

# SENATE BILL REPORT

## SB 5629

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As Passed Senate, February 1, 2002

**Title:** An act relating to the office of financial management's budgeting, accounting, and reporting requirements for state agencies.

**Brief Description:** Changing the office of financial management's budgeting, accounting, and reporting requirements for state agencies.

**Sponsors:** Senators Patterson and Horn.

**Brief History:**

**Committee Activity:** State & Local Government: 2/8/01, 2/12/01 [DP].

Passed Senate: 3/10/01, 49-0; 2/1/02, 49-0.

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### SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

**Majority Report:** Do pass.

Signed by Senators Patterson, Chair; Fairley, Vice Chair; Gardner, Hale, Haugen, Horn, Kline, McCaslin, Roach, T. Sheldon and Swecker.

**Staff:** Diane Smith (786-7410)

**Background:** State agencies must file copies of equipment service contracts with the Office of Financial Management and payments on these contracts may be made only three months prior to when the services are provided. An assessment district must send notice of intent to improve or make an assessment on a parcel of state land to the Office of Financial Management. When an assessment roll is created, the assessment district must forward to the Office of Financial Management a list of all lands within the district that the state owns, leases, or has a possessory interest in. Further, the Office of Financial Management must be notified when an assessment district has foreclosed on land which the state owns, leases, or has a possessory interest in. Finally, the Office of Financial Management shall be notified when an eminent domain commission files an eminent domain assessment with the court on land which the state owns, leases, or has a possessory interest in.

**Summary of Bill:** Assessment districts do not have to file a notice with the Office of Financial Management of an assessment, foreclosure or improvement on land which the state owns, leases, or has a possessory interest in. Eminent domain commissions no longer need to inform the Office of Financial Management when the commission files an eminent domain assessment with a court. State agencies no longer have to file equipment service contracts with the Office of Financial Management and payments may be made up to 12 months prior to the actual service.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This is a good bill.

**Testimony Against:** None.

**Testified:** PRO: Wendy Jarrett, OFM.

**House Amendment(s):** Language is added that requires OFM to develop mandatory guidelines for the management of personal service and client service contracts by state agencies and to provide training for state agency personnel entering into and managing personal service and client service contracts. OFM is also required to conduct risk-based audits of the contracting practices associated with personal service and client service contracts. The Attorney General and the State Auditor are required to provide an annual report to the Governor and to the Legislature of contract audit and investigative findings, enforcement actions, and the status of agency resolution.