SUBSTITUTE HOUSE BILL 1927

State of Washington 65th Legislature 2018 Regular Session

By House State Government, Elections & Information Technology (originally sponsored by Representative Hudgins; by request of Office of Financial Management)

1 AN ACT Relating to government efficiency by eliminating, 2 revising, or decodifying obsolete or inactive statutory provisions 3 that concern the office of financial management; amending RCW 4 4.84.360, 38.40.030, 43.03.049, 43.08.015, 43.320.090, 43.41.230, and 5 43.41.240; and repealing RCW 28B.15.101, 43.41.250, and 43.41.905.

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

7 **Sec. 1.** RCW 4.84.360 and 1995 c 403 s 904 are each amended to 8 read as follows:

Fees and other expenses awarded under RCW 4.84.340 and 4.84.350 9 shall be paid by the agency over which the party prevails from 10 11 operating funds appropriated to the agency within sixty days. 12 ((Agencies paying fees and other expenses pursuant to RCW 4.84.340 13 and 4.84.350 shall report all payments to the office of financial 14 management within five days of paying the fees and other expenses.)) 15 Fees and other expenses awarded by the court shall be subject to the 16 provisions of chapter 39.76 RCW and shall be deemed payable on the 17 date the court announces the award.

18 Sec. 2. RCW 38.40.030 and 1989 c 19 s 47 are each amended to 19 read as follows:

p. 1

1 If any member of the organized militia is injured, incapacitated, or otherwise disabled while in active state service or inactive duty 2 as a member of the organized militia, he or she shall receive from 3 the state of Washington just and reasonable relief in the amount to 4 be determined as provided in this section, including necessary 5 6 medical care. If the member dies from disease contracted or injury received or is killed while in active state service or inactive duty 7 under order of the governor, then the dependents of the deceased 8 shall receive such compensation as may be allowed as provided in this 9 section. If the United States or any agent thereof, in accordance 10 11 with any federal statute or regulation, furnishes monetary 12 assistance, benefits, or other temporary or permanent relief to militia members or to their dependents for injuries arising out of 13 and occurring in the course of their activities as militia members, 14 but not including Social Security benefits, then the amount of 15 16 compensation which any militia member or his or her dependents are 17 otherwise entitled to receive from the state of Washington as provided in this section shall be reduced by the amount of monetary 18 assistance, benefits, or other temporary or permanent relief the 19 militia member or his or her dependents have received and will 20 receive from the United States or any agent thereof as a result of 21 his or her injury. All claims arising under this section shall be 22 inquired into by a board of three officers, at least one being a 23 medical officer, to be appointed by the adjutant general. The board 24 25 the same power to take evidence, administer oaths, issue has subpoenas, compel witnesses to attend and testify and produce books 26 and papers, and punish their failure to do so as is possessed by a 27 28 general court martial. The amount of compensation or benefits payable 29 shall conform as nearly as possible to the general schedule of payments and awards provided under the workers' compensation law in 30 31 effect in the state of Washington at the time the disability or death 32 occurred. The findings of the board shall be reviewed by the adjutant general ((and submitted to the governor)) for final approval. The 33 ((reviewing officer or the governor)) adjutant general may return the 34 proceedings for revision or for the taking of further testimony. The 35 36 action of the board when finally approved by the ((governor)) adjutant general is final and conclusive and constitutes the fixed 37 award for the injury or loss and is a debt of the state of 38 39 Washington.

1 sec. 3. RCW 43.03.049 and 2011 1st sp.s. c 21 s 63 are each
2 amended to read as follows:

3 Exceptions to restrictions on subsistence, lodging, or travel expenses under this chapter may be granted for the critically 4 necessary work of an agency. For <u>boards</u>, commissions, councils, 5 б committees, or similar groups in agencies of the executive branch, 7 the exceptions shall be subject to approval by the ((director of financial management or the director's designee)) agency head or 8 authorized designee. For boards, commissions, councils, committees, 9 10 or similar groups in the executive branch under the purview of a separately elected official, president of an institution of higher 11 education, chair, or executive director, the exceptions shall be 12 subject to approval of the separately elected official, president of 13 an institution of higher education, chair, or executive director. For 14 agencies of the judicial branch, the exceptions shall be subject to 15 16 approval of the chief justice of the supreme court. For the house of 17 representatives and the senate, the exceptions shall be subject to the approval of the chief clerk of the house of representatives and 18 19 the secretary of the senate, respectively, under the direction of the senate committee on facilities and operations and the executive rules 20 21 committee of the house of representatives. For other legislative 22 agencies, the exceptions shall be subject to approval of both the chief clerk of the house of representatives and the secretary of the 23 senate under the direction of the senate committee on facilities and 24 25 operations and the executive rules committee of the house of 26 representatives.

