## ENGROSSED HOUSE BILL 1744

State of Washington 67th Legislature 2022 Regular Session

By Representatives Dolan, Harris, Leavitt, Senn, Ryu, J. Johnson, Chambers, Davis, Macri, Corry, Tharinger, Valdez, and Frame

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ΑN ACT Relating to collaborative arrangements between 1 2 institutions of higher education and nonprofit private entities that 3 provide comprehensive cancer care; amending RCW 42.56.010, 43.09.290, 41.40.010, 41.56.030, 41.80.005, 42.30.020, 39.26.010, 41.06.020, and 4 42.17A.005; reenacting and amending RCW 42.52.010; adding a new 5 section to chapter 28B.10 RCW; adding a new section to chapter 36.01 6 RCW; adding a new section to chapter 35.21 RCW; adding a new section 8 to chapter 35A.21 RCW; and creating a new section.

## 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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NEW SECTION. Sec. 1. (1) The legislature finds that Washington benefits from its outstanding university research and health care delivery for cancer patients. The legislature finds that Washington state's citizens and its economy are benefited from the ability to attract and retain private, not-for-profit cancer research and health care delivery institutions. The legislature finds it is in the interest of the citizens of the state of Washington to promote collaboration between public universities and private not-for-profit entities in health care that will provide the highest level of cancer care for patients and advance the prevention, treatment, and cure of cancer through advanced research. The legislature intends to foster the development of cooperative and collaborative arrangements between

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institutions of higher education and private nonprofit comprehensive cancer centers, for the effective and efficient delivery of cancer-related clinical care and as a platform to further advance cancer-related education and research.

- (2) Further, the legislature intends that private nonprofit comprehensive cancer centers are not hindered in entering into such collaborations that would benefit the state of Washington and its residents by the application of certain laws governing state agencies.
- (3) The legislature intends that private nonprofit comprehensive cancer centers in such collaborative arrangements are not state entities, or quasi-government entities, as a result of any such collaborative arrangement so long as the parties to the collaborative arrangement operate in conformance with section 2 of this act. The legislature further intends that employees of such private nonprofit entities are not state employees as a result of the collaboration so long as the parties to the collaborative arrangement operate in conformance with section 2 of this act.
- (4) The legislature intends to maintain existing responsibilities that state institutions of higher education, as state agencies, owe to the citizens of the state, including but not limited to being subject to state audit and public records requirements, and preserving assets in the interest of the citizens of the state. Further, the legislature intends for private comprehensive cancer centers to retain their private status as they enter into the collaborative agreements with state institutions of higher education, described herein. The legislature intends that collaborations between state institutions of higher education and comprehensive cancer centers be governed by contractual arrangements that address, as necessary and appropriate, the intellectual property rights and obligations of the state.
- NEW SECTION. Sec. 2. A new section is added to chapter 28B.10 RCW to read as follows:
  - (1) To facilitate a public-private collaborative arrangement between a comprehensive cancer center and an institution of higher education and maintain the independence of the comprehensive cancer center as a nonprofit private entity, a comprehensive cancer center that is operated in conformance with subsection (3) of this section is not:

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(a) A state agency, state employer, quasi-government entity, or the functional equivalent of a state entity for any purpose under Washington law;

- (b) Subject to any obligation or duty of a state agency, state employer, or quasi-government entity under any Washington law; and
- (c) Subject to state laws or rules and local ordinances, resolutions, or rules specifically applicable to state agencies solely because of an entity's status as a state agency, but is subject to generally applicable state laws and rules and local ordinances, resolutions, and rules.
- (2) Employees of a comprehensive cancer center that is operated in conformance with subsection (3) of this section are not employees of a state agency, nor have any right or entitlement to any benefits conferred upon employees of a state agency.
- (3)(a) For purposes of this act, and to ensure that a comprehensive cancer center maintains its character as a nonpublic entity, a comprehensive cancer center must not:
- (i) Perform an exclusively governmental function, but perform cancer research and medical treatment that are traditionally performed by both governmental and nongovernmental entities;
- (ii) Receive a majority of its operations funding from the government of the state of Washington or its agencies or institutions, but perform research and medical services under contract to both governmental and nongovernmental entities;
- (iii) Be subject to day-to-day management by any state agency or institution of higher education; and
- (iv) Be created solely by a state agency or an institution of higher education.
- (b) For purposes of this act, and to ensure that the employees of a comprehensive cancer center are at no times employees of a state agency or institution of higher education, state employer, quasi-government entity, or the functional equivalent of a state entity, no state agency or institution of higher education, nor the employees, designees, or agents of a state agency or institution of higher education, may:
- 36 (i) Directly exercise employer management over comprehensive 37 cancer center employees' day-to-day operation of the comprehensive 38 cancer center;

