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**SENATE BILL 6026**

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**State of Washington**

**66th Legislature**

**2020 Regular Session**

**By** Senators Hunt, Kuderer, Zeiger, and Hasegawa; by request of State Auditor

Prefiled 12/02/19.

1 AN ACT Relating to the state auditor's duties and procedures;  
2 amending RCW 43.09.185, 43.09.230, and 43.09.420; repealing RCW  
3 43.09.265, 43.09.430, 43.09.435, 43.09.440, 43.09.445, 43.09.450,  
4 43.09.455, 43.09.460, and 43.88.162; and repealing 2012 c 164 s 709,  
5 2012 c 1 s 201, and 2005 c 385 s 1 (uncodified).

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

7 **Sec. 1.** RCW 43.09.185 and 1995 c 301 s 8 are each amended to  
8 read as follows:

9 State agencies and local governments shall (~~immediately~~) report  
10 to the state auditor's office known or suspected loss of public funds  
11 or assets or other illegal activity. The state auditor must adopt  
12 policies as necessary to implement this section.

13 **Sec. 2.** RCW 43.09.230 and 1995 c 301 s 12 are each amended to  
14 read as follows:

15 The state auditor shall require from every local government  
16 financial reports covering the full period of each fiscal year, in  
17 accordance with the forms and methods prescribed by the state  
18 auditor, which shall be uniform for all accounts of the same class.

1 Such reports shall be prepared, certified, and filed with the  
2 state auditor within one hundred fifty days after the close of each  
3 fiscal year.

4 The reports shall contain accurate statements, in summarized  
5 form, of all collections made, or receipts received, by the officers  
6 from all sources; all accounts due the public treasury, but not  
7 collected; and all expenditures for every purpose, and by what  
8 authority authorized; and also: (1) A statement of all costs of  
9 ownership and operation, and of all income, of each and every public  
10 service industry owned and operated by a local government; (2) a  
11 statement of the entire public debt of every local government, to  
12 which power has been delegated by the state to create a public debt,  
13 showing the purpose for which each item of the debt was created, and  
14 the provisions made for the payment thereof; and (3) a classified  
15 statement of all receipts and expenditures by any public institution;  
16 (~~and (4) a statement of all expenditures for labor relations  
17 consultants, with the identification of each consultant,  
18 compensation, and the terms and conditions of each agreement or  
19 arrangement;~~) together with such other information as may be  
20 required by the state auditor.

21 The reports shall be certified as to their correctness by the  
22 state auditor, the state auditor's deputies, or other person legally  
23 authorized to make such certification.

24 Their substance shall be published in an annual volume of  
25 comparative statistics at the expense of the state as a public  
26 document.

27 **Sec. 3.** RCW 43.09.420 and 1993 c 216 s 1 are each amended to  
28 read as follows:

29 As part of the routine audits of state agencies, the state  
30 auditor shall audit all revolving funds, local funds, and other state  
31 funds and state accounts that are not managed by or in the care of  
32 the state treasurer and that are under the control of state agencies,  
33 including but not limited to state departments, boards, and  
34 commissions. In conducting the audits of these funds and accounts,  
35 the auditor shall examine revenues and expenditures or assets and  
36 liabilities, accounting methods and procedures, and recordkeeping  
37 practices. (~~In addition to including the results of these  
38 examinations as part of the routine audits of the agencies, the  
39 auditor shall report to the legislature on the status of all such~~

1 ~~funds and accounts that have been examined during the preceding~~  
2 ~~biennium and any recommendations for their improved financial~~  
3 ~~management. Such a report shall be filed with the legislature within~~  
4 ~~five months of the end of each biennium regarding the funds and~~  
5 ~~accounts audited during the biennium. The first such report shall be~~  
6 ~~filed by December 1, 1993, regarding any such funds and accounts~~  
7 ~~audited during the 1991-93 biennium.))~~

8 NEW SECTION. **Sec. 4.** The following acts or parts of acts are  
9 each repealed:

- 10 (1) 2012 c 164 s 709 (uncodified);
- 11 (2) 2012 c 1 s 201 (uncodified);
- 12 (3) 2005 c 385 s 1 (uncodified);
- 13 (4) RCW 43.09.265 (Local government accounting—Review of tax  
14 levies of local governments) and 1995 c 301 s 16 & 1979 ex.s. c 218 s  
15 7;
- 16 (5) RCW 43.09.430 (Performance audits—Definitions) and 2005 c 385  
17 s 2;
- 18 (6) RCW 43.09.435 (Performance audits—Citizen advisory board) and  
19 2005 c 385 s 3;
- 20 (7) RCW 43.09.440 (Performance audits—Collaboration with joint  
21 legislative audit and review committee—Criteria—Statewide  
22 performance review—Contracting out—Release of audit reports) and  
23 2012 c 229 s 817 & 2005 c 385 s 5;
- 24 (8) RCW 43.09.445 (Performance audits—Local jurisdictions) and  
25 2005 c 385 s 6;
- 26 (9) RCW 43.09.450 (Performance audits—Audit of performance audit  
27 program) and 2005 c 385 s 8;
- 28 (10) RCW 43.09.455 (Performance audits—Follow-up and corrective  
29 action—Progress reports) and 2005 c 385 s 9;
- 30 (11) RCW 43.09.460 (Performance audits—Appropriation—Budget  
31 request) and 2005 c 385 s 11; and
- 32 (12) RCW 43.88.162 (State auditor's powers and duties—Performance  
33 audits) and 2005 c 385 s 7.

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