S-3981.2			

SENATE BILL 6621

State of Washington 60th Legislature 2008 Regular Session

By Senators Hobbs, Holmquist, Marr, and Hewitt

Read first time 01/21/08. Referred to Committee on Government Operations & Elections.

AN ACT Relating to the accountability of state property under the control of state employees; adding a new chapter to Title 43 RCW; and

3 prescribing penalties.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The definitions in this section apply 6 throughout this chapter unless the context clearly requires otherwise.
 - (1) "State employee" has the same definition as in RCW 42.52.010.
 - (2) "Controlled property" means all nonexpendable personal property and equipment valued at more than five hundred dollars. Controlled property also includes items that are loaned, leased, or rented items in the care of custody of the state even though owned by another entity. Items that, when installed, become an integral part of another unit of property or a building are not considered controlled property.
- 14 (3) "Controlling agency" means the state agency or office 15 responsible for the possession and distribution of controlled property.
- NEW SECTION. Sec. 2. All controlled property shall be assigned a property control number, designated by a property tag or decal. The property control number shall be placed in a uniform location on the

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- 1 controlled property. The location of the property control number shall
- 2 be determined by the controlling agency. All property control numbers
- 3 shall be reported to the state auditor's office.
- 4 <u>NEW SECTION.</u> **Sec. 3.** All controlled property shall be inventoried
- 5 annually by the appropriate controlling agency. The results of each
- 6 inventory shall be reported to the state auditor's office and posted on
- 7 the state auditor's web site within seventy-two hours of receipt. At
- 8 a minimum, the posting shall include the following information for each
- 9 item of controlled property:
- 10 (1) Name of controlling agency;
- 11 (2) Property control number; and
- 12 (3) Status of controlled property.
- 13 <u>NEW SECTION.</u> **Sec. 4.** The state auditor's office shall direct the
- 14 use of inventory records by all state agencies to show all fixed and
- 15 movable property of the state. The records must be based on a physical
- 16 inventory. Inventory records shall be updated to include all purchases
- 17 and the disposition of property traded in, condemned, or disposed of.
- 18 The accuracy of the property record shall be verified periodically by
- 19 actual inspection of the property by the state auditor's office. State
- 20 agencies must take physical inventory of properties annually and at
- 21 other times as the state auditor's office requires.
- NEW SECTION. Sec. 5. An item that is lost, stolen, damaged, or
- 23 destroyed shall be reported to the state auditor's office by the
- 24 controlling agency within seventy-two hours of discovery or
- 25 notification. Suspected theft of controlled property shall be
- 26 immediately reported to the appropriate law enforcement agency.
- NEW SECTION. Sec. 6. Controlling agencies shall establish the
- 28 degree of responsibility and liability of their state employees, as
- 29 well as appropriate punitive measures for gross negligence or misuse of
- 30 controlled property by their employees. State employees shall be
- 31 advised of any liability they may incur due to their custody of
- 32 controlled property and the procedures to follow when an item is
- 33 reported as lost, stolen, damaged, or destroyed. Employee liability
- 34 shall not exceed one-half of an employee's monthly salary.

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NEW SECTION. Sec. 7. A state employee who intentionally, willfully, or with gross negligence damages controlled property shall be financially liable for the cost of repair or replacement of damaged controlled property unless his or her supervisor determines that there are mitigating circumstances that justify a waiver of liability. Such justification shall be documented and sent to the state auditor's office for publication on the state auditor's web site. Controlled property that cannot be repaired economically or is not marketable should be destroyed and the property control number kept on file by the controlling agency.

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NEW SECTION. **Sec. 8.** A state employee who is cited for damaging controlled property may petition for appeal to the controlling agency.

All hearings shall be conducted in accordance with chapter 34.05 RCW.

NEW SECTION. Sec. 9. Sections 1 through 8 of this act constitute a new chapter in Title 43 RCW.

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