

SUBSTITUTE HOUSE BILL 1583

State of Washington 61st Legislature 2009 Regular Session

By House Local Government & Housing (originally sponsored by Representatives Alexander, Simpson, Angel, Miloscia, Short, and Nelson)

READ FIRST TIME 02/17/09.

1 AN ACT Relating to county auditors; amending RCW 36.17.045,
2 36.17.050, 36.22.010, 36.22.090, 36.22.170, 36.32.210, 36.40.010,
3 36.40.030, 36.40.050, 36.40.130, 36.40.210, 36.96.020, 36.96.090, and
4 43.09.280; reenacting and amending RCW 36.40.040; and repealing RCW
5 28A.350.010, 28A.350.020, 28A.350.030, 28A.350.040, 28A.350.050,
6 28A.350.060, 28A.350.070, 36.18.110, 36.18.120, and 36.18.130.

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

8 **Sec. 1.** RCW 36.17.045 and 1963 c 164 s 3 are each amended to read
9 as follows:

10 Employees of the counties shall have the right to voluntarily
11 authorize the monthly deduction of their pledges to the United Good
12 Neighbor or its successor, monthly payment to a credit (~~(unit)~~) union
13 as defined in RCW 31.12.005, and monthly dues to a labor union, from
14 their salaries or wages. When such written authorization is received
15 by the county auditor, he or she shall make such monthly deduction.

16 **Sec. 2.** RCW 36.17.050 and 1999 c 71 s 3 are each amended to read
17 as follows:

18 (~~The auditor shall not draw his warrant for the salary of any~~

1 ~~officer until the latter shall have first filed his duplicate receipt~~
2 ~~with the auditor, properly signed by the treasurer, showing he has made~~
3 ~~the last required monthly statement and settlement.))~~ If the superior
4 court issues a declaratory judgment under RCW 36.16.125 finding that a
5 county officer has abandoned his or her duties, the county officer may
6 not be paid a salary.

7 **Sec. 3.** RCW 36.22.010 and 1995 c 194 s 1 are each amended to read
8 as follows:

9 The county auditor:

10 (1) Shall be recorder of deeds and other instruments in writing
11 which by law are to be filed and recorded in and for the county for
12 which he or she is elected;

13 (2) Shall keep an account current with the county treasurer, charge
14 all money received as shown by receipts issued and credit all
15 disbursements paid out according to the record of settlement of the
16 treasurer with the legislative authority;

17 (3) Shall make out and transmit to the state auditor a ~~((complete))~~
18 statement of the state fund account with the county ~~((for the past~~
19 ~~fiscal year certified by his or her certificate and seal, immediately~~
20 ~~after the completion of the annual settlement of the county treasurer~~
21 ~~with the legislative authority))~~ in accordance with standards developed
22 by the state auditor. The statement must be available to the public;

23 (4) Shall make available a complete exhibit of the prior-year
24 finances of the county including, but not limited to, a statement of
25 financial condition and financial operation in accordance with
26 standards developed by the state auditor. This exhibit shall be made
27 available after the financial records are closed for the prior year;

28 (5) Shall make out a register of all warrants legally authorized
29 and directed to be issued by the legislative body at any regular or
30 special meeting. The auditor shall make the data available to the
31 county treasurer. The auditor shall retain the original of the
32 register of warrants for future reference;

33 (6) As clerk of the board of county commissioners, shall:

34 Record all of the proceedings of the legislative authority;

35 Make full entries of all of their resolutions and decisions on all
36 questions concerning the raising of money for and the allowance of
37 accounts against the county;

1 Record the vote of each member on any question upon which there is
2 a division or at the request of any member present;

3 Sign all orders made and warrants issued by order of the
4 legislative authority for the payment of money;

5 Record the reports of the county treasurer of the receipts and
6 disbursements of the county;

7 Preserve and file all accounts acted upon by the legislative
8 authority;

9 Preserve and file all petitions and applications for franchises and
10 record the action of the legislative authority thereon;

11 Record all orders levying taxes;

12 Perform all other duties required by any rule or order of the
13 legislative authority.

14 **Sec. 4.** RCW 36.22.090 and 1975 c 43 s 31 are each amended to read
15 as follows:

16 All warrants for the payment of claims against diking, ditch,
17 drainage and irrigation districts and school districts of the second
18 class, who do not issue their own warrants, as well as political
19 subdivisions within the county for which no other provision is made by
20 law, shall be drawn and issued by the county auditor of the county
21 wherein such subdivision is located, upon ~~((vouchers properly~~
22 ~~approved))~~ proper approval by the governing body thereof.

