
HOUSE BILL 1861

State of Washington

55th Legislature

1997 Regular Session

By Representatives Cooke, Boldt, McDonald, Blalock and Pennington

Read first time 02/11/97. Referred to Committee on Government Reform & Land Use.

1 AN ACT Relating to creating a department for employment services;
2 amending RCW 43.17.020; reenacting and amending RCW 43.17.010; adding
3 a new section to chapter 41.06 RCW; adding a new chapter to Title 43
4 RCW; creating new sections; and providing an effective date.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that major policy
7 initiatives from the federal government require a response from
8 Washington. The passage of P.L. 104-193, the personal responsibility
9 and work opportunities reconciliation act of 1996, places a major
10 emphasis on preparing low-income individuals for work. It also
11 requires individuals to move quickly from dependence to economic
12 self-sufficiency. The legislature finds that the current organization
13 of state agencies and programs serving low-income families is not
14 structured in a way to maximize state resources and assist low-income
15 families in the most cost-effective manner. The legislature intends,
16 through the reorganization required by this act, to consolidate state
17 employment and support programs for low-income families, improve
18 services to the population, and facilitate the self-sufficiency of the
19 families served.

1 NEW SECTION. **Sec. 2.** Unless the context clearly requires
2 otherwise, the definitions in this section apply throughout this
3 chapter.

4 (1) "Department" means the department of employment services.

5 (2) "Director" means the director of employment services.

6 NEW SECTION. **Sec. 3.** There is created a department of state
7 government to be known as the department of employment services. The
8 department is vested with all powers and duties transferred to it under
9 this chapter and such other powers and duties as may be authorized by
10 law.

11 NEW SECTION. **Sec. 4.** The executive head and appointing authority
12 of the department is the director. The director shall be appointed by
13 the governor, with the consent of the senate, and shall serve at the
14 pleasure of the governor. The director shall be paid a salary to be
15 fixed by the governor in accordance with RCW 43.03.040. If a vacancy
16 occurs in the position while the senate is not in session, the governor
17 shall make a temporary appointment until the next meeting of the
18 senate.

19 NEW SECTION. **Sec. 5.** It is the intent of the legislature wherever
20 possible to place the internal affairs of the department under the
21 control of the director in order that the director may institute
22 therein the flexible, alert, and intelligent management of the
23 department's business that contemporary circumstances require.
24 Therefore, whenever the director's authority is not specifically
25 limited by law, the director has complete charge and supervisory powers
26 over the department. The director may create such administrative
27 structures as the director considers appropriate, except as otherwise
28 specified by law. The director may employ such assistants and
29 personnel as necessary for the general administration of the
30 department. This employment shall be in accordance with the state
31 civil service law, chapter 41.06 RCW, except as otherwise provided.

32 NEW SECTION. **Sec. 6.** The director may create such administrative
33 divisions as the director deems necessary. Except as otherwise
34 specified or as federal requirements may differently require, these
35 divisions shall be established and organized in accordance with plans

1 to be prepared by the director and approved by the governor. In
2 preparing such plans, the director shall endeavor to promote efficient
3 public management, to improve programs, and to take full advantage of
4 the economies, both fiscal and administrative, to be gained from the
5 consolidation of functions and agencies under this chapter.

6 NEW SECTION. **Sec. 7.** The director shall appoint a deputy
7 director, a department personnel director, and such assistant directors
8 as may be needed to administer the department. The deputy director
9 shall have charge and general supervision of the department in the
10 absence or disability of the director and, in case of a vacancy in the
11 office of director, shall continue in charge of the department until a
12 successor is appointed and qualified, or until the governor appoints an
13 acting director.

14 NEW SECTION. **Sec. 8.** Any power or duty vested in or transferred
15 to the director by law or executive order may be delegated by the
16 director to the deputy director or to any other assistant or
17 subordinate; but the director shall be responsible for the official
18 acts of the officers and employees of the department.

