
SUBSTITUTE HOUSE BILL 2197

State of Washington

61st Legislature

2010 Regular Session

By House Ways & Means (originally sponsored by Representatives Armstrong, Angel, Haler, Appleton, Short, Morris, Johnson, Hunt, Kretz, Newhouse, Eddy, Lias, Warnick, McCune, Hurst, Roach, Rodne, Rolfes, Blake, Ericksen, Upthegrove, Simpson, Campbell, Takko, Moeller, Cox, Sells, Hope, Springer, Williams, Chase, Pearson, and Kristiansen)

READ FIRST TIME 02/09/10.

1 AN ACT Relating to the department of social and health services;
2 amending RCW 43.17.010, 43.17.020, and 42.17.2401; adding new sections
3 to chapter 41.06 RCW; adding new chapters to Title 43 RCW; creating new
4 sections; providing an effective date; and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that the
7 department of social and health services has grown significantly to now
8 encompass thirty percent of the near general fund-state operating
9 budget and thirty-four percent of the total operating budget. The
10 agency has become so large that it: (a) Is difficult to administer;
11 (b) does not have enough focus on critical functions such as protecting
12 children and other vulnerable persons; (c) does not effectively deliver
13 the extensive number of services and programs it is responsible for;
14 (d) leads to higher state costs through the inefficiencies due to the
15 size of the agency; and (e) is difficult to measure the performance of
16 the agency in meeting its goals and responsibilities. The legislature
17 finds that these problems are most visible in the delivery of
18 children's services, a functional area that the legislature continues
19 to address in a series of reform directives, including the

1 implementation of performance-based contracts and redesign the delivery
2 of child welfare services as a result of legislation passed in 2009.
3 The legislature also notes that the experience of best and promising
4 practices strongly points to the importance of delivering social
5 services on an integrated, coordinated basis and that modern
6 information technologies and organizational strategies suggest that
7 smaller functional units can perform better than large traditional
8 hierarchical organizations.

9 (2) Therefore the legislature finds that the state's overall
10 delivery of health and human services through the department of social
11 and health services and allied agencies must be substantially and
12 rapidly improved in several fundamental ways: (a) In order to respond
13 to the current severe recession and the prospect of many years of tight
14 revenue constraints, the cost-effectiveness of agency operations must
15 be immediately increased within a smaller, tightly controlled budget
16 cap; (b) to organize the delivery of department services around an
17 integrated services model which draws in all relevant agencies and
18 organizations including those in other agencies and at the local
19 service delivery level; and (c) to achieve cost control measures that
20 will reduce the cost of services to the state.

21 **PART I**

22 **RESTRUCTURING OF THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

23 NEW SECTION. **Sec. 101.** (1)(a) The department of social and health
24 services is restructured and, except as otherwise provided in this
25 section, its powers, duties, and functions are transferred to the
26 appropriate department as divided by the transition team established
27 under section 604 of this act. All references to the secretary or the
28 department of social and health services in the Revised Code of
29 Washington shall be construed to mean the director of the appropriate
30 department, or the appropriate department, created under this act.

31 (b) All administrative functions relating to human resources, legal
32 services, information technology, procurement, accounting, auditing,
33 and any other administrative functions identified by the transition
34 team, shall be retained by the department of social and health services
35 to be performed for the department of economic services, the department

1 of medical assistance, the department of health and rehabilitative
2 services, and the department of children's services.

3 (2)(a) All reports, documents, surveys, books, records, files,
4 papers, or written material in the possession of the department of
5 social and health services pertaining to functions transferred under
6 this section shall be delivered to the custody of the transition team
7 created under section 604 of this act to be transferred to the
8 appropriate department created under this act. All cabinets,
9 furniture, office equipment, motor vehicles, and other tangible
10 property employed by the department of social and health services in
11 carrying out the powers, duties, and functions transferred shall be
12 made available to the transition team to be transferred to the
13 appropriate department. All funds, credits, or other assets held by
14 the department of social and health services in connection with the
15 powers, duties, and functions transferred shall be assigned to the
16 appropriate department by the transition team.

17 (b) Any appropriations made to the department of social and health
18 services in connection with the powers, duties, and functions
19 transferred shall, on the effective date of this section, be
20 transferred and credited to the appropriate department by the
21 transition team.

