

SHB 1009 - S COMM AMD

By Committee on State Government, Tribal Relations & Elections

NOT CONSIDERED 12/23/2019

1 Strike everything after the enacting clause and insert the
2 following:

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

5 State agencies and local governments shall (~~immediately~~) report
6 to the state auditor's office known or suspected loss of public funds
7 or assets or other illegal activity. The state auditor may adopt
8 policies as necessary to implement this section.

9 **Sec. 2.** RCW 43.09.186 and 2007 c 41 s 1 are each amended to read
10 as follows:

11 (1) Within existing funds, the state auditor must establish a
12 toll-free telephone line that is available to public employees and
13 members of the public to recommend measures to improve efficiency in
14 state and local government and to report waste, inefficiency, or
15 abuse, as well as examples of efficiency or outstanding achievement,
16 by state and local agencies, public employees, or persons under
17 contract with state and local agencies.

18 (2) The state auditor must prepare information that explains the
19 purpose of the hotline, and the hotline telephone number must be
20 prominently displayed in the information. Hotline information must be
21 posted in all government offices in locations where it is most likely
22 to be seen by the public. The state auditor must publicize the
23 availability of the toll-free hotline through print and electronic
24 media and other means of communication with the public.

25 (3) The state auditor must designate staff to be responsible for
26 processing recommendations for improving efficiency and reports of
27 waste, inefficiency, or abuse received through the hotline. The state
28 auditor must conduct an initial review of each recommendation for
29 efficiency and report of waste, inefficiency, or abuse made by public
30 employees and members of the public. Following the initial review,
31 the state auditor must determine which assertions require further

1 examination or audit under the auditor's current authority and must
2 assign qualified staff.

3 (4) The identity of a person making a report through the hotline,
4 by email through the state auditor's web site, or other means of
5 communication is confidential at all times unless the person making a
6 report consents to disclosure by written waiver, or until the
7 investigation described in subsection (3) of this section is
8 complete. All documents related to the report and subsequent
9 investigation are also confidential until completion of the
10 investigation or audit or when the documents are otherwise
11 statutorily exempt from public disclosure.

12 (5) The state auditor must prepare a written determination of the
13 results of the investigation performed, including any background
14 information that the auditor deems necessary. The state auditor must
15 report publicly the conclusions of each investigation and recommend
16 ways to correct any deficiency and to improve efficiency. The reports
17 must be distributed to the affected state and local agencies.

18 (6) The state auditor must provide an annual overview and update
19 of hotline investigations, including the results and efficiencies
20 achieved, to the legislature and to the appropriate legislative
21 committees.

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

24 As part of the routine audits of state agencies, the state
25 auditor shall audit all revolving funds, local funds, and other state
26 funds and state accounts that are not managed by or in the care of
27 the state treasurer and that are under the control of state agencies,
28 including but not limited to state departments, boards, and
29 commissions. In conducting the audits of these funds and accounts,
30 the auditor shall examine revenues and expenditures or assets and
31 liabilities, accounting methods and procedures, and recordkeeping
32 practices. ~~((In addition to including the results of these
33 examinations as part of the routine audits of the agencies, the
34 auditor shall report to the legislature on the status of all such
35 funds and accounts that have been examined during the preceding
36 biennium and any recommendations for their improved financial
37 management. Such a report shall be filed with the legislature within
38 five months of the end of each biennium regarding the funds and
39 accounts audited during the biennium. The first such report shall be~~

1 ~~filed by December 1, 1993, regarding any such funds and accounts~~
2 ~~audited during the 1991-93 biennium.))~~

3 NEW SECTION. **Sec. 4.** RCW 43.09.265 (Local government accounting
4 —Review of tax levies of local governments) and 1995 c 301 s 16 &
5 1979 ex.s. c 218 s 7 are each repealed.

6 NEW SECTION. **Sec. 5.** The following acts or parts of acts are
7 each repealed:

8 (1) 2012 c 164 s 709 (uncodified);

9 (2) 2012 c 1 s 201 (uncodified);

10 (3) 2005 c 385 s 1 (uncodified);

11 (4) RCW 43.09.430 (Performance audits—Definitions) and 2005 c 385
12 s 2;

13 (5) RCW 43.09.435 (Performance audits—Citizen advisory board) and
14 2005 c 385 s 3;

15 (6) RCW 43.09.440 (Performance audits—Collaboration with joint
16 legislative audit and review committee—Criteria—Statewide
17 performance review—Contracting out—Release of audit reports) and
18 2012 c 229 s 817 & 2005 c 385 s 5;

19 (7) RCW 43.09.445 (Performance audits—Local jurisdictions) and
20 2005 c 385 s 6;

21 (8) RCW 43.09.450 (Performance audits—Audit of performance audit
22 program) and 2005 c 385 s 8;

23 (9) RCW 43.09.455 (Performance audits—Follow-up and corrective
24 action—Progress reports) and 2005 c 385 s 9;

25 (10) RCW 43.09.460 (Performance audits—Appropriation—Budget
26 request) and 2005 c 385 s 11; and

27 (11) RCW 43.88.162 (State auditor's powers and duties—Performance
28 audits) and 2005 c 385 s 7."

SHB 1009 - S COMM AMD

By Committee on State Government, Tribal Relations & Elections

NOT CONSIDERED 12/23/2019

29 On page 1, line 1 of the title, after "procedures;" strike the
30 remainder of the title and insert "amending RCW 43.09.185, 43.09.186,
31 and 43.09.420; repealing RCW 43.09.265, 43.09.430, 43.09.435,
32 43.09.440, 43.09.445, 43.09.450, 43.09.455, 43.09.460, and 43.88.162;

1 and repealing 2012 c 164 s 709, 2012 c 1 s 201, and 2005 c 385 s 1
2 (uncodified)."

EFFECT: Removes amendments to RCW 43.09.230, maintaining the requirement that local government financial reports include a statement of all expenditures for labor relations consultants.

--- END ---