19 NEW SECTION. **Sec. 9.** The director may appoint such advisory
20 committees or councils as may be required by any federal legislation as
21 a condition to the receipt of federal funds by the department. The
22 director may also appoint state-wide committees or councils on such
23 subject matters as are or come within the department's
24 responsibilities. The state-wide committees and councils shall have
25 representation from both major political parties and shall have
26 substantial consumer representation. The committees or councils shall
27 be constituted as required by federal law or as the director may
28 determine. The members of the committees or councils shall hold office
29 as follows: One-third to serve one year; one-third to serve two years;
30 and one-third to serve three years. Upon expiration of the original
31 terms, subsequent appointments shall be for three years except in the
32 case of a vacancy, in which event appointment shall be only for the
33 remainder of the unexpired term for which the vacancy occurs. No
34 member may serve more than two consecutive terms.

35 Members of such state advisory committees or councils may be paid
36 their travel expenses in accordance with RCW 43.03.050 and 43.03.060.

1 NEW SECTION. **Sec. 10.** In furtherance of the policy of the state
2 to cooperate with the federal government in all of the programs under
3 the jurisdiction of the department, such rules as may become necessary
4 to entitle the state to participate in federal funds may be adopted,
5 unless expressly prohibited by law. Any internal reorganization
6 carried out under the terms of this chapter shall meet federal
7 requirements that are a necessary condition to state receipt of federal
8 funds. Any section or provision of law dealing with the department
9 that may be susceptible to more than one construction shall be
10 interpreted in favor of the construction most likely to comply with
11 federal laws entitling this state to receive federal funds for the
12 various programs of the department. If any law dealing with the
13 department is ruled to be in conflict with federal requirements that
14 are a prescribed condition of the allocation of federal funds to the
15 state, or to any departments or agencies thereof, the conflicting part
16 is declared to be inoperative solely to the extent of the conflict.

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

19 In addition to the exemptions under RCW 41.06.070, the provisions
20 of this chapter shall not apply in the department of employment
21 services to the director, the director's personal secretary, the deputy
22 director, all division directors and assistant directors, and one
23 confidential secretary for each of these officers.

24 **Sec. 12.** RCW 43.17.010 and 1993 sp.s. c 2 s 16, 1993 c 472 s 17,
25 and 1993 c 280 s 18 are each reenacted and amended to read as follows:

26 There shall be departments of the state government which shall be
27 known as (1) the department of social and health services, (2) the
28 department of ecology, (3) the department of labor and industries, (4)
29 the department of agriculture, (5) the department of fish and wildlife,
30 (6) the department of transportation, (7) the department of licensing,
31 (8) the department of general administration, (9) the department of
32 community, trade, and economic development, (10) the department of
33 veterans affairs, (11) the department of revenue, (12) the department
34 of retirement systems, (13) the department of corrections, (~~and~~) (14)
35 the department of health, (~~and~~) (15) the department of financial
36 institutions, and (16) the department of employment services, which
37 shall be charged with the execution, enforcement, and administration of

1 such laws, and invested with such powers and required to perform such
2 duties, as the legislature may provide.

3 **Sec. 13.** RCW 43.17.020 and 1995 1st sp.s. c 2 s 2 (Referendum Bill
4 No. 45) are each amended to read as follows:

5 There shall be a chief executive officer of each department to be
6 known as: (1) The secretary of social and health services, (2) the
7 director of ecology, (3) the director of labor and industries, (4) the
8 director of agriculture, (5) the director of fish and wildlife, (6) the
9 secretary of transportation, (7) the director of licensing, (8) the
10 director of general administration, (9) the director of community,
11 trade, and economic development, (10) the director of veterans affairs,
12 (11) the director of revenue, (12) the director of retirement systems,
13 (13) the secretary of corrections, ((and)) (14) the secretary of
14 health, ((and)) (15) the director of financial institutions, and (16)
15 the director of employment services.