22 (3) All employees of the department of social and health services
23 performing the powers, duties, and functions transferred are
24 transferred to the jurisdiction of the transition team established
25 under section 604 of this act to be transferred to the appropriate
26 department. All employees classified under chapter 41.06 RCW, the
27 state civil service law, are assigned to their respective departments
28 to perform their usual duties upon the same terms as formerly, without
29 any loss of rights, subject to any action that may be appropriate
30 thereafter in accordance with the laws and rules governing state civil
31 service.

32 (4) All rules and all pending business before the department of
33 social and health services pertaining to the powers, duties, and
34 functions transferred shall be continued and acted upon by the
35 appropriate department created under this act. All existing contracts
36 and obligations shall remain in full force and shall be performed by
37 the appropriate department.

1 (5) The transfer of the powers, duties, functions, and personnel of
2 the department of social and health services shall not affect the
3 validity of any act performed before the effective date of this
4 section.

5 (6) If apportionments of budgeted funds are required because of the
6 transfers directed by this section, the director of financial
7 management shall certify the apportionments to the agencies affected,
8 the state auditor, and the state treasurer. Each of these shall make
9 the appropriate transfer and adjustments in funds and appropriation
10 accounts and equipment records in accordance with the certification.

11 (7) Nothing contained in this section may be construed to alter any
12 existing collective bargaining unit or the provisions of any existing
13 collective bargaining agreement until the agreement has expired or
14 until the bargaining unit has been modified by action of the public
15 employment relations commission as provided by law.

16 **PART II**

17 **DEPARTMENT OF ECONOMIC SERVICES**

18 NEW SECTION. **Sec. 201.** There is created a department of state
19 government to be known as the department of economic services. The
20 department is vested with all powers and duties transferred to it under
21 this chapter, section 604 of this act, and such other powers and duties
22 as may be authorized by law.

23 NEW SECTION. **Sec. 202.** The definitions in this section apply
24 throughout this chapter unless the context clearly requires otherwise.

25 (1) "Department" means the department of economic services.

26 (2) "Director" means the director of economic services.

27 NEW SECTION. **Sec. 203.** The executive head and appointing
28 authority of the department is the director. The director shall be
29 appointed by the governor, with the consent of the senate, and shall
30 serve at the pleasure of the governor. The director shall be paid a
31 salary to be fixed by the governor in accordance with RCW 43.03.040.
32 If a vacancy occurs in the position while the senate is not in session,
33 the governor shall make a temporary appointment until the next meeting
34 of the senate.

1 NEW SECTION. **Sec. 204.** It is the intent of the legislature
2 wherever possible, except as provided in section 101 of this act, to
3 place the internal affairs of the department under the control of the
4 director in order that the director may institute therein the flexible,
5 alert, and intelligent management of its business that changing
6 contemporary circumstances require. Therefore, whenever the director's
7 authority is not specifically limited by law, the director has complete
8 charge and supervisory powers over the department. The director may
9 create such administrative structures as the director considers
10 appropriate, except as otherwise specified by law. The director may
11 employ such assistants and personnel as necessary for the general
12 administration of the department. This employment shall be in
13 accordance with the state civil service law, chapter 41.06 RCW, except
14 as otherwise provided.

15 NEW SECTION. **Sec. 205.** The director shall appoint a deputy
16 director and such assistant directors as may be needed to administer
17 the department. The deputy director shall have charge and general
18 supervision of the department in the absence or disability of the
19 director and, in case of a vacancy in the office of director, shall
20 continue in charge of the department until a successor is appointed and
21 qualified, or until the governor appoints an acting director.

22 NEW SECTION. **Sec. 206.** Any power or duty vested in or transferred
23 to the director by law or executive order may be delegated by the
24 director to the deputy director or to any other assistant or
25 subordinate; but the director shall be responsible for the official
26 acts of the officers and employees of the department.