23 **Sec. 5.** RCW 36.22.170 and 2005 c 442 s 1 are each amended to read
24 as follows:

25 (1)(a) Except as provided in (b) of this subsection, a surcharge of
26 five dollars per instrument shall be charged by the county auditor for
27 each document recorded, which will be in addition to any other charge
28 authorized by law. One dollar of the surcharge shall be ~~((deposited in~~
29 ~~the county general fund to be))~~ used at the discretion of the county
30 commissioners to promote historical preservation or historical
31 programs, which may include preservation of historic documents.

32 (b) A surcharge of two dollars per instrument shall be charged by
33 the county auditor for each document presented for recording by the
34 employment security department, which will be in addition to any other
35 charge authorized by law.

1 (2) Of the remaining revenue generated through the surcharges under
2 subsection (1) of this section:

3 (a) Fifty percent shall be transmitted monthly to the state
4 treasurer who shall distribute such funds to each county treasurer
5 within the state in July of each year in accordance with the formula
6 described in RCW 36.22.190. The county treasurer shall place the funds
7 received in a special account titled the auditor's centennial document
8 preservation and modernization account to be used solely for ongoing
9 preservation of historical documents of all county offices and
10 departments and shall not be added to the county current expense fund;
11 and

12 (b) Fifty percent shall be retained by the county and deposited in
13 the auditor's operation and maintenance fund for ongoing preservation
14 of historical documents of all county offices and departments.

15 (3) The centennial document preservation and modernization account
16 is hereby created in the custody of the state treasurer and shall be
17 classified as a treasury trust account. State distributions from the
18 centennial document preservation and modernization account shall be
19 made without appropriation.

20 **Sec. 6.** RCW 36.32.210 and 2003 c 53 s 204 are each amended to read
21 as follows:

22 (1) Each (~~board of county commissioners~~) elected county official,
23 or county departments as directed by local policy, of the several
24 counties of the state of Washington shall, on or before the first
25 Monday of March of each year, file with the auditor of the county a
26 statement (~~verified by oath~~) showing for the twelve-month(~~s~~) period
27 ending December 31st of the preceding year, (~~the following:~~

28 ~~(a))~~ a full and complete inventory of all capitalized assets
29 (~~shall be~~) kept in accordance with standards established by the state
30 auditor. (~~This inventory shall be segregated to show the following~~
31 ~~subheads:~~

32 ~~(i) The assets, including equipment, on hand, together with a~~
33 ~~statement of the date when acquired, the amount paid therefor, the~~
34 ~~estimated life thereof and a sufficient description to fully identify~~
35 ~~such property;~~

36 ~~(ii) All equipment of every kind or nature sold or disposed of in~~
37 ~~any manner during such preceding twelve months period, together with~~

1 ~~the name of the purchaser, the amount paid therefor, whether or not the~~
2 ~~same was sold at public or private sale, the reason for such disposal~~
3 ~~and a sufficient description to fully identify the same; and~~

4 ~~(iii) All the equipment purchased during the period, together with~~
5 ~~the date of purchase, the amount paid therefor, whether or not the same~~
6 ~~was bought under competitive bidding, the price paid therefor and the~~
7 ~~probable life thereof, the reason for making the purchase and a~~
8 ~~sufficient description to fully identify such property; and~~

9 ~~(b) The person to whom such money or any part thereof was paid and~~
10 ~~why so paid and the date of such payment.))~~

11 (2) Inventories shall be filed with the county auditor as a public
12 record and shall be open to the inspection of the public.