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1 (ii) Solely determine the compensation, benefits, and working 2 conditions of comprehensive cancer center employees for their 3 comprehensive cancer center employment; or

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- (iii) Engage in collective bargaining, the ratification of collective bargaining agreements as an employer, or other discussion with the exclusive bargaining representatives of the employees of a comprehensive cancer center related to comprehensive cancer center employees.
- 9 (4) For the purposes of this act, the following definitions 10 apply:
- 11 (a) "Collaborative arrangement" means a written arrangement 12 between a comprehensive cancer center and an institution of higher 13 education, through which the cancer care programs of the 14 comprehensive cancer center and institution of higher education will 15 be aligned and managed.
- 16 (b) "Comprehensive cancer center" means a comprehensive cancer
  17 center as defined in RCW 82.04.4265 that enters into a collaborative
  18 arrangement with an institution of higher education and is operated
  19 in conformance with this section.
- NEW SECTION. Sec. 3. A new section is added to chapter 36.01 RCW to read as follows:
- No county may enact, enforce, or maintain an ordinance, regulation, or rule that regulates or otherwise treats a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act as a state agency. Such a comprehensive cancer center is still subject to ordinances, regulations, and rules that are generally applicable in nature.
- NEW SECTION. Sec. 4. A new section is added to chapter 35.21 RCW to read as follows:
- 31 No city or town may enact, enforce, or maintain an ordinance, 32 regulation, or rule that regulates or otherwise treats 33 comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in 34 conformance with section 2 of this act as a state agency. Such a 35 is still subject comprehensive cancer center 36 to 37 regulations, and rules that are generally applicable in nature.

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NEW SECTION. Sec. 5. A new section is added to chapter 35A.21 RCW to read as follows:

No code city may enact, enforce, or maintain an ordinance, regulation, or rule that regulates or otherwise treats a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act as a state agency. Such a comprehensive cancer center is still subject to ordinances, regulations, and rules that are generally applicable in nature.

Sec. 6. RCW 42.56.010 and 2017 c 303 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Agency" includes all state agencies and all local agencies.

  "State agency" includes every state office, department, division, bureau, board, commission, or other state agency. "Local agency" includes every county, city, town, municipal corporation, quasimunicipal corporation, or special purpose district, or any office, department, division, bureau, board, commission, or agency thereof, or other local public agency. "Agency" does not include a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act.
- (2) "Person in interest" means the person who is the subject of a record or any representative designated by that person, except that if that person is under a legal disability, "person in interest" means and includes the parent or duly appointed legal representative.
- (3) "Public record" includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics. For the office of the secretary of the senate and the office of the chief clerk of the house of representatives, public records means legislative records as defined in RCW 40.14.100 and also means the following: All budget and financial records; personnel leave, travel, and payroll records; records of legislative sessions; reports submitted to the legislature; and any other record designated a public record by any official action of the senate or the house of representatives. This definition does not include records that are

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not otherwise required to be retained by the agency and are held by volunteers who:

(a) Do not serve in an administrative capacity;

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- (b) Have not been appointed by the agency to an agency board, commission, or internship; and
  - (c) Do not have a supervisory role or delegated agency authority.
- 7 "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any 8 form of communication or representation including, but not limited 9 to, letters, words, pictures, sounds, or symbols, or combination 10 thereof, and all papers, maps, magnetic or paper tapes, photographic 11 films and prints, motion picture, film and video recordings, magnetic 12 or punched cards, discs, drums, diskettes, sound recordings, and 13 14 other documents including existing data compilations from which information may be obtained or translated. 15
- 16 **Sec. 7.** RCW 43.09.290 and 1995 c 301 s 21 are each amended to read as follows:

18 For the purposes of RCW 43.09.290 through 43.09.340 and 43.09.410 19 through 43.09.418, post-audit means an audit of the books, records, funds, accounts, and financial transactions of a state agency for a 20 21 complete fiscal period; pre-audit means all other audits and 22 examinations; state agency means elective officers and offices, and 23 every other office, officer, department, board, council, committee, 24 commission, or authority of the state government now existing or hereafter created, supported, wholly or in part, by appropriations 25 from the state treasury or funds under its control, or by the levy, 26 27 assessment, collection, or receipt of fines, penalties, fees, 28 licenses, sales of commodities, service charges, rentals, grants-inaid, or other income provided by law, and all state educational, 29 30 penal, reformatory, charitable, eleemosynary, or other institutions, 31 supported, wholly or in part, by appropriations from the state treasury or funds under its control, but not including a 32 comprehensive cancer center participating in a collaborative 33 arrangement as defined in section 2 of this act that is operated in 34 35 conformance with section 2 of this act.