27 NEW SECTION. **Sec. 207.** In furtherance of the policy of the state
28 to cooperate with the federal government in all of the programs under
29 the jurisdiction of the department, such rules as may become necessary
30 to entitle the state to participate in federal funds may be adopted,
31 unless expressly prohibited by law. Any internal reorganization
32 carried out under the terms of this chapter shall meet federal
33 requirements that are a necessary condition to state receipt of federal
34 funds. Any section or provision of law dealing with the department
35 that may be susceptible to more than one construction shall be

1 interpreted in favor of the construction most likely to comply with
2 federal laws entitling this state to receive federal funds for the
3 various programs of the department. If any law dealing with the
4 department is ruled to be in conflict with federal requirements that
5 are a prescribed condition of the allocation of federal funds to the
6 state, or to any departments or agencies thereof, the conflicting part
7 is declared to be inoperative solely to the extent of the conflict.

8 NEW SECTION. **Sec. 208.** A new section is added to chapter 41.06
9 RCW to read as follows:

10 In addition to the exemptions under RCW 41.06.070, the provisions
11 of this chapter shall not apply in the department of economic services
12 to the director, the director's personal secretary, the deputy
13 director, all division directors and assistant directors, and one
14 confidential secretary for each of these officers.

15 **PART III**

16 **DEPARTMENT OF MEDICAL ASSISTANCE**

17 NEW SECTION. **Sec. 301.** There is created a department of state
18 government to be known as the department of medical assistance. The
19 department is vested with all powers and duties transferred to it under
20 this chapter, section 604 of this act, and such other powers and duties
21 as may be authorized by law.

22 NEW SECTION. **Sec. 302.** The definitions in this section apply
23 throughout this chapter unless the context clearly requires otherwise.

24 (1) "Department" means the department of medical assistance.

25 (2) "Director" means the director of medical assistance.

26 NEW SECTION. **Sec. 303.** The executive head and appointing
27 authority of the department is the director. The director shall be
28 appointed by the governor, with the consent of the senate, and shall
29 serve at the pleasure of the governor. The director shall be paid a
30 salary to be fixed by the governor in accordance with RCW 43.03.040.
31 If a vacancy occurs in the position while the senate is not in session,
32 the governor shall make a temporary appointment until the next meeting
33 of the senate.

1 NEW SECTION. **Sec. 304.** It is the intent of the legislature
2 wherever possible, except as provided in section 101 of this act, to
3 place the internal affairs of the department under the control of the
4 director in order that the director may institute therein the flexible,
5 alert, and intelligent management of its business that changing
6 contemporary circumstances require. Therefore, whenever the director's
7 authority is not specifically limited by law, the director has complete
8 charge and supervisory powers over the department. The director may
9 create such administrative structures as the director considers
10 appropriate, except as otherwise specified by law. The director may
11 employ such assistants and personnel as necessary for the general
12 administration of the department. This employment shall be in
13 accordance with the state civil service law, chapter 41.06 RCW, except
14 as otherwise provided.

15 NEW SECTION. **Sec. 305.** The director shall appoint a deputy
16 director and such assistant directors as may be needed to administer
17 the department. The deputy director shall have charge and general
18 supervision of the department in the absence or disability of the
19 director and, in case of a vacancy in the office of director, shall
20 continue in charge of the department until a successor is appointed and
21 qualified, or until the governor appoints an acting director.

22 NEW SECTION. **Sec. 306.** Any power or duty vested in or transferred
23 to the director by law or executive order may be delegated by the
24 director to the deputy director or to any other assistant or
25 subordinate; but the director shall be responsible for the official
26 acts of the officers and employees of the department.

27 NEW SECTION. **Sec. 307.** In furtherance of the policy of the state
28 to cooperate with the federal government in all of the programs under
29 the jurisdiction of the department, such rules as may become necessary
30 to entitle the state to participate in federal funds may be adopted,
31 unless expressly prohibited by law. Any internal reorganization
32 carried out under the terms of this chapter shall meet federal
33 requirements that are a necessary condition to state receipt of federal
34 funds. Any section or provision of law dealing with the department
35 that may be susceptible to more than one construction shall be

1 interpreted in favor of the construction most likely to comply with
2 federal laws entitling this state to receive federal funds for the
3 various programs of the department. If any law dealing with the
4 department is ruled to be in conflict with federal requirements that
5 are a prescribed condition of the allocation of federal funds to the
6 state, or to any departments or agencies thereof, the conflicting part
7 is declared to be inoperative solely to the extent of the conflict.

