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HOUSE BILL 2598

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State of Washington

62nd Legislature

2012 Regular Session

By Representatives Kelley, Hurst, Finn, Takko, Blake, Eddy, Clibborn, and Miloscia

Read first time 01/18/12. Referred to Committee on State Government & Tribal Affairs.

1 AN ACT Relating to restructuring state government; amending RCW  
2 42.30.110; adding a new section to chapter 44.04 RCW; adding a new  
3 section to chapter 42.56 RCW; making an appropriation; and providing an  
4 expiration date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 44.04 RCW  
7 to read as follows:

8 (1)(a) The agency reallocation and realignment of Washington  
9 (ARROW) commission on restructuring state government is established,  
10 with members as provided in this subsection.

11 The commission shall be comprised of eight members, four of the  
12 appointees shall be former statewide officials and four shall have  
13 executive management experience. Selection for the eight members shall  
14 be as follows:

15 (i) Each caucus in both houses of the legislature shall appoint one  
16 former statewide official and nominate three individuals with executive  
17 management experience.

18 (ii) The governor shall appoint one of the nominees from each  
19 caucus to fill the remaining four positions on the commission.

1 (iii) Any member that resigns from or declines initial appointment  
2 to the commission shall be replaced using the same selection criteria  
3 and procedures under (a)(i) and (ii) of this subsection.

4 (iv) The governor shall fill any open position on the commission if  
5 a member has not been appointed to or nominated for the position by a  
6 caucus within forty-five days from: (A) The effective date of this  
7 section; or (B) the position becoming vacant.

8 (b) The commission shall choose its chair from among its  
9 membership. The president of the senate shall convene the initial  
10 meeting of the commission and shall preside until a chair is chosen.

11 (2) The commission shall:

12 (a) Review budget, revenue, and caseload forecasts and estimates  
13 over the ensuing six-year period;

14 (b) Examine current subsidies and tax breaks for effectiveness and  
15 fulfillment of original intent. Additionally, the commission shall  
16 evaluate whether or not current subsidies, tax breaks, and economic  
17 policies create economic development and employment opportunities,  
18 achieve the state's goals, and whether there is a less costly way to  
19 achieve the same, or better, outcome;

20 (c) Examine current operations and organization of state government  
21 assuming no expansion of current funding sources;

22 (d) Evaluate operational and organizational restructuring  
23 possibilities to find cost savings and efficiencies in order to  
24 maintain or enhance governmental functions with fewer resources;

25 (e) Submit an initial report to the legislature that includes  
26 recommendations for alignment of revenue and expenditures over the next  
27 six-year period.

28 (3) The commission may make proposals to:

29 (a) Adopt methods and procedures for reducing expenditures to the  
30 lowest amount consistent with the efficient performance of essential  
31 services, activities, and functions;

32 (b) Eliminate duplication and overlapping of services, activities,  
33 and functions, and time-consuming or wasteful practices;

34 (c) Consolidate services, activities, and functions of a similar  
35 nature;

36 (d) Abolish services, activities, and functions not necessary to  
37 the efficient operation of government;

1 (e) Eliminate unnecessary state departments and agencies, create  
2 necessary new state departments and agencies, reorganize existing state  
3 departments and agencies, and transfer functions and responsibilities  
4 among state departments and agencies;

5 (f) Define or redefine the duties and responsibilities of state  
6 officers;

7 (g) Revise present provisions for continuing or permanent  
8 appropriations of state funds of whatever kind for whatever purpose,  
9 eliminate any such existing provisions, and adopt new provisions.

10 (4)(a) The commission shall employ an executive director. The  
11 executive director shall serve as chief executive officer of the  
12 commission and shall employ such personnel as may be necessary to  
13 implement the purposes of this section, utilize staff of existing  
14 agencies to the fullest extent possible, and employ outside consulting  
15 and service agencies when appropriate, under the direction of the  
16 commission.

17 (b) The executive director shall appoint necessary staff who shall  
18 be exempt from the provisions of chapter 41.06 RCW. The executive  
19 director's appointees shall serve at the executive director's pleasure  
20 on such terms and conditions as the executive director determines, but  
21 subject to chapter 42.52 RCW.

22 (c) The executive director shall exercise such additional powers as  
23 may be delegated by the commission.

24 (5) Commissioners are entitled to be reimbursed for travel expenses  
25 in accordance with RCW 43.03.050 and 43.03.060.

26 (6) The expenses of the commission must be paid out of funds  
27 appropriated to the commission.

28 (7) The commission shall submit an annual report to the legislature  
29 beginning in 2013 and until 2016, and then by the first year of each  
30 biennium thereafter. The report shall include the commission's  
31 findings, recommendations, and proposed legislation. The commission  
32 may not issue majority and minority reports.

33 (8)(a) After submission of the proposed legislation by the  
34 commission, the legislation must be introduced as a bill in each house  
35 and immediately placed on third reading. Each bill must be either:

36 (i) Approved on final passage as submitted;

37 (ii) Amended by an affirmative vote in each house of two-thirds of  
38 the members elected or appointed thereto; or

1 (iii) Rejected and returned to the commission detailing in  
2 specificity the reason or reasons for such rejection.

3 (b) The proposed legislation approved by the commission, with any  
4 amendment approved by the legislature, shall be final upon final  
5 passage.