27 **Sec. 4.** RCW 43.08.015 and 1993 c 500 s 3 are each amended to 28 read as follows:

Within the policies and procedures established pursuant to RCW 29 43.41.110(13) and 43.88.160(1), the state treasurer shall take such 30 31 actions as are necessary to ensure the effective cash management of public funds. This cash management shall include the authority to 32 represent the state in all contractual relationships with financial 33 34 institutions. The state treasurer may delegate cash management responsibilities to the affected agencies ((with the concurrence of 35 36 the office of financial management)).

37 **Sec. 5.** RCW 43.320.090 and 1993 c 472 s 23 are each amended to 38 read as follows:

1 (1) It shall be unlawful for the director of financial institutions, any deputized assistant of the director, or any 2 employee of the department of financial institutions to borrow money 3 from any bank, consumer loan company, credit union, foreign bank 4 branch, savings bank, savings and loan association, or trust company 5 б or department, securities broker-dealer or investment advisor, or 7 lending institution under the department's similar direct jurisdiction unless the extension of credit: 8

9 (a) Is made on substantially the same terms (including interest 10 rates and collateral) as, and following credit underwriting 11 procedures that are not less stringent than, those prevailing at the 12 time for comparable transactions by the financial institution with 13 other persons that are not employed by either the department or the 14 institution; and

(b) Does not involve more than the normal risk of repayment or present other unfavorable features.

17 (2) ((The director of the office of financial management shall 18 adopt rules, policies, and procedures interpreting and implementing 19 this section.

20 (3)) Every person who knowingly violates this section shall 21 forfeit his or her office or employment and be guilty of a gross 22 misdemeanor.

23 Sec. 6. RCW 43.41.230 and 1994 sp.s. c 9 s 874 are each amended 24 to read as follows:

(1) The director must compile, and revise within ninety days after the beginning of each biennium, a current list of all permanent and temporary, statutory and nonstatutory boards, commissions, councils, committees, and other groups of similar nomenclature that are established by the executive branch of state government and whose members are eligible to receive travel expenses for their meetings in accordance with RCW 43.03.050 and 43.03.060.

(2) The boards and commissions to be reviewed by the governor 32 under RCW 43.41.220 must be all entities ((that are required to be 33 included in the list prepared by the office of financial management 34 under RCW 43.88.505)) included in the list required in subsection (1) 35 of this section, other than entities established under: (((1))) (a) 36 Constitutional mandate; (((2))) (b) court order or rule; (((3))) (c) 37 requirement of federal law; or $\left(\left(\frac{4}{4}\right)\right)$ <u>(d)</u> requirement as a condition 38 of the state or a local government receiving federal financial 39

SHB 1927

p. 4

assistance if, in the judgment of the governor, no other state
 agency, board, or commission would satisfy the requirement.

3 **Sec. 7.** RCW 43.41.240 and 1998 c 245 s 64 are each amended to 4 read as follows:

5 A new <u>nonstatutory</u> board or commission ((not established or 6 required in statute that must be included in the report required by 7 <u>RCW 43.88.505</u>)) <u>subject to governor review under RCW 43.41.220</u> may 8 not be established without the express approval of the director of 9 financial management.

10 <u>NEW SECTION.</u> **Sec. 8.** The following acts or parts of acts are 11 each repealed:

12 (1) RCW 28B.15.101 (Authority to modify tuition rates— 13 Performance-based measures and goals—Institutional performance plans) 14 and 2011 1st sp.s. c 10 s 5;

15 (2) RCW 43.41.250 (Criteria for new board or commission not 16 established or required by statute) and 1994 sp.s. c 9 s 876; and 17 (3) RCW 43.41.905 (Interagency task force on unintended 18 pregnancy) and 1997 c 58 s 1001.

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p. 5