8 NEW SECTION. **Sec. 308.** A new section is added to chapter 41.06
9 RCW to read as follows:

10 In addition to the exemptions under RCW 41.06.070, the provisions
11 of this chapter shall not apply in the department of medical assistance
12 to the director, the director's personal secretary, the deputy
13 director, all division directors and assistant directors, and one
14 confidential secretary for each of these officers.

15 **PART IV**

16 **DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES**

17 NEW SECTION. **Sec. 401.** There is created a department of state
18 government to be known as the department of health and rehabilitative
19 services. The department is vested with all powers and duties
20 transferred to it under this chapter, section 604 of this act, and such
21 other powers and duties as may be authorized by law.

22 NEW SECTION. **Sec. 402.** The definitions in this section apply
23 throughout this chapter unless the context clearly requires otherwise.

24 (1) "Department" means the department of health and rehabilitative
25 services.

26 (2) "Director" means the director of health and rehabilitative
27 services.

28 NEW SECTION. **Sec. 403.** The executive head and appointing
29 authority of the department is the director. The director shall be
30 appointed by the governor, with the consent of the senate, and shall
31 serve at the pleasure of the governor. The director shall be paid a
32 salary to be fixed by the governor in accordance with RCW 43.03.040.

1 If a vacancy occurs in the position while the senate is not in session,
2 the governor shall make a temporary appointment until the next meeting
3 of the senate.

4 NEW SECTION. **Sec. 404.** It is the intent of the legislature
5 wherever possible, except as provided in section 101 of this act, to
6 place the internal affairs of the department under the control of the
7 director in order that the director may institute therein the flexible,
8 alert, and intelligent management of its business that changing
9 contemporary circumstances require. Therefore, whenever the director's
10 authority is not specifically limited by law, the director has complete
11 charge and supervisory powers over the department. The director may
12 create such administrative structures as the director considers
13 appropriate, except as otherwise specified by law. The director may
14 employ such assistants and personnel as necessary for the general
15 administration of the department. This employment shall be in
16 accordance with the state civil service law, chapter 41.06 RCW, except
17 as otherwise provided.

18 NEW SECTION. **Sec. 405.** The director shall appoint a deputy
19 director and such assistant directors as may be needed to administer
20 the department. The deputy director shall have charge and general
21 supervision of the department in the absence or disability of the
22 director and, in case of a vacancy in the office of director, shall
23 continue in charge of the department until a successor is appointed and
24 qualified, or until the governor appoints an acting director.

25 NEW SECTION. **Sec. 406.** Any power or duty vested in or transferred
26 to the director by law or executive order may be delegated by the
27 director to the deputy director or to any other assistant or
28 subordinate; but the director shall be responsible for the official
29 acts of the officers and employees of the department.

30 NEW SECTION. **Sec. 407.** In furtherance of the policy of the state
31 to cooperate with the federal government in all of the programs under
32 the jurisdiction of the department, such rules as may become necessary
33 to entitle the state to participate in federal funds may be adopted,
34 unless expressly prohibited by law. Any internal reorganization

1 carried out under the terms of this chapter shall meet federal
2 requirements that are a necessary condition to state receipt of federal
3 funds. Any section or provision of law dealing with the department
4 that may be susceptible to more than one construction shall be
5 interpreted in favor of the construction most likely to comply with
6 federal laws entitling this state to receive federal funds for the
7 various programs of the department. If any law dealing with the
8 department is ruled to be in conflict with federal requirements that
9 are a prescribed condition of the allocation of federal funds to the
10 state, or to any departments or agencies thereof, the conflicting part
11 is declared to be inoperative solely to the extent of the conflict.

12 NEW SECTION. **Sec. 408.** A new section is added to chapter 41.06
13 RCW to read as follows:

14 In addition to the exemptions under RCW 41.06.070, the provisions
15 of this chapter shall not apply in the department of health and
16 rehabilitative services to the director, the director's personal
17 secretary, the deputy director, all division directors and assistant
18 directors, and one confidential secretary for each of these officers.

