position exempt from classification under  
20 this chapter shall submit a report to the fiscal committees of the  
21 legislature no later than July 31, 2011, detailing the positions for  
22 which salary increases were granted, the size of the increases, and the  
23 reasons for giving the increases.

24 Any person holding a classified position subject to the provisions  
25 of this chapter shall, when and if such position is subsequently  
26 exempted from the application of this chapter, be afforded the  
27 following rights: If such person previously held permanent status in  
28 another classified position, such person shall have a right of  
29 reversion to the highest class of position previously held, or to a  
30 position of similar nature and salary.

31 Any classified employee having civil service status in a classified  
32 position who accepts an appointment in an exempt position shall have  
33 the right of reversion to the highest class of position previously  
34 held, or to a position of similar nature and salary.

35 A person occupying an exempt position who is terminated from the  
36 position for gross misconduct or malfeasance does not have the right of  
37 reversion to a classified position as provided for in this section.

1 From February 15, 2010, until June 30, 2011, no monetary  
2 performance-based awards or incentives may be granted by the director  
3 or employers to employees covered by rules adopted under this section.  
4 This subsection does not prohibit the payment of awards provided for in  
5 chapter 41.60 RCW.

6 **Sec. 910.** RCW 41.80.020 and 2010 c 283 s 16 are each amended to  
7 read as follows:

8 (1) Except as otherwise provided in this chapter, the matters  
9 subject to bargaining include wages, hours, and other terms and  
10 conditions of employment, and the negotiation of any question arising  
11 under a collective bargaining agreement.

12 (2) The employer is not required to bargain over matters pertaining  
13 to:

14 (a) Health care benefits or other employee insurance benefits,  
15 except as required in subsection (3) of this section;

16 (b) Any retirement system or retirement benefit; or

17 (c) Rules of the director of personnel or the Washington personnel  
18 resources board adopted under section 203, chapter 354, Laws of 2002.

19 (3) Matters subject to bargaining include the number of names to be  
20 certified for vacancies, promotional preferences, and the dollar amount  
21 expended on behalf of each employee for health care benefits. However,  
22 except as provided otherwise in this subsection for institutions of  
23 higher education, negotiations regarding the number of names to be  
24 certified for vacancies, promotional preferences, and the dollar amount  
25 expended on behalf of each employee for health care benefits shall be  
26 conducted between the employer and one coalition of all the exclusive  
27 bargaining representatives subject to this chapter. The exclusive  
28 bargaining representatives for employees that are subject to chapters  
29 47.64 ((RCW)) and 43.--- RCW (the new chapter created in section 911 of  
30 this act) shall bargain the dollar amount expended on behalf of each  
31 employee for health care benefits with the employer as part of the  
32 coalition under this subsection. Any such provision agreed to by the  
33 employer and the coalition shall be included in all master collective  
34 bargaining agreements negotiated by the parties. For institutions of  
35 higher education, promotional preferences and the number of names to be  
36 certified for vacancies shall be bargained under the provisions of RCW  
37 41.80.010(4).

1 (4) The employer and the exclusive bargaining representative shall  
2 not agree to any proposal that would prevent the implementation of  
3 approved affirmative action plans or that would be inconsistent with  
4 the comparable worth agreement that provided the basis for the salary  
5 changes implemented beginning with the 1983-1985 biennium to achieve  
6 comparable worth.

7 (5) The employer and the exclusive bargaining representative shall  
8 not bargain over matters pertaining to management rights established in  
9 RCW 41.80.040.

10 (6) Except as otherwise provided in this chapter, if a conflict  
11 exists between an executive order, administrative rule, or agency  
12 policy relating to wages, hours, and terms and conditions of employment  
13 and a collective bargaining agreement negotiated under this chapter,  
14 the collective bargaining agreement shall prevail. A provision of a  
15 collective bargaining agreement that conflicts with the terms of a  
16 statute is invalid and unenforceable.

17 (7) This section does not prohibit bargaining that affects  
18 contracts authorized by RCW 41.06.142.

19 NEW SECTION. **Sec. 911.** Sections 701 through 721, 737, and 738 of  
20 this act constitute a new chapter in Title 43 RCW to be codified as  
21 chapter 43.41A RCW.

22 NEW SECTION. **Sec. 912.** Sections 818 through 833 of this act  
23 constitute a new chapter in Title 41 RCW.

24 NEW SECTION. **Sec. 913.** RCW 43.105.052, 43.105.172, 43.105.250,  
25 43.105.260, 43.105.270, 43.105.280, 43.105.290, 43.105.310, and  
26 43.105.835 are each recodified as sections in chapter 43.--- RCW (the  
27 new chapter created in section 911 of this act).