36 **Sec. 8.** RCW 41.40.010 and 2021 c 12 s 7 are each amended to read 37 as follows:

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1 As used in this chapter, unless a different meaning is plainly 2 required by the context:

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- (1) "Accumulated contributions" means the sum of all contributions standing to the credit of a member in the member's individual account, including any amount paid under RCW 41.50.165(2), together with the regular interest thereon.
- (2) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of such mortality and other tables as may be adopted by the director.
- 10 (3) "Adjustment ratio" means the value of index A divided by 11 index B.
  - (4) "Annual increase" means, initially, fifty-nine cents per month per year of service which amount shall be increased each July 1st by three percent, rounded to the nearest cent.
  - (5) "Annuity" means payments for life derived from accumulated contributions of a member. All annuities shall be paid in monthly installments.
  - (6) (a) "Average final compensation" for plan 1 members, means the annual average of the greatest compensation earnable by a member during any consecutive two year period of service credit months for which service credit is allowed; or if the member has less than two years of service credit months then the annual average compensation earnable during the total years of service for which service credit is allowed.
  - (b) "Average final compensation" for plan 2 and plan 3 members, means the member's average compensation earnable of the highest consecutive sixty months of service credit months prior to such member's retirement, termination, or death. Periods constituting authorized leaves of absence may not be used in the calculation of average final compensation except under RCW 41.40.710(2) or (c) of this subsection.
- 32 (c) In calculating average final compensation under this 33 subsection for a member of plan 1, 2, or 3, the department of 34 retirement systems shall include:
- 35 (i) Any compensation forgone by the member during the 2009-2011 36 fiscal biennium as a result of reduced work hours, voluntary leave 37 without pay, temporary reduction in pay implemented prior to December 38 11, 2010, or temporary furloughs if the reduced compensation is an 39 integral part of the employer's expenditure reduction efforts, as 40 certified by the employer;

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(ii) Any compensation forgone by a member employed by the state or a local government during the 2011-2013 fiscal biennium as a result of reduced work hours, mandatory leave without pay, temporary layoffs, or reductions to current pay if the reduced compensation is an integral part of the employer's expenditure reduction efforts, as certified by the employer. Reductions to current pay shall not include elimination of previously agreed upon future salary increases; and

- (iii) Any compensation forgone by a member during the 2019-2021 and 2021-2023 fiscal biennia as a result of reduced work hours, mandatory leave without pay, temporary layoffs, furloughs, reductions to current pay, or other similar measures resulting from the COVID-19 budgetary crisis, if the reduced compensation is an integral part of the employer's expenditure reduction efforts, as certified by the employer. Reductions to current pay shall not include elimination of previously agreed upon future salary increases.
- (7)(a) "Beneficiary" for plan 1 members, means any person in receipt of a retirement allowance, pension or other benefit provided by this chapter.
  - (b) "Beneficiary" for plan 2 and plan 3 members, means any person in receipt of a retirement allowance or other benefit provided by this chapter resulting from service rendered to an employer by another person.
  - (8) (a) "Compensation earnable" for plan 1 members, means salaries or wages earned during a payroll period for personal services and where the compensation is not all paid in money, maintenance compensation shall be included upon the basis of the schedules established by the member's employer.
  - (i) "Compensation earnable" for plan 1 members also includes the following actual or imputed payments, which are not paid for personal services:
  - (A) Retroactive payments to an individual by an employer on reinstatement of the employee in a position, or payments by an employer to an individual in lieu of reinstatement in a position which are awarded or granted as the equivalent of the salary or wage which the individual would have earned during a payroll period shall be considered compensation earnable and the individual shall receive the equivalent service credit;
- (B) If a leave of absence is taken by an individual for the purpose of serving in the state legislature, the salary which would

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- have been received for the position from which the leave of absence was taken, shall be considered as compensation earnable if the employee's contribution is paid by the employee and the employer's contribution is paid by the employer or employee;
- 5 (C) Assault pay only as authorized by RCW 27.04.100, 72.01.045, and 72.09.240;
  - (D) Compensation that a member would have received but for a disability occurring in the line of duty only as authorized by RCW 41.40.038;
- 10 (E) Compensation that a member receives due to participation in 11 the leave sharing program only as authorized by RCW 41.04.650 through 12 41.04.670; and
  - (F) Compensation that a member receives for being in standby status. For the purposes of this section, a member is in standby status when not being paid for time actually worked and the employer requires the member to be prepared to report immediately for work, if the need arises, although the need may not arise.
    - (ii) "Compensation earnable" does not include:

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- 19 (A) Remuneration for unused sick leave authorized under RCW 20 41.04.340, 28A.400.210, or 28A.310.490;
  - (B) Remuneration for unused annual leave in excess of ((thirty days)) 240 hours as authorized by RCW 43.01.044 and 43.01.041.
    - (b) "Compensation earnable" for plan 2 and plan 3 members, means salaries or wages earned by a member during a payroll period for personal services, including overtime payments, and shall include wages and salaries deferred under provisions established pursuant to sections 403(b), 414(h), and 457 of the United States Internal Revenue Code, but shall exclude nonmoney maintenance compensation and lump sum or other payments for deferred annual sick leave, unused accumulated vacation, unused accumulated annual leave, or any form of severance pay.
- "Compensation earnable" for plan 2 and plan 3 members also includes the following actual or imputed payments, which are not paid for personal services:
  - (i) Retroactive payments to an individual by an employer on reinstatement of the employee in a position, or payments by an employer to an individual in lieu of reinstatement in a position which are awarded or granted as the equivalent of the salary or wage which the individual would have earned during a payroll period shall

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be considered compensation earnable to the extent provided above, and the individual shall receive the equivalent service credit;

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- (ii) In any year in which a member serves in the legislature, the member shall have the option of having such member's compensation earnable be the greater of:
- (A) The compensation earnable the member would have received had such member not served in the legislature; or
- (B) Such member's actual compensation earnable received for nonlegislative public employment and legislative service combined. Any additional contributions to the retirement system required because compensation earnable under (b)(ii)(A) of this subsection is greater than compensation earnable under (b)(ii)(B) of this subsection shall be paid by the member for both member and employer contributions;
- 15 (iii) Assault pay only as authorized by RCW 27.04.100, 72.01.045, and 72.09.240;
- (iv) Compensation that a member would have received but for a disability occurring in the line of duty only as authorized by RCW 41.40.038;
- (v) Compensation that a member receives due to participation in the leave sharing program only as authorized by RCW 41.04.650 through 41.04.670; and
  - (vi) Compensation that a member receives for being in standby status. For the purposes of this section, a member is in standby status when not being paid for time actually worked and the employer requires the member to be prepared to report immediately for work, if the need arises, although the need may not arise.
- 28 (9) "Department" means the department of retirement systems 29 created in chapter 41.50 RCW.
  - (10) "Director" means the director of the department.
  - (11) "Eligible position" means:
  - (a) Any position that, as defined by the employer, normally requires five or more months of service a year for which regular compensation for at least seventy hours is earned by the occupant thereof. For purposes of this chapter an employer shall not define "position" in such a manner that an employee's monthly work for that employer is divided into more than one position;
- 38 (b) Any position occupied by an elected official or person 39 appointed directly by the governor, or appointed by the chief justice

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of the supreme court under RCW 2.04.240(2) or 2.06.150(2), for which compensation is paid.

- (12) "Employee" or "employed" means a person who is providing services for compensation to an employer, unless the person is free from the employer's direction and control over the performance of work. The department shall adopt rules and interpret this subsection consistent with common law.
- (13) (a) "Employer" for plan 1 members, means every branch, department, agency, commission, board, and office of the state, any political subdivision or association of political subdivisions of the state admitted into the retirement system, and legal entities authorized by RCW 35.63.070 and 36.70.060 or chapter 39.34 RCW; and the term shall also include any labor guild, association, or organization the membership of a local lodge or division of which is comprised of at least forty percent employees of an employer (other than such labor guild, association, or organization) within this chapter. The term may also include any city of the first class that has its own retirement system.
- (b) "Employer" for plan 2 and plan 3 members, means every branch, department, agency, commission, board, and office of the state, and any political subdivision and municipal corporation of the state admitted into the retirement system, including public agencies created pursuant to RCW 35.63.070, 36.70.060, and 39.34.030; except that after August 31, 2000, school districts and educational service districts will no longer be employers for the public employees' retirement system plan 2.
- (c) Except as otherwise specifically provided in this chapter, "employer" does not include a government contractor. For purposes of this subsection, a "government contractor" is any entity, including a partnership, limited liability company, for-profit or nonprofit corporation, or person, that provides services pursuant to a contract with an "employer." The determination whether an employer-employee relationship has been established is not based on the relationship between a government contractor and an "employer," but is based solely on the relationship between a government contractor's employee and an "employer" under this chapter.
- (d) "Employer" does not include a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act.

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- 1 (14) "Final compensation" means the annual rate of compensation 2 earnable by a member at the time of termination of employment.
  - (15) "Index" means, for any calendar year, that year's annual average consumer price index, Seattle, Washington area, for urban wage earners and clerical workers, all items, compiled by the bureau of labor statistics, United States department of labor.
  - (16) "Index A" means the index for the year prior to the determination of a postretirement adjustment.
    - (17) "Index B" means the index for the year prior to index A.
- 10 (18) "Index year" means the earliest calendar year in which the 11 index is more than sixty percent of index A.
  - (19) "Ineligible position" means any position which does not conform with the requirements set forth in subsection (11) of this section.
  - (20) "Leave of absence" means the period of time a member is authorized by the employer to be absent from service without being separated from membership.
  - (21) "Member" means any employee included in the membership of the retirement system, as provided for in RCW 41.40.023. RCW 41.26.045 does not prohibit a person otherwise eligible for membership in the retirement system from establishing such membership effective when he or she first entered an eligible position.
  - (22) "Member account" or "member's account" for purposes of plan 3 means the sum of the contributions and earnings on behalf of the member in the defined contribution portion of plan 3.
    - (23) "Membership service" means:

- (a) All service rendered, as a member, after October 1, 1947;
- (b) All service after October 1, 1947, to any employer prior to the time of its admission into the retirement system for which member and employer contributions, plus interest as required by RCW 41.50.125, have been paid under RCW 41.40.056 or 41.40.057;
- (c) Service not to exceed six consecutive months of probationary service rendered after April 1, 1949, and prior to becoming a member, in the case of any member, upon payment in full by such member of the total amount of the employer's contribution to the retirement fund which would have been required under the law in effect when such probationary service was rendered if the member had been a member during such period, except that the amount of the employer's contribution shall be calculated by the director based on the first month's compensation earnable as a member;

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(d) Service not to exceed six consecutive months of probationary service, rendered after October 1, 1947, and before April 1, 1949, and prior to becoming a member, in the case of any member, upon payment in full by such member of five percent of such member's salary during said period of probationary service, except that the amount of the employer's contribution shall be calculated by the director based on the first month's compensation earnable as a member.

- 9 (24) "New member" means a person who becomes a member on or after 10 April 1, 1949, except as otherwise provided in this section.
  - (25) "Original member" of this retirement system means:
- 12 (a) Any person who became a member of the system prior to April 13 1, 1949;
  - (b) Any person who becomes a member through the admission of an employer into the retirement system on and after April 1, 1949, and prior to April 1, 1951;
  - (c) Any person who first becomes a member by securing employment with an employer prior to April 1, 1951, provided the member has rendered at least one or more years of service to any employer prior to October 1, 1947;
  - (d) Any person who first becomes a member through the admission of an employer into the retirement system on or after April 1, 1951, provided, such person has been in the regular employ of the employer for at least six months of the twelve-month period preceding the said admission date;
  - (e) Any member who has restored all contributions that may have been withdrawn as provided by RCW 41.40.150 and who on the effective date of the individual's retirement becomes entitled to be credited with ten years or more of membership service except that the provisions relating to the minimum amount of retirement allowance for the member upon retirement at age seventy as found in RCW 41.40.190(4) shall not apply to the member;
  - (f) Any member who has been a contributor under the system for two or more years and who has restored all contributions that may have been withdrawn as provided by RCW 41.40.150 and who on the effective date of the individual's retirement has rendered five or more years of service for the state or any political subdivision prior to the time of the admission of the employer into the system; except that the provisions relating to the minimum amount of

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- retirement allowance for the member upon retirement at age seventy as found in RCW 41.40.190(4) shall not apply to the member.
- 3 (26) "Pension" means payments for life derived from contributions 4 made by the employer. All pensions shall be paid in monthly 5 installments.
- 6 (27) "Plan 1" means the public employees' retirement system, plan 7 1 providing the benefits and funding provisions covering persons who 8 first became members of the system prior to October 1, 1977.
- 9 (28) "Plan 2" means the public employees' retirement system, plan 10 2 providing the benefits and funding provisions covering persons who 11 first became members of the system on and after October 1, 1977, and 12 are not included in plan 3.
- 13 (29) "Plan 3" means the public employees' retirement system, plan 14 3 providing the benefits and funding provisions covering persons who:
  - (a) First become a member on or after:

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- 16 (i) March 1, 2002, and are employed by a state agency or 17 institute of higher education and who did not choose to enter plan 2; 18 or
- 19 (ii) September 1, 2002, and are employed by other than a state 20 agency or institute of higher education and who did not choose to 21 enter plan 2; or
  - (b) Transferred to plan 3 under RCW 41.40.795.
- 23 (30) "Prior service" means all service of an original member 24 rendered to any employer prior to October 1, 1947.
- 25 (31) "Regular interest" means such rate as the director may 26 determine.
  - (32) "Retiree" means any person who has begun accruing a retirement allowance or other benefit provided by this chapter resulting from service rendered to an employer while a member.
- 30 (33) "Retirement" means withdrawal from active service with a 31 retirement allowance as provided by this chapter.
- 32 (34) "Retirement allowance" means the sum of the annuity and the 33 pension.
- 34 (35) "Retirement system" means the public employees' retirement 35 system provided for in this chapter.
- 36 (36) "Separation from service" occurs when a person has 37 terminated all employment with an employer. Separation from service 38 or employment does not occur, and if claimed by an employer or 39 employee may be a violation of RCW 41.40.055, when an employee and 40 employer have a written or oral agreement to resume employment with

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the same employer following termination. Mere expressions or inquiries about postretirement employment by an employer or employee that do not constitute a commitment to reemploy the employee after retirement are not an agreement under this subsection.