13 ~~((3) Any county commissioner failing to file such statement or~~
14 ~~willfully making any false or incorrect statement therein or aiding or~~
15 ~~abetting in the making of any false or incorrect statement is guilty of~~
16 ~~a gross misdemeanor.~~

17 ~~(4) It is the duty of the prosecuting attorney of each county to~~
18 ~~within three days from the calling to his or her attention of any~~
19 ~~violation to institute proceedings against such offending official and~~
20 ~~in addition thereto to prosecute appropriate action to remove such~~
21 ~~commissioner from office.~~

22 ~~(5) Any taxpayer of such county is hereby authorized to institute~~
23 ~~the action in conjunction with or independent of the action of the~~
24 ~~prosecuting attorney.))~~

25 **Sec. 7.** RCW 36.40.010 and 1963 c 4 s 36.40.010 are each amended to
26 read as follows:

27 On or before the second Monday in July of each year, the county
28 auditor or chief financial officer designated in a charter county shall
29 notify in writing each county official, elective or appointive, in
30 charge of an office, department, service, or institution of the county,
31 to file with him or her on or before the second Monday in August
32 thereafter detailed and itemized estimates, both of the probable
33 revenues from sources other than taxation, and of all expenditures
34 required by such office, department, service, or institution for the
35 ensuing fiscal year.

1 **Sec. 8.** RCW 36.40.030 and 1995 c 301 s 62 are each amended to read
2 as follows:

3 The estimates required in RCW 36.40.010 and 36.40.020 shall be
4 submitted on forms provided by the county auditor or chief financial
5 officer designated in a charter county and classified according to the
6 classification established by the state auditor. The county auditor or
7 chief financial officer designated in a charter county shall provide
8 such forms. He or she shall also prepare the estimates for interest
9 and debt redemption requirements and any other estimates the
10 preparation of which properly falls within the duties of his or her
11 office.

12 Each such official shall file his or her estimates within the time
13 and in the manner provided in the notice and form and the county
14 auditor or chief financial officer (~~shall~~) designated in a charter
15 county may deduct and withhold as a penalty from the salary of each
16 official failing or refusing to file such estimates as herein provided,
17 the sum of (~~ten~~) fifty dollars for each day of delay: PROVIDED, That
18 the total penalty against any one official shall not exceed two hundred
19 fifty dollars in any one year.

20 In the absence or disability of any official the duties required
21 herein shall devolve upon the official or employee in charge of the
22 office, department, service, or institution for the time being. The
23 notice shall contain a copy of this penalty clause.

24 **Sec. 9.** RCW 36.40.040 and 1995 c 301 s 63 and 1995 c 194 s 7 are
25 each reenacted and amended to read as follows:

26 Upon receipt of the estimates the county auditor or chief financial
27 officer designated in a charter county shall prepare the county budget
28 which shall set forth the complete financial program of the county for
29 the ensuing fiscal year, showing the expenditure program and the
30 sources of revenue by which it is to be financed.

31 The revenue section shall set forth the estimated receipts from
32 sources other than taxation for each office, department, service, or
33 institution for the ensuing fiscal year, the actual receipts for the
34 first six months of the current fiscal year and the actual receipts for
35 the last completed fiscal year, the estimated surplus at the close of
36 the current fiscal year and the amount proposed to be raised by
37 taxation.

1 The expenditure section shall set forth in comparative and tabular
2 form by offices, departments, services, and institutions the estimated
3 expenditures for the ensuing fiscal year, the appropriations for the
4 current fiscal year, the actual expenditures for the first six months
5 of the current fiscal year including all contracts or other obligations
6 against current appropriations, and the actual expenditures for the
7 last completed fiscal year.

8 All estimates of receipts and expenditures for the ensuing year
9 shall be fully detailed in the annual budget and shall be classified
10 and segregated according to a standard classification of accounts to be
11 adopted and prescribed by the state auditor after consultation with the
12 Washington state association of counties and the Washington state
13 association of county officials.