19 **PART V**
20 **DEPARTMENT OF CHILDREN'S SERVICES**

21 NEW SECTION. **Sec. 501.** There is created a department of state
22 government to be known as the department of children's services. The
23 department is vested with all powers and duties transferred to it under
24 this chapter, section 604 of this act, and such other powers and duties
25 as may be authorized by law.

26 NEW SECTION. **Sec. 502.** The definitions in this section apply
27 throughout this chapter unless the context clearly requires otherwise.

28 (1) "Department" means the department of children's services.

29 (2) "Director" means the director of children's services.

30 NEW SECTION. **Sec. 503.** The executive head and appointing
31 authority of the department is the director. The director shall be
32 appointed by the governor, with the consent of the senate, and shall
33 serve at the pleasure of the governor. The director shall be paid a

1 salary to be fixed by the governor in accordance with RCW 43.03.040.
2 If a vacancy occurs in the position while the senate is not in session,
3 the governor shall make a temporary appointment until the next meeting
4 of the senate.

5 NEW SECTION. **Sec. 504.** It is the intent of the legislature
6 wherever possible, except as provided in section 101 of this act, to
7 place the internal affairs of the department under the control of the
8 director in order that the director may institute therein the flexible,
9 alert, and intelligent management of its business that changing
10 contemporary circumstances require. Therefore, whenever the director's
11 authority is not specifically limited by law, the director has complete
12 charge and supervisory powers over the department. The director may
13 create such administrative structures as the director considers
14 appropriate, except as otherwise specified by law. The director may
15 employ such assistants and personnel as necessary for the general
16 administration of the department. This employment shall be in
17 accordance with the state civil service law, chapter 41.06 RCW, except
18 as otherwise provided.

19 NEW SECTION. **Sec. 505.** The director shall appoint a deputy
20 director and such assistant directors as may be needed to administer
21 the department. The deputy director shall have charge and general
22 supervision of the department in the absence or disability of the
23 director and, in case of a vacancy in the office of director, shall
24 continue in charge of the department until a successor is appointed and
25 qualified, or until the governor appoints an acting director.

26 NEW SECTION. **Sec. 506.** Any power or duty vested in or transferred
27 to the director by law or executive order may be delegated by the
28 director to the deputy director or to any other assistant or
29 subordinate; but the director shall be responsible for the official
30 acts of the officers and employees of the department.

31 NEW SECTION. **Sec. 507.** In furtherance of the policy of the state
32 to cooperate with the federal government in all of the programs under
33 the jurisdiction of the department, such rules as may become necessary
34 to entitle the state to participate in federal funds may be adopted,

1 unless expressly prohibited by law. Any internal reorganization
2 carried out under the terms of this chapter shall meet federal
3 requirements that are a necessary condition to state receipt of federal
4 funds. Any section or provision of law dealing with the department
5 that may be susceptible to more than one construction shall be
6 interpreted in favor of the construction most likely to comply with
7 federal laws entitling this state to receive federal funds for the
8 various programs of the department. If any law dealing with the
9 department is ruled to be in conflict with federal requirements that
10 are a prescribed condition of the allocation of federal funds to the
11 state, or to any departments or agencies thereof, the conflicting part
12 is declared to be inoperative solely to the extent of the conflict.

13 NEW SECTION. **Sec. 508.** A new section is added to chapter 41.06
14 RCW to read as follows:

15 In addition to the exemptions under RCW 41.06.070, the provisions
16 of this chapter shall not apply in the department of children's
17 services to the director, the director's personal secretary, the deputy
18 director, all division directors and assistant directors, and one
19 confidential secretary for each of these officers.

20 **PART VI**
21 **MISCELLANEOUS PROVISIONS**

22 **Sec. 601.** RCW 43.17.010 and 2009 c 565 s 25 are each amended to
23 read as follows:

24 There shall be departments of the state government which shall be
25 known as (1) the department of social and health services, (2) the
26 department of ecology, (3) the department of labor and industries, (4)
27 the department of agriculture, (5) the department of fish and wildlife,
28 (6) the department of transportation, (7) the department of licensing,
29 (8) the department of general administration, (9) the department of
30 commerce, (10) the department of veterans affairs, (11) the department
31 of revenue, (12) the department of retirement systems, (13) the
32 department of corrections, (14) the department of health, (15) the
33 department of financial institutions, (16) the department of
34 archaeology and historic preservation, (17) the department of early
35 learning, ~~((and))~~ (18) the Puget Sound partnership, (19) the department

1 of economic services, (20) the department of medical assistance, (21)
2 the department of health and rehabilitative services, and (22) the
3 department of children's services, which shall be charged with the
4 execution, enforcement, and administration of such laws, and invested
5 with such powers and required to perform such duties, as the
6 legislature may provide.