28 NEW SECTION. **Sec. 914.** The following acts or parts of acts are  
29 each repealed:

- 30 (1) RCW 43.105.005 (Purpose) and 1990 c 208 s 1 & 1987 c 504 s 1;  
31 (2) RCW 43.105.013 (Finding--Intent) and 2010 c 282 s 1;  
32 (3) RCW 43.105.019 (Enterprise-based strategy--Coordination with  
33 legislative and judicial branches) and 2010 c 282 s 10;

1 (4) RCW 43.105.032 (Information services board--Members--  
2 Chairperson--Vacancies--Quorum--Compensation and travel expenses) and  
3 2007 c 158 s 1, 1999 c 241 s 2, 1996 c 137 s 10, 1992 c 20 s 8, 1987 c  
4 504 s 4, 1984 c 287 s 86, 1975-'76 2nd ex.s. c 34 s 128, & 1973 1st  
5 ex.s. c 219 s 5;

6 (5) RCW 43.105.041 (Powers and duties of board) and 2010 1st sp.s.  
7 c 7 s 65, 2009 c 486 s 13, 2003 c 18 s 3, & 1999 c 285 s 5;

8 (6) RCW 43.105.095 (Management and oversight structure) and 1999 c  
9 80 s 3;

10 (7) RCW 43.105.105 (Information technology decisions and plans) and  
11 1999 c 80 s 4;

12 (8) RCW 43.105.160 (Strategic information technology plan--Biennial  
13 state performance report on information technology) and 2010 c 282 s 9,  
14 2005 c 319 s 110, 1999 c 80 s 9, 1998 c 177 s 3, 1996 c 171 s 9, & 1992  
15 c 20 s 1;

16 (9) RCW 43.105.170 (Information technology portfolios--Contents--  
17 Performance reports) and 1999 c 80 s 10;

18 (10) RCW 43.105.180 (Evaluation of budget requests for information  
19 technology projects) and 2010 c 282 s 6 & 1999 c 80 s 11;

20 (11) RCW 43.105.190 (Major information technology projects  
21 standards and policies--Project evaluation and reporting) and 2005 c  
22 319 s 111, 1999 c 80 s 12, 1998 c 177 s 4, 1996 c 137 s 15, & 1992 c 20  
23 s 4;

24 (12) RCW 43.105.200 (Application to institutions of higher  
25 education) and 1992 c 20 s 5;

26 (13) RCW 43.105.210 (Data processing expenditures--Authorization--  
27 Penalties) and 1993 sp.s. c 1 s 903;

28 (14) RCW 43.105.330 (State interoperability executive committee)  
29 and 2006 c 76 s 2 & 2003 c 18 s 4;

30 (15) RCW 43.105.805 (Information services board--Powers and duties)  
31 and 2010 1st sp.s. c 9 s 1, 2010 1st sp.s. c 7 s 66, & 1999 c 285 s 3;

32 (16) RCW 43.105.815 (K-20 operations cooperative--Ongoing  
33 management) and 1999 c 285 s 8; and

34 (17) RCW 43.105.820 (K-20 telecommunication system--Technical plan)  
35 and 2010 1st sp.s. c 7 s 67, 1999 c 285 s 11, & 1996 c 137 s 8.

36 NEW SECTION. **Sec. 915.** Sections 728 through 731 of this act  
37 expire January 1, 2012.

1        NEW SECTION.    **Sec. 916.**    Section 732 of this act takes effect  
2    January 1, 2012.

3        NEW SECTION.    **Sec. 917.**    The code reviser shall note wherever the  
4    director or department of any agency or agency's duties transferred or  
5    consolidated under this act is used or referred to in statute that the  
6    name of the director or department has changed. The code reviser shall  
7    prepare legislation for the 2012 regular session that (1) changes all  
8    statutory references to the director or department of any agency  
9    transferred or consolidated under this act, and (2) changes statutory  
10   references to sections recodified by this act but not amended in this  
11   act.

12       NEW SECTION.    **Sec. 918.**    Except for sections 110, 448, 462, and 732  
13   of this act, this act is necessary for the immediate preservation of  
14   the public peace, health, or safety, or support of the state government  
15   and its existing public institutions, and takes effect July 1, 2011.

--- END ---