16 Such officers, except the secretary of transportation and the
17 director of fish and wildlife, shall be appointed by the governor, with
18 the consent of the senate, and hold office at the pleasure of the
19 governor. The secretary of transportation shall be appointed by the
20 transportation commission as prescribed by RCW 47.01.041. The director
21 of fish and wildlife shall be appointed by the fish and wildlife
22 commission as prescribed by RCW 77.04.055.

23 **PART I**

24 **TRANSFER OF FUNCTIONS OF EMPLOYMENT SECURITY DEPARTMENT**

25 NEW SECTION. **Sec. 14.** (1) The employment security department is
26 hereby abolished and its powers, duties, and functions are hereby
27 transferred to the department of employment services. All references
28 to the commissioner or the employment security department in the
29 Revised Code of Washington shall be construed to mean the director or
30 the department of employment services.

31 (2)(a) All reports, documents, surveys, books, records, files,
32 papers, or written material in the possession of the employment
33 security department shall be delivered to the custody of the department
34 of employment services. All cabinets, furniture, office equipment,
35 motor vehicles, and other tangible property employed by the employment
36 security department shall be made available to the department of

1 employment services. All funds, credits, or other assets held by the
2 employment security department shall be assigned to the department of
3 employment services.

4 (b) Any appropriations made to the employment security department
5 shall, on the effective date of this section, be transferred and
6 credited to the department of employment services.

7 (c) If any question arises as to the transfer of any personnel,
8 funds, books, documents, records, papers, files, equipment, or other
9 tangible property used or held in the exercise of the powers and the
10 performance of the duties and functions transferred, the director of
11 financial management shall make a determination as to the proper
12 allocation and certify the same to the state agencies concerned.

13 (3) All employees of the employment security department are
14 transferred to the jurisdiction of the department of employment
15 services. All employees classified under chapter 41.06 RCW, the state
16 civil service law, are assigned to the department of employment
17 services to perform their usual duties upon the same terms as formerly,
18 without any loss of rights, subject to any action that may be
19 appropriate thereafter in accordance with the laws and rules governing
20 state civil service.

21 (4) All rules and all pending business before the employment
22 security department shall be continued and acted upon by the department
23 of employment services. All existing contracts and obligations shall
24 remain in full force and shall be performed by the department of
25 employment services.

26 (5) The transfer of the powers, duties, functions, and personnel of
27 the employment security department shall not affect the validity of any
28 act performed before the effective date of this section.

29 (6) If apportionments of budgeted funds are required because of the
30 transfers directed by this section, the director of financial
31 management shall certify the apportionments to the agencies affected,
32 the state auditor, and the state treasurer. Each of these shall make
33 the appropriate transfer and adjustments in funds and appropriation
34 accounts and equipment records in accordance with the certification.

35 (7) Nothing contained in this section may be construed to alter any
36 existing collective bargaining unit or the provisions of any existing
37 collective bargaining agreement until the agreement has expired or
38 until the bargaining unit has been modified by action of the personnel
39 board as provided by law.

1 PART II
2 TRANSFER OF ECONOMIC SERVICES ADMINISTRATION
3 FROM DEPARTMENT OF SOCIAL AND HEALTH SERVICES

4 NEW SECTION. Sec. 15. (1) All powers, duties, and functions of
5 the department of social and health services pertaining to economic
6 services administration are transferred to the department of employment
7 services. All references to the secretary or the department of social
8 and health services in the Revised Code of Washington shall be
9 construed to mean the director or the department of employment services
10 when referring to the functions transferred in this section.

11 (2)(a) All reports, documents, surveys, books, records, files,
12 papers, or written material in the possession of the department of
13 social and health services pertaining to the powers, functions, and
14 duties transferred shall be delivered to the custody of the department
15 of employment services. All cabinets, furniture, office equipment,
16 motor vehicles, and other tangible property employed by the department
17 of social and health services in carrying out the powers, functions,
18 and duties transferred shall be made available to the department of
19 employment services. All funds, credits, or other assets held in
20 connection with the powers, functions, and duties transferred shall be
21 assigned to the department of employment services.