14 The county auditor or chief financial officer designated in a
15 charter county shall set forth separately in the annual budget to be
16 submitted to the county legislative authority the total amount of
17 emergency warrants issued during the preceding fiscal year, together
18 with a statement showing the amount issued for each emergency, and the
19 legislative authority shall include in the annual tax levy, a levy
20 sufficient to raise an amount equal to the total of such warrants:
21 PROVIDED, That the legislative authority may fund the warrants or any
22 part thereof into bonds instead of including them in the budget levy.

23 **Sec. 10.** RCW 36.40.050 and 1963 c 4 s 36.40.050 are each amended
24 to read as follows:

25 The budget shall be submitted by the auditor or chief financial
26 officer designated in a charter county to the board of county
27 commissioners on or before the first Tuesday in September of each year.
28 The board shall thereupon consider the same in detail, making any
29 revisions or additions it deems advisable.

30 **Sec. 11.** RCW 36.40.130 and 1963 c 4 s 36.40.130 are each amended
31 to read as follows:

32 Expenditures made, liabilities incurred, or warrants issued in
33 excess of any of the detailed budget appropriations or as revised by
34 transfer as in RCW 36.40.100(~~(, 36.40.110)~~) or 36.40.120 provided shall
35 not be a liability of the county, but the official making or incurring
36 such expenditure or issuing such warrant shall be liable therefor

1 personally and upon his or her official bond. The county auditor shall
2 issue no warrant and the county commissioners shall approve no claim
3 for any expenditure in excess of the detailed budget appropriations or
4 as revised under the provisions of RCW 36.40.100 through 36.40.130,
5 except upon an order of a court of competent jurisdiction, or for
6 emergencies as hereinafter provided. (~~Any county commissioner, or
7 county auditor, approving any claim or issuing any warrant in excess of
8 any such budget appropriation except as herein provided shall forfeit
9 to the county fourfold the amount of such claim or warrant which shall
10 be recovered by action against such county commissioner or auditor, or
11 all of them, and the several sureties on their official bonds.~~)

12 **Sec. 12.** RCW 36.40.210 and 1963 c 4 s 36.40.210 are each amended
13 to read as follows:

14 On or before the twenty-fifth day of each month the auditor shall
15 submit or make available to the board of county commissioners a report
16 showing the expenditures and liabilities against each separate budget
17 appropriation incurred during the preceding calendar month and like
18 information for the whole of the current fiscal year to the first day
19 of said month, together with the unexpended and unencumbered balance of
20 each appropriation. He or she shall also set forth the receipts from
21 taxes and from sources other than taxation for the same periods.

22 **Sec. 13.** RCW 36.96.020 and 1979 ex.s. c 5 s 2 are each amended to
23 read as follows:

24 On or before June 1st of 1980, and on or before June 1st of every
25 year thereafter, each county auditor shall search available records and
26 notify the county legislative authority if any special purpose
27 districts located wholly or partially within the county appear to be
28 inactive. (~~Each county auditor shall also provide in the
29 notifications made in 1982 and thereafter a list of all special purpose
30 districts located wholly or partially within the county which, for
31 three consecutive years before the notification, have failed to file
32 statements with the county auditor as required in RCW 36.96.090.~~) If
33 the territory of any special purpose district is located within more
34 than one county, the legislative authorities of all other counties
35 within whose boundaries such a special purpose district lies shall also
36 be notified by the county auditor. However, the authority to dissolve

1 such a special purpose district as provided by this chapter shall rest
2 solely with the legislative authority of the county which contains the
3 greatest geographic portion of such special purpose district.

4 **Sec. 14.** RCW 36.96.090 and 1979 ex.s. c 5 s 9 are each amended to
5 read as follows:

6 ~~((1) Every special purpose district shall file a statement with~~
7 ~~the auditor of each county in which it lies on or before December 31st~~
8 ~~of every year, beginning in the year 1979. The initial statement filed~~
9 ~~by each special purpose district shall contain)) For every newly~~
10 ~~created special purpose district, the auditor of each county in which~~
11 ~~the special purpose district is located shall provide the state auditor~~
12 ~~with the following information:~~

13 ~~((a)) (1) The name of the special purpose district and a general~~
14 ~~description of its location ((and geographical area within the county~~
15 ~~and within any other county;~~