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- (37) (a) "Service" for plan 1 members, except as provided in RCW 41.40.088, means periods of employment in an eligible position or positions for one or more employers rendered to any employer for which compensation is paid, and includes time spent in office as an elected or appointed official of an employer. Compensation earnable earned in full time work for seventy hours or more in any given calendar month shall constitute one service credit month except as provided in RCW 41.40.088. Compensation earnable earned for less than seventy hours in any calendar month shall constitute one-quarter service credit month of service except as provided in RCW 41.40.088. Only service credit months and one-quarter service credit months shall be counted in the computation of any retirement allowance or other benefit provided for in this chapter. Any fraction of a year of service shall be taken into account in the computation of such retirement allowance or benefits. Time spent in standby status, whether compensated or not, is not service.
- (i) Service by a state employee officially assigned by the state on a temporary basis to assist another public agency, shall be considered as service as a state employee: PROVIDED, That service to any other public agency shall not be considered service as a state employee if such service has been used to establish benefits in any other public retirement system.
- (ii) An individual shall receive no more than a total of twelve service credit months of service during any calendar year. If an individual is employed in an eligible position by one or more employers the individual shall receive no more than one service credit month during any calendar month in which multiple service for seventy or more hours is rendered.
- (iii) A school district employee may count up to forty-five days of sick leave as creditable service solely for the purpose of determining eligibility to retire under RCW 41.40.180 as authorized by RCW 28A.400.300. For purposes of plan 1 "forty-five days" as used in RCW 28A.400.300 is equal to two service credit months. Use of less than forty-five days of sick leave is creditable as allowed under this subsection as follows:

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- 1 (A) Less than twenty-two days equals one-quarter service credit 2 month;
  - (B) Twenty-two days equals one service credit month;

- (C) More than twenty-two days but less than forty-five days equals one and one-quarter service credit month.
- (iv) Reduction efforts such as furloughs, reduced work hours, mandatory leave without pay, temporary layoffs, or other similar situations as contemplated by subsection (6)(c)(iii) of this section do not result in a reduction in service credit that otherwise would have been earned for that month of work, and the member shall receive the full service credit for the hours that were scheduled to be worked before the reduction.
- (b) "Service" for plan 2 and plan 3 members, means periods of employment by a member in an eligible position or positions for one or more employers for which compensation earnable is paid. Compensation earnable earned for ninety or more hours in any calendar month shall constitute one service credit month except as provided in RCW 41.40.088. Compensation earnable earned for at least seventy hours but less than ninety hours in any calendar month shall constitute one-half service credit month of service. Compensation earnable earned for less than seventy hours in any calendar month shall constitute one-quarter service credit month of service. Time spent in standby status, whether compensated or not, is not service.

Any fraction of a year of service shall be taken into account in the computation of such retirement allowance or benefits.

- (i) Service in any state elective position shall be deemed to be full time service, except that persons serving in state elective positions who are members of the Washington school employees' retirement system, teachers' retirement system, public safety employees' retirement system, or law enforcement officers' and firefighters' retirement system at the time of election or appointment to such position may elect to continue membership in the Washington school employees' retirement system, teachers' retirement system, public safety employees' retirement system, or law enforcement officers' and firefighters' retirement system.
- (ii) A member shall receive a total of not more than twelve service credit months of service for such calendar year. If an individual is employed in an eligible position by one or more employers the individual shall receive no more than one service

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credit month during any calendar month in which multiple service for ninety or more hours is rendered.

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- (iii) Up to forty-five days of sick leave may be creditable as service solely for the purpose of determining eligibility to retire under RCW 41.40.180 as authorized by RCW 28A.400.300. For purposes of plan 2 and plan 3 "forty-five days" as used in RCW 28A.400.300 is equal to two service credit months. Use of less than forty-five days of sick leave is creditable as allowed under this subsection as follows:
- 10 (A) Less than eleven days equals one-quarter service credit 11 month;
- 12 (B) Eleven or more days but less than twenty-two days equals one-13 half service credit month;
  - (C) Twenty-two days equals one service credit month;
  - (D) More than twenty-two days but less than thirty-three days equals one and one-quarter service credit month;
    - (E) Thirty-three or more days but less than forty-five days equals one and one-half service credit month.
    - (iv) Reduction efforts such as furloughs, reduced work hours, mandatory leave without pay, temporary layoffs, or other similar situations as contemplated by subsection (6)(c)(iii) of this section do not result in a reduction in service credit that otherwise would have been earned for that month of work, and the member shall receive the full service credit for the hours that were scheduled to be worked before the reduction.
- 26 (38) "Service credit month" means a month or an accumulation of 27 months of service credit which is equal to one.
  - (39) "Service credit year" means an accumulation of months of service credit which is equal to one when divided by twelve.
- 30 (40) "State actuary" or "actuary" means the person appointed 31 pursuant to RCW 44.44.010(2).
- 32 (41) "State elective position" means any position held by any 33 person elected or appointed to statewide office or elected or 34 appointed as a member of the legislature.
- 35 (42) "State treasurer" means the treasurer of the state of 36 Washington.
- 37 (43) "Totally incapacitated for duty" means total inability to 38 perform the duties of a member's employment or office or any other 39 work for which the member is qualified by training or experience.