7 **Sec. 602.** RCW 43.17.020 and 2009 c 565 s 26 are each amended to
8 read as follows:

9 There shall be a chief executive officer of each department to be
10 known as: (1) The secretary of social and health services, (2) the
11 director of ecology, (3) the director of labor and industries, (4) the
12 director of agriculture, (5) the director of fish and wildlife, (6) the
13 secretary of transportation, (7) the director of licensing, (8) the
14 director of general administration, (9) the director of commerce, (10)
15 the director of veterans affairs, (11) the director of revenue, (12)
16 the director of retirement systems, (13) the secretary of corrections,
17 (14) the secretary of health, (15) the director of financial
18 institutions, (16) the director of the department of archaeology and
19 historic preservation, (17) the director of early learning, ~~((and))~~
20 (18) the executive director of the Puget Sound partnership, (19) the
21 department of economic services, (20) the department of medical
22 assistance, (21) the department of health and rehabilitative services,
23 and (22) the department of children's services.

24 Such officers, except the director of fish and wildlife, shall be
25 appointed by the governor, with the consent of the senate, and hold
26 office at the pleasure of the governor. The director of fish and
27 wildlife shall be appointed by the fish and wildlife commission as
28 prescribed by RCW 77.04.055.

29 **Sec. 603.** RCW 42.17.2401 and 2009 c 565 s 24 are each amended to
30 read as follows:

31 For the purposes of RCW 42.17.240, the term "executive state
32 officer" includes:

33 (1) The chief administrative law judge, the director of
34 agriculture, the administrator of the Washington basic health plan, the
35 director of the department of services for the blind, the director of
36 the state system of community and technical colleges, the director of

1 commerce, the secretary of corrections, the director of early learning,
2 the director of ecology, the commissioner of employment security, the
3 chair of the energy facility site evaluation council, the secretary of
4 the state finance committee, the director of financial management, the
5 director of fish and wildlife, the executive secretary of the forest
6 practices appeals board, the director of the gambling commission, the
7 director of general administration, the secretary of health, the
8 administrator of the Washington state health care authority, the
9 executive secretary of the health care facilities authority, the
10 executive secretary of the higher education facilities authority, the
11 executive secretary of the horse racing commission, the executive
12 secretary of the human rights commission, the executive secretary of
13 the indeterminate sentence review board, the director of the department
14 of information services, the executive director of the state investment
15 board, the director of labor and industries, the director of licensing,
16 the director of the lottery commission, the director of the office of
17 minority and women's business enterprises, the director of parks and
18 recreation, the director of personnel, the executive director of the
19 public disclosure commission, the executive director of the Puget Sound
20 partnership, the director of the recreation and conservation office,
21 the director of retirement systems, the director of revenue, the
22 secretary of social and health services, the chief of the Washington
23 state patrol, the executive secretary of the board of tax appeals, the
24 secretary of transportation, the secretary of the utilities and
25 transportation commission, the director of veterans affairs, the
26 president of each of the regional and state universities and the
27 president of The Evergreen State College, ((and)) each district and
28 each campus president of each state community college, the director of
29 economic services, the director of medical assistance, the director of
30 health and rehabilitative services, and the director of children's
31 services;

32 (2) Each professional staff member of the office of the governor;

33 (3) Each professional staff member of the legislature; and

34 (4) Central Washington University board of trustees, the boards of
35 trustees of each community college and each technical college, each
36 member of the state board for community and technical colleges, state
37 convention and trade center board of directors, committee for deferred
38 compensation, Eastern Washington University board of trustees,