22 (b) Any appropriations made to the department of social and health
23 services for carrying out the powers, functions, and duties transferred
24 shall, on the effective date of this section, be transferred and
25 credited to the department of employment services.

26 (c) Whenever any question arises as to the transfer of any
27 personnel, funds, books, documents, records, papers, files, equipment,
28 or other tangible property used or held in the exercise of the powers
29 and the performance of the duties and functions transferred, the
30 director of financial management shall make a determination as to the
31 proper allocation and certify the same to the state agencies concerned.

32 (3) All employees of the department of social and health services
33 engaged in performing the powers, functions, and duties transferred are
34 transferred to the jurisdiction of the department of employment
35 services. All employees classified under chapter 41.06 RCW, the state
36 civil service law, are assigned to the department of employment
37 services to perform their usual duties upon the same terms as formerly,
38 without any loss of rights, subject to any action that may be

1 appropriate thereafter in accordance with the laws and rules governing
2 state civil service.

3 (4) All rules and all pending business before the department of
4 social and health services pertaining to the powers, functions, and
5 duties transferred shall be continued and acted upon by the department
6 of employment services. All existing contracts and obligations shall
7 remain in full force and shall be performed by the department of
8 employment services.

9 (5) The transfer of the powers, duties, functions, and personnel of
10 the department of social and health services shall not affect the
11 validity of any act performed before the effective date of this
12 section.

13 (6) 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 (7) Nothing contained in this section may be construed to alter any
20 existing collective bargaining unit or the provisions of any existing
21 collective bargaining agreement until the agreement has expired or
22 until the bargaining unit has been modified by action of the personnel
23 board as provided by law.

24 **PART III**

25 **TRANSFER OF VOCATIONAL REHABILITATION**

26 **FROM DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

27 NEW SECTION. **Sec. 16.** (1) All powers, duties, and functions of
28 the department of social and health services pertaining to vocational
29 rehabilitation are transferred to the department of employment
30 services. All references to the secretary or the department of social
31 and health services in the Revised Code of Washington shall be
32 construed to mean the director or the department of employment services
33 when referring to the functions transferred in this section.

34 (2)(a) All reports, documents, surveys, books, records, files,
35 papers, or written material in the possession of the department of
36 social and health services pertaining to the powers, functions, and
37 duties transferred shall be delivered to the custody of the department

1 of employment services. All cabinets, furniture, office equipment,
2 motor vehicles, and other tangible property employed by the department
3 of social and health services in carrying out the powers, functions,
4 and duties transferred shall be made available to the department of
5 employment services. All funds, credits, or other assets held in
6 connection with the powers, functions, and duties transferred shall be
7 assigned to the department of employment services.

8 (b) Any appropriations made to the department of social and health
9 services for carrying out the powers, functions, and duties transferred
10 shall, on the effective date of this section, be transferred and
11 credited to the department of employment services.

12 (c) Whenever any question arises as to the transfer of any
13 personnel, funds, books, documents, records, papers, files, equipment,
14 or other tangible property used or held in the exercise of the powers
15 and the performance of the duties and functions transferred, the
16 director of financial management shall make a determination as to the
17 proper allocation and certify the same to the state agencies concerned.

18 (3) All employees of the department of social and health services
19 engaged in performing the powers, functions, and duties transferred are
20 transferred to the jurisdiction of the department of employment
21 services. All employees classified under chapter 41.06 RCW, the state
22 civil service law, are assigned to the department of employment
23 services to perform their usual duties upon the same terms as formerly,
24 without any loss of rights, subject to any action that may be
25 appropriate thereafter in accordance with the laws and rules governing
26 state civil service.

27 (4) All rules and all pending business before the department of
28 social and health services pertaining to the powers, functions, and
29 duties transferred shall be continued and acted upon by the department
30 of employment services. All existing contracts and obligations shall
31 remain in full force and shall be performed by the department of
32 employment services.