16 ~~(b) The statutes under which the special purpose district~~
17 ~~operates));~~

18 ~~((c)) (2) The name, address, and telephone number((, ~~and~~~~
19 ~~remaining term of office)) of each member of its governing authority;~~
20 ~~and~~

21 ~~((d)) (3) The functions that the special purpose district is then~~
22 ~~presently performing and the purposes for which it was created.~~

23 ~~((Subsequent annual statements need only identify the special purpose~~
24 ~~district and any of the above detailed information that has changed in~~
25 ~~the last year.~~

26 ~~(2) Each county auditor, on or before January 31, 1980, and on or~~
27 ~~before January 31st each year thereafter, shall forward to the state~~
28 ~~auditor a summation of the information contained in the statements~~
29 ~~required to be filed in subsection (1) of this section together with~~
30 ~~information of each special purpose district located wholly or~~
31 ~~partially within the county that has been dissolved during the~~
32 ~~preceding year.))~~

33 **Sec. 15.** RCW 43.09.280 and 1995 c 301 s 18 are each amended to
34 read as follows:

35 The expense of auditing public accounts shall be borne by each
36 entity subject to such audit for the auditing of all accounts under its

1 jurisdiction and the state auditor shall certify the expense of such
2 audit to the fiscal or warrant-issuing officer of such entity, who
3 shall immediately make payment to the state auditor. If the expense as
4 certified is not paid by any local government within thirty days from
5 the date of certification, the state auditor may certify the expense to
6 the auditor of the county in which the local government is situated,
7 who shall promptly issue his or her warrant on the county treasurer
8 payable out of the current expense fund of the county, which fund,
9 except as to auditing the financial affairs and making inspection and
10 examination of the county, shall be reimbursed by the county auditor or
11 chief financial officer designated in a charter county out of the money
12 due the local government at the next monthly settlement of the
13 collection of taxes and shall be transferred to the current expense
14 fund.

15 NEW SECTION. **Sec. 16.** The following acts or parts of acts are
16 each repealed:

17 (1) RCW 28A.350.010 (Registering warrants--All districts) and 1990
18 c 33 s 373, 1975 c 43 s 27, 1973 c 111 s 2, & 1969 ex.s. c 223 s
19 28A.66.010;

20 (2) RCW 28A.350.020 (Registering warrants--Second-class districts)
21 and 1990 c 33 s 374, 1975 c 43 s 28, & 1969 ex.s. c 223 s 28A.66.020;

22 (3) RCW 28A.350.030 (Auditing accounts--All districts) and 1969
23 ex.s. c 223 s 28A.66.030;

24 (4) RCW 28A.350.040 (Auditor to draw and issue warrants--Second-
25 class districts) and 1990 c 33 s 375, 1975 c 43 s 29, 1973 c 111 s 3,
26 & 1969 ex.s. c 223 s 28A.66.040;

27 (5) RCW 28A.350.050 (Teacher must qualify before warrant drawn and
28 issued or registered--All districts) and 1973 c 72 s 1, 1971 c 48 s 45,
29 & 1969 ex.s. c 223 s 28A.66.050;

30 (6) RCW 28A.350.060 (Liability of auditor for warrants exceeding
31 budget--All districts) and 1975-'76 2nd ex.s. c 118 s 31 & 1969 ex.s.
32 c 223 s 28A.66.070;

33 (7) RCW 28A.350.070 (Orders for warrants not transferable--Second-
34 class districts) and 1975 c 43 s 30 & 1969 ex.s. c 223 s 28A.66.080;

35 (8) RCW 36.18.110 (Monthly statement to county auditor) and 1985 c
36 44 s 3, 1984 c 128 s 3, & 1963 c 4 s 36.18.110;

1 (9) RCW 36.18.120 (Statements to be checked) and 1985 c 44 s 4,
2 1984 c 128 s 4, & 1963 c 4 s 36.18.120; and
3 (10) RCW 36.18.130 (Errors or irregularities) and 1963 c 4 s
4 36.18.130.

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