1 Washington economic development finance authority, The Evergreen State
2 College board of trustees, executive ethics board, forest practices
3 appeals board, forest practices board, gambling commission, life
4 sciences discovery fund authority board of trustees, Washington health
5 care facilities authority, each member of the Washington health
6 services commission, higher education coordinating board, higher
7 education facilities authority, horse racing commission, state housing
8 finance commission, human rights commission, indeterminate sentence
9 review board, board of industrial insurance appeals, information
10 services board, recreation and conservation funding board, state
11 investment board, commission on judicial conduct, legislative ethics
12 board, liquor control board, lottery commission, marine oversight
13 board, Pacific Northwest electric power and conservation planning
14 council, parks and recreation commission, board of pilotage
15 commissioners, pollution control hearings board, public disclosure
16 commission, public pension commission, shorelines hearings board,
17 public employees' benefits board, salmon recovery funding board, board
18 of tax appeals, transportation commission, University of Washington
19 board of regents, utilities and transportation commission, Washington
20 state maritime commission, Washington personnel resources board,
21 Washington public power supply system executive board, Washington State
22 University board of regents, Western Washington University board of
23 trustees, and fish and wildlife commission.

24 NEW SECTION. **Sec. 604.** (1) A realignment team shall be formed by
25 July 1, 2010, to direct the details of administration of this act. The
26 governor shall appoint representatives from the office of financial
27 management, the divisions of the department of social and health
28 services, and other agency representatives as warranted. Leadership
29 from each of the two major caucuses in the house of representatives and
30 the senate shall appoint a member to the realignment team.

31 (2) The realignment team shall divide the functions of the
32 department of social and health services that are being transferred
33 into the new departments under this act after the effective date of
34 this section.

35 (3) The realignment team shall fully involve the office of the
36 state auditor and relevant stakeholders, including local government and
37 community service providers. The realignment team shall consult

1 regularly with the chairs and ranking minority members and their
2 designees of the relevant policy and fiscal committees in the house of
3 representatives and the senate.

4 NEW SECTION. **Sec. 605.** (1) The realignment team created in
5 section 604 of this act shall, by December 1, 2010, submit a plan and
6 necessary implementing legislation to the legislature for the
7 restructuring of the department of social and health services. During
8 the development of the plan, consideration shall be given to the
9 restructuring of the state's medical assistance programs pursuant to
10 chapter . . . (House Bill No. 3048), Laws of 2010. The plan shall be
11 designed so that the department of children's services will be
12 operating by July 1, 2011, and the department of economic services, the
13 department of medical assistance, and the department of health and
14 rehabilitative services will be operating by July 1, 2012.

15 (2) The plan shall include, but is not limited to, the following
16 elements:

17 (a) Strategies for dividing the functions and responsibilities of
18 the department into the appropriate new agencies including a strategic
19 plan for each new agency created in this act that includes
20 implementation steps, performance measures, evaluation measures, and
21 methods for collaboration among programs;

22 (b) Recommendations for changes in existing programs and functions
23 of the department of social and health services; and

24 (c) Implementation steps necessary to bring about operation of the
25 new agencies.

26 (3) By December 1, 2011, the code reviser's office shall prepare
27 recommended corrective legislation.

28 NEW SECTION. **Sec. 606.** Sections 201 through 207 of this act
29 constitute a new chapter in Title 43 RCW.

30 NEW SECTION. **Sec. 607.** Sections 301 through 307 of this act
31 constitute a new chapter in Title 43 RCW.

32 NEW SECTION. **Sec. 608.** Sections 401 through 407 of this act
33 constitute a new chapter in Title 43 RCW.

1 NEW SECTION. **Sec. 609.** Sections 501 through 507 of this act
2 constitute a new chapter in Title 43 RCW.

3 NEW SECTION. **Sec. 610.** Section 604 of this act is necessary for
4 the immediate preservation of the public peace, health, or safety, or
5 support of the state government and its existing public institutions,
6 and takes effect immediately.

7 NEW SECTION. **Sec. 611.** Sections 101, 201 through 208, 301 through
8 308, 401 through 408, 501 through 508, and 601 through 603 of this act
9 take effect July 1, 2011.

10 NEW SECTION. **Sec. 612.** If any provision of this act or its
11 application to any person or circumstance is held invalid, the
12 remainder of the act or the application of the provision to other
13 persons or circumstances is not affected.

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