33 (5) The transfer of the powers, duties, functions, and personnel of
34 the department of social and health services shall not affect the
35 validity of any act performed before the effective date of this
36 section.

37 (6) If apportionments of budgeted funds are required because of the
38 transfers directed by this section, the director of financial
39 management shall certify the apportionments to the agencies affected,

1 the state auditor, and the state treasurer. Each of these shall make
2 the appropriate transfer and adjustments in funds and appropriation
3 accounts and equipment records in accordance with the certification.

4 (7) Nothing contained in this section may be construed to alter any
5 existing collective bargaining unit or the provisions of any existing
6 collective bargaining agreement until the agreement has expired or
7 until the bargaining unit has been modified by action of the personnel
8 board as provided by law.

9 **PART IV**

10 **TRANSFER OF VOCATIONAL REHABILITATION**
11 **FROM DEPARTMENT OF LABOR AND INDUSTRIES**

12 NEW SECTION. **Sec. 17.** (1) All powers, duties, and functions of
13 the department of labor and industries pertaining to vocational
14 rehabilitation are transferred to the department of employment
15 services. All references to the director or the department of labor
16 and industries in the Revised Code of Washington shall be construed to
17 mean the director or the department of employment services when
18 referring to the functions transferred in this section.

19 (2)(a) All reports, documents, surveys, books, records, files,
20 papers, or written material in the possession of the department of
21 labor and industries pertaining to the powers, functions, and duties
22 transferred shall be delivered to the custody of the department of
23 employment services. All cabinets, furniture, office equipment, motor
24 vehicles, and other tangible property employed by the department of
25 labor and industries in carrying out the powers, functions, and duties
26 transferred shall be made available to the department of employment
27 services. All funds, credits, or other assets held in connection with
28 the powers, functions, and duties transferred shall be assigned to the
29 department of employment services.

30 (b) Any appropriations made to the department of labor and
31 industries for carrying out the powers, functions, and duties
32 transferred shall, on the effective date of this section, be
33 transferred and credited to the department of employment services.

34 (c) Whenever any question arises as to the transfer of any
35 personnel, funds, books, documents, records, papers, files, equipment,
36 or other tangible property used or held in the exercise of the powers
37 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 labor and industries engaged
4 in performing the powers, functions, and duties transferred are
5 transferred to the jurisdiction of the department of employment
6 services. All employees classified under chapter 41.06 RCW, the state
7 civil service law, are assigned to the department of employment
8 services to perform their usual duties upon the same terms as formerly,
9 without any loss of rights, subject to any action that may be
10 appropriate thereafter in accordance with the laws and rules governing
11 state civil service.

12 (4) All rules and all pending business before the department of
13 labor and industries pertaining to the powers, functions, and duties
14 transferred shall be continued and acted upon by the department of
15 employment services. All existing contracts and obligations shall
16 remain in full force and shall be performed by the department of
17 employment services.

18 (5) The transfer of the powers, duties, functions, and personnel of
19 the department of labor and industries shall not affect the validity of
20 any act performed before the effective date of this section.

21 (6) If apportionments of budgeted funds are required because of the
22 transfers directed by this section, the director of financial
23 management shall certify the apportionments to the agencies affected,
24 the state auditor, and the state treasurer. Each of these shall make
25 the appropriate transfer and adjustments in funds and appropriation
26 accounts and equipment records in accordance with the certification.

27 (7) Nothing contained in this section may be construed to alter any
28 existing collective bargaining unit or the provisions of any existing
29 collective bargaining agreement until the agreement has expired or
30 until the bargaining unit has been modified by action of the personnel
31 board as provided by law.

32 NEW SECTION. **Sec. 18.** Sections 1 through 10 of this act
33 constitute a new chapter in Title 43 RCW.

34 NEW SECTION. **Sec. 19.** This act takes effect February 28, 1998.

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