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**Sec. 9.** RCW 41.56.030 and 2021 c 13 s 7 are each amended to read 2 as follows:

As used in this chapter:

- (1) "Adult family home provider" means a provider as defined in RCW 70.128.010 who receives payments from the medicaid and statefunded long-term care programs.
- (2) "Bargaining representative" means any lawful organization which has as one of its primary purposes the representation of employees in their employment relations with employers.
- (3) "Child care subsidy" means a payment from the state through a child care subsidy program established pursuant to RCW 74.12.340, 45 C.F.R. Sec. 98.1 through 98.17, or any successor program.
- (4) "Collective bargaining" means the performance of the mutual obligations of the public employer and the exclusive bargaining representative to meet at reasonable times, to confer and negotiate in good faith, and to execute a written agreement with respect to grievance procedures, subject to RCW 41.58.070, and collective negotiations on personnel matters, including wages, hours, and working conditions, which may be peculiar to an appropriate bargaining unit of such public employer, except that by such obligation neither party shall be compelled to agree to a proposal or be required to make a concession unless otherwise provided in this chapter.
- 24 (5) "Commission" means the public employment relations 25 commission.
- 26 (6) "Executive director" means the executive director of the commission.
  - (7) "Family child care provider" means a person who: (a) Provides regularly scheduled care for a child or children in the home of the provider or in the home of the child or children for periods of less than twenty-four hours or, if necessary due to the nature of the parent's work, for periods equal to or greater than twenty-four hours; (b) receives child care subsidies; and (c) under chapter 43.216 RCW, is either licensed by the state or is exempt from licensing.
- 36 (8) "Fish and wildlife officer" means a fish and wildlife officer 37 as defined in RCW 77.08.010 who ranks below lieutenant and includes 38 officers, detectives, and sergeants of the department of fish and 39 wildlife.

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- 1 (9) "Individual provider" means an individual provider as defined 2 in RCW 74.39A.240(3) who, solely for the purposes of collective 3 bargaining, is a public employee as provided in RCW 74.39A.270.
- 4 (10) "Institution of higher education" means the University of 5 Washington, Washington State University, Central Washington 6 University, Eastern Washington University, Western Washington 7 University, The Evergreen State College, and the various state 8 community colleges.
- 9 (11)(a) "Language access provider" means any independent 10 contractor who provides spoken language interpreter services, whether 11 paid by a broker, language access agency, or the respective 12 department:

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- (i) For department of social and health services appointments, department of children, youth, and families appointments, medicaid enrollee appointments, or who provided these services on or after January 1, 2011, and before June 10, 2012;
- (ii) For department of labor and industries authorized medical and vocational providers who provided these services on or after January 1, 2019; or
- 20 (iii) For state agencies who provided these services on or after 21 January 1, 2019.
- 22 (b) "Language access provider" does not mean a manager or 23 employee of a broker or a language access agency.
  - (12) "Public employee" means any employee of a public employer except any person (a) elected by popular vote, or (b) appointed to office pursuant to statute, ordinance or resolution for a specified term of office as a member of a multimember board, commission, or committee, whether appointed by the executive head or body of the public employer, or (c) whose duties as deputy, administrative assistant or secretary necessarily imply a confidential relationship to (i) the executive head or body of the applicable bargaining unit, or (ii) any person elected by popular vote, or (iii) any person appointed to office pursuant to statute, ordinance or resolution for a specified term of office as a member of a multimember board, commission, or committee, whether appointed by the executive head or body of the public employer, or (d) who is a court commissioner or a court magistrate of superior court, district court, or a department of a district court organized under chapter 3.46 RCW, or (e) who is a personal assistant to a district court judge, superior court judge, or court commissioner. For the purpose of (e) of this subsection, no

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more than one assistant for each judge or commissioner may be excluded from a bargaining unit.

