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## SUBSTITUTE SENATE BILL 5105

State of Washington 67th Legislature 2021 Regular Session

By Senate State Government & Elections (originally sponsored by Senators Hasegawa, Nguyen, Darneille, Das, Hunt, Kuderer, Liias, Lovelett, Nobles, Rolfes, Stanford, and Wilson, C.)

READ FIRST TIME 02/01/21.

- AN ACT Relating to implementing the recommendations of the office of equity task force; amending RCW 43.06D.030, 43.06D.040, and 43.06D.050; adding new sections to chapter 43.06D RCW; creating a new section; and providing an expiration date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 43.06D.030 and 2020 c 332 s 4 are each amended to read as follows:
  - (1) The office is administered by a director, who is appointed by the governor <u>based on recommendations provided by the community advisory board</u>, and with advice and consent of the senate. The director shall report to the governor. The director must receive a salary as fixed by the governor in accordance with RCW 43.03.040.
  - (2) Before the governor appoints a director, the community advisory board must screen all applicants against the established qualifications for the position and recommend to the governor a list of three or more candidates. The governor must either select the new director from the list of three or more candidates, ask the community advisory board to add additional names to the list, or reject the entire list and ask the community advisory board to submit three or more additional candidates for consideration. The community advisory board must repeat this process until a director is selected.

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1 (3) The director shall:

- (a) Employ and supervise staff as necessary to carry out the purpose of this chapter and the duties of the office; and
- 4 (b) Oversee the administration, programs, and policies of the office in accordance with the principles in RCW 43.06D.020.
- **Sec. 2.** RCW 43.06D.040 and 2020 c 332 s 5 are each amended to read as follows:
  - (1) The office shall work to facilitate policy and systems change to promote equitable policies, practices, and outcomes through:
  - (a) Agency decision making. The office shall assist agencies in applying an equity lens in all aspects of agency decision making, including service delivery, program development, policy development, and budgeting. The office shall provide assistance by:
- 14 (i) Facilitating information sharing between agencies around 15 diversity, equity, and inclusion issues;
  - (ii) Convening work groups as needed;
  - (iii) Developing and providing assessment tools for agencies to use in the development and evaluation of agency programs, services, policies, and budgets;
    - (iv) Training agency staff on how to effectively use the assessment tools developed under (a)(iii) of this subsection, including developing guidance for agencies on how to apply an equity lens to the agency's work when carrying out the agency's duties under this chapter;
    - (v) Developing a form that will serve as each agency's diversity, equity, and inclusion plan, required to be submitted by all agencies under section ((7)) 5 of this act, for each agency to report on its work in the area of diversity, equity, and inclusion. The office must develop the format and content of the plan and determine the frequency of reporting. The office must post each agency plan on the dashboard referenced in (d) of this subsection;
  - (vi) Maintaining an inventory of agency work in the area of diversity, equity, and inclusion; and
- (vii) Compiling and creating resources for agencies to use as guidance when carrying out the requirements under section ((7)) 5 of this act.
  - (b) Community outreach and engagement. The office shall staff the community advisory board created under section ((6))  $\underline{4}$  of this act and may contract with commissions or other entities with expertise in

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order to identify policy and system barriers, including language access, to meaningful engagement with communities in all aspects of agency decision making.

- (c) Training on maintaining a diverse, inclusive, and culturally sensitive workforce. The office shall collaborate with the office of financial management and the department of enterprise services to develop policies and provide technical assistance and training to agencies on maintaining a diverse, inclusive, and culturally sensitive workforce that delivers culturally sensitive services.
- 10 (d) Data maintenance and establishing performance metrics. The 11 office shall:
  - (i) Collaborate with the office of financial management and agencies to:
    - (A) Establish standards for the collection, analysis, and reporting of disaggregated data as it pertains to tracking population level outcomes of communities, except as provided under (d)(i)(D) of this subsection;
  - (B) Create statewide and agency-specific process and outcome measures to show performance:
  - (I) Using outcome-based methodology to determine the effectiveness of agency programs and services on reducing disparities; and
  - (II) Taking into consideration community feedback from the community advisory board on whether the performance measures established accurately measure the effectiveness of agency programs and services in the communities served;
  - (C) Create an online performance dashboard to publish state and agency performance measures and outcomes; and
  - (D) Identify additional subcategories in workforce data for disaggregation in order to track disparities in public employment; and
- 32 (ii) Coordinate with the office of privacy and data protection to 33 address cybersecurity and data protection for all data collected by 34 the office.
  - (e) Accountability. The office shall:
  - (i) Publish a report for each agency detailing whether the agency has met the performance measures established pursuant to (d)(i) of this subsection and the effectiveness of agency programs and services on reducing disparities. The report must include the agency's strengths and accomplishments, areas for continued improvement, and

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areas for corrective action. The office must post each report on the dashboard referenced in (d) of this subsection;