6 **Sec. 2.** RCW 42.30.110 and 2011 1st sp.s. c 14 s 14 are each  
7 amended to read as follows:

8 (1) Nothing contained in this chapter may be construed to prevent  
9 a governing body from holding an executive session during a regular or  
10 special meeting:

11 (a) To consider matters affecting national security;

12 (b) To consider the selection of a site or the acquisition of real  
13 estate by lease or purchase when public knowledge regarding such  
14 consideration would cause a likelihood of increased price;

15 (c) To consider the minimum price at which real estate will be  
16 offered for sale or lease when public knowledge regarding such  
17 consideration would cause a likelihood of decreased price. However,  
18 final action selling or leasing public property shall be taken in a  
19 meeting open to the public;

20 (d) To review negotiations on the performance of publicly bid  
21 contracts when public knowledge regarding such consideration would  
22 cause a likelihood of increased costs;

23 (e) To consider, in the case of an export trading company,  
24 financial and commercial information supplied by private persons to the  
25 export trading company;

26 (f) To receive and evaluate complaints or charges brought against  
27 a public officer or employee. However, upon the request of such  
28 officer or employee, a public hearing or a meeting open to the public  
29 shall be conducted upon such complaint or charge;

30 (g) To evaluate the qualifications of an applicant for public  
31 employment or to review the performance of a public employee. However,  
32 subject to RCW 42.30.140(4), discussion by a governing body of  
33 salaries, wages, and other conditions of employment to be generally  
34 applied within the agency shall occur in a meeting open to the public,  
35 and when a governing body elects to take final action hiring, setting  
36 the salary of an individual employee or class of employees, or

1 discharging or disciplining an employee, that action shall be taken in  
2 a meeting open to the public;

3 (h) To evaluate the qualifications of a candidate for appointment  
4 to elective office. However, any interview of such candidate and final  
5 action appointing a candidate to elective office shall be in a meeting  
6 open to the public;

7 (i) To discuss with legal counsel representing the agency matters  
8 relating to agency enforcement actions, or to discuss with legal  
9 counsel representing the agency litigation or potential litigation to  
10 which the agency, the governing body, or a member acting in an official  
11 capacity is, or is likely to become, a party, when public knowledge  
12 regarding the discussion is likely to result in an adverse legal or  
13 financial consequence to the agency.

14 This subsection (1)(i) does not permit a governing body to hold an  
15 executive session solely because an attorney representing the agency is  
16 present. For purposes of this subsection (1)(i), "potential  
17 litigation" means matters protected by RPC 1.6 or RCW 5.60.060(2)(a)  
18 concerning:

19 (i) Litigation that has been specifically threatened to which the  
20 agency, the governing body, or a member acting in an official capacity  
21 is, or is likely to become, a party;

22 (ii) Litigation that the agency reasonably believes may be  
23 commenced by or against the agency, the governing body, or a member  
24 acting in an official capacity; or

25 (iii) Litigation or legal risks of a proposed action or current  
26 practice that the agency has identified when public discussion of the  
27 litigation or legal risks is likely to result in an adverse legal or  
28 financial consequence to the agency;

29 (j) To consider, in the case of the state library commission or its  
30 advisory bodies, western library network prices, products, equipment,  
31 and services, when such discussion would be likely to adversely affect  
32 the network's ability to conduct business in a competitive economic  
33 climate. However, final action on these matters shall be taken in a  
34 meeting open to the public;

35 (k) To consider, in the case of the state investment board,  
36 financial and commercial information when the information relates to  
37 the investment of public trust or retirement funds and when public

1 knowledge regarding the discussion would result in loss to such funds  
2 or in private loss to the providers of this information;

3 (l) To consider proprietary or confidential nonpublished  
4 information related to the development, acquisition, or implementation  
5 of state purchased health care services as provided in RCW 41.05.026;

6 (m) To consider in the case of the life sciences discovery fund  
7 authority, the substance of grant applications and grant awards when  
8 public knowledge regarding the discussion would reasonably be expected  
9 to result in private loss to the providers of this information;

10 (n) To consider in the case of a health sciences and services  
11 authority, the substance of grant applications and grant awards when  
12 public knowledge regarding the discussion would reasonably be expected  
13 to result in private loss to the providers of this information;

14 (o) To consider in the case of innovate Washington, the substance  
15 of grant or loan applications and grant or loan awards if public  
16 knowledge regarding the discussion would reasonably be expected to  
17 result in private loss to the providers of this information;

18 (p) To consider, in the case of the agency reallocation and  
19 realignment of Washington commission, the recommendations of the  
20 commission.

21 (2) Before convening in executive session, the presiding officer of  
22 a governing body shall publicly announce the purpose for excluding the  
23 public from the meeting place, and the time when the executive session  
24 will be concluded. The executive session may be extended to a stated  
25 later time by announcement of the presiding officer.

26 NEW SECTION. Sec. 3. A new section is added to chapter 42.56 RCW  
27 to read as follows:

28 Documents, materials, and information that show an opinion of a  
29 member of the agency reallocation and realignment of Washington  
30 commission are subject to the provisions of RCW 42.56.280.

31 NEW SECTION. Sec. 4. The sum of one million dollars, or as much  
32 thereof as may be necessary, is appropriated for the biennium ending  
33 June 30, 2013, from the general fund to the agency reallocation and  
34 realignment of Washington commission for the purposes of section 1 of  
35 this act.

1        NEW SECTION.    **Sec. 5.**    If any provision of this act or its  
2 application to any person or circumstance is held invalid, the  
3 remainder of the act or the application of the provision to other  
4 persons or circumstances is not affected.

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