- (ii) Establish a process for the office to report on agency performance in accordance with (e)(i) of this subsection and a process for agencies to respond to the report. The agency's response must include the agency's progress on performance, the agency's action plan to address areas for improvement and corrective action, and a timeline for the action plan; and
- 9 (iii) Establish procedures to hold agencies accountable, which 10 may include conducting performance reviews related to agency 11 compliance with office performance measures.
  - (2) By October 31, 2022, and every year thereafter, the office shall report to the governor and the legislature. The report must include a summary of the office's work, including strengths and accomplishments, an overview of agency compliance with office standards and performance measures, and an equity analysis of the makeup of the community advisory board established in section ((6)) 4 of this act to ensure that it accurately reflects historically and currently marginalized groups.
  - (3) ((The director and the office shall review the final recommendations submitted pursuant to section 221, chapter 415, Laws of 2019, by the task force established under section 221, chapter 415, Laws of 2019, and report back to the governor and the legislature with any additional recommendations necessary for the office to carry out the duties prescribed under this chapter.)) The office must include in its October 31, 2022, report to the governor and the legislature recommendations to reduce barriers for community participation on boards and commissions which may include, but are not limited to, potential changes to the application process and compensation for board and commission members.
- 31 **Sec. 3.** RCW 43.06D.050 and 2020 c 332 s 8 are each amended to 32 read as follows:

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- (1) Provide technical assistance to agencies;
- 35 (2) Conduct research projects, as needed, provided that no 36 research project is proposed or authorizes funding without 37 consideration of the business case for the project including a review 38 of the total cost of the project, similar projects conducted in the 39 state, and alternatives analyzed;

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- 1 (3) Conduct policy analyses and provide a forum where ideas and 2 issues related to diversity, equity, and inclusion plans, policies, 3 and standards can be reviewed;
  - (4) Develop policy positions and legislative proposals;
  - (5) Consider, on an ongoing basis, ways to promote investments in enterprise-level diversity, equity, and inclusion projects that will result in service improvements and cost efficiency;
    - (6) Fulfill external data requests, as resources allow; ((and))
- (7) Receive and solicit gifts, grants, and endowments from public 9 or private sources that are made for the use or benefit of the office 10 11 and to expend the same or any income therefrom according to their 12 terms and this chapter. The director must report funds received from private sources to the office of financial management on a regular 13 basis. Funds received from private sources may not be applied to 14 reduce or substitute the office's budget as appropriated by the 15 16 legislature, but must be applied and expended toward projects and functions authorized by this chapter that were not funded by the 17 18 legislature; and
  - (8) Adopt rules as necessary to:

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- 20 <u>(a) Develop and submit agency diversity, equity, and inclusion</u> 21 <u>plans;</u>
  - (b) Develop and maintain language access plans;
- 23 (c) Collect data for the purposes of this chapter;
- 24 (d) Establish performance measures;
- 25 (e) Establish process for responding to the office of equity
- 26 <u>report on agency performance; and</u>
- 27 <u>(f) Establish a process to report noncompliance or lack of</u> 28 <u>improvement</u>.
- NEW SECTION. Sec. 4. A new section is added to chapter 43.06D RCW to read as follows:
- 31 (1) A community advisory board is created within the office to 32 advise the office on its priorities and timelines.
- 33 (2) The director must appoint members to the community advisory 34 board. No more than 20 voting members may be appointed. The voting 35 members must support diverse representation by geography and identity 36 and include, but not be limited to, a representative of the 37 commission on African American affairs, the commission on Asian 38 Pacific American affairs, the commission on Hispanic affairs, the federally recognized tribes, the human rights commission, the LGBTQ

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- commission, the women's commission, and a member of the disability community nominated by the chair of the governor's committee on disability issues and employment.
  - (3) The community advisory board shall, among other duties determined by the director, provide guidance to the office on standards and performance measures.
    - (4) The community advisory board is staffed by the office.
- 8 (5) Board members shall be entitled to compensation of \$50 per 9 day for each day spent conducting official business and to 10 reimbursement for travel expenses as provided by RCW 43.03.050 and 11 43.03.060.
- 12 (6) The community advisory board may adopt bylaws for the 13 operation of its business for the purposes of this chapter.
- NEW SECTION. Sec. 5. A new section is added to chapter 43.06D RCW to read as follows:
- 16 Each agency shall:

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- 17 (1) Designate an agency diversity, equity, and inclusion liaison 18 who reports directly to the head of the agency, within existing 19 resources to serve as the liaison between the agency and the office;
  - (2) Apply an equity lens, as developed by the office in accordance with RCW 43.06D.040, to assess existing and proposed agency policies, services and service delivery, practices, programs, and budget decisions using the assessment tools developed by the office under RCW 43.06D.040;
- 25 (3) Develop and submit a diversity, equity, and inclusion plan to 26 the office, in accordance with RCW 43.06D.040;
- 27 (4) Develop and maintain written language access policies and 28 plans;
- 29 (5) Collaborate with the office to establish performance measures 30 in accordance with RCW 43.06D.040;
- 31 (6) Provide data and information requested by the office in accordance with standards established pursuant to RCW 43.06D.040; and
- 33 (7) Submit a response to the office's report on agency 34 performance, under RCW 43.06D.040.
- NEW SECTION. Sec. 6. (1) By October 31, 2025, the Washington state institute for public policy shall evaluate the implementation of the office of equity and report to the governor and appropriate

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- committees of the legislature. The report must include, but is not limited to:
- 3 (a) The level of staffing and funding provided to the office of 4 equity for its operation;
- 5 (b) Guidance to the office of equity from the community advisory 6 board;
  - (c) The office of equity's strategic plan;

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- 8 (d) The extent to which the office duplicates the activities of, 9 or has a mission that overlaps with, other agencies or of the private 10 sector;
- 11 (e) The broad strategic goals and standards for the enterprise 12 related to diversity, equity, and inclusion;
  - (f) Agency-specific performance measures and outcomes; and
- 14 (g) The state of diversity, equity, and inclusion efforts across 15 the enterprise.
  - (2) This section expires July 1, 2026.

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