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- (13) "Public employer" means any officer, board, commission, council, or other person or body acting on behalf of any public body governed by this chapter, or any subdivision of such public body. For the purposes of this section, the public employer of district court or superior court employees for wage-related matters is the respective county legislative authority, or person or body acting on behalf of the legislative authority, and the public employer for nonwage-related matters is the judge or judge's designee of the respective district court or superior court. For the purposes of this chapter, public employer does not include a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act.
- (14) "Uniformed personnel" means: (a) Law enforcement officers as defined in RCW 41.26.030 employed by the governing body of any city or town with a population of two thousand five hundred or more and law enforcement officers employed by the governing body of any county with a population of ten thousand or more; (b) correctional employees who are uniformed and nonuniformed, commissioned and noncommissioned security personnel employed in a jail as defined in RCW 70.48.020(9), by a county with a population of seventy thousand or more, in a correctional facility created under RCW 70.48.095, or in a detention facility created under chapter 13.40 RCW that is located in a county with a population over one million five hundred thousand, and who are trained for and charged with the responsibility of controlling and maintaining custody of inmates in the jail and safeguarding inmates from other inmates; (c) general authority Washington peace officers as defined in RCW 10.93.020 employed by a port district in a county with a population of one million or more; (d) security forces established under RCW 43.52.520; (e) firefighters as that term is defined in RCW 41.26.030; (f) employees of a port district in a county with a population of one million or more whose duties include crash fire rescue or other firefighting duties; (g) employees of fire departments of public employers who dispatch exclusively either fire or emergency medical services, or both; (h) employees in the several classes of advanced life support technicians, as defined in RCW 18.71.200, who are employed by a public employer; or (i) court marshals of any county who are employed by, trained for, and

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- commissioned by the county sheriff and charged with the responsibility of enforcing laws, protecting and maintaining security in all county-owned or contracted property, and performing any other duties assigned to them by the county sheriff or mandated by judicial order.
- **Sec. 10.** RCW 41.80.005 and 2021 c 180 s 1 are each amended to read as follows:

- Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
  - (1) "Agency" means any agency as defined in RCW 41.06.020 and covered by chapter 41.06 RCW. "Agency" also includes the assistant attorneys general of the attorney general's office and the administrative law judges of the office of administrative hearings, regardless of whether those employees are exempt under chapter 41.06 RCW. "Agency" does not include a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act.
  - (2) "Collective bargaining" means the performance of the mutual obligation of the representatives of the employer and the exclusive bargaining representative to meet at reasonable times and to bargain in good faith in an effort to reach agreement with respect to the subjects of bargaining specified under RCW 41.80.020. The obligation to bargain does not compel either party to agree to a proposal or to make a concession, except as otherwise provided in this chapter.
  - (3) "Commission" means the public employment relations commission.
  - (4) "Confidential employee" means an employee who, in the regular course of his or her duties, assists in a confidential capacity persons who formulate, determine, and effectuate management policies with regard to labor relations or who, in the regular course of his or her duties, has authorized access to information relating to the effectuation or review of the employer's collective bargaining policies, or who assists or aids a manager. "Confidential employee" also includes employees who assist assistant attorneys general who advise and represent managers or confidential employees in personnel or labor relations matters.
- 38 (5) "Director" means the director of the public employment 39 relations commission.

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- (6) "Employee" means any employee, including employees whose work has ceased in connection with the pursuit of lawful activities protected by this chapter, covered by chapter 41.06 RCW. "Employee" includes assistant attorneys general of the office of the attorney general and administrative law judges of the office of administrative hearings, regardless of their exemption under chapter 41.06 RCW. "Employee" does not include:
- 8 (a) Employees covered for collective bargaining by chapter 41.56 9 RCW;
  - (b) Confidential employees;

- (c) Members of the Washington management service;
- 12 (d) Internal auditors in any agency; or
- 13 (e) Any employee of the commission, the office of financial 14 management, or the office of risk management within the department of 15 enterprise services.
  - (7) "Employee organization" means any organization, union, or association in which employees participate and that exists for the purpose, in whole or in part, of collective bargaining with employers.
    - (8) "Employer" means the state of Washington.
  - (9) "Exclusive bargaining representative" means any employee organization that has been certified under this chapter as the representative of the employees in an appropriate bargaining unit.
  - (10) "Institutions of higher education" means the University of Washington, Washington State University, Central Washington University, Eastern Washington University, Western Washington University, The Evergreen State College, and the various state community colleges.
  - (11) "Labor dispute" means any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment with respect to the subjects of bargaining provided in this chapter, regardless of whether the disputants stand in the proximate relation of employer and employee.
    - (12) "Manager" means "manager" as defined in RCW 41.06.022.
  - (13) "Supervisor" means an employee who has authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, direct, reward, or discipline employees, or to adjust employee grievances, or effectively to recommend such

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- 1 action, if the exercise of the authority is not of a merely routine
- 2 nature but requires the consistent exercise of individual judgment.
- 3 However, no employee who is a member of the Washington management
- 4 service may be included in a collective bargaining unit established
- 5 under this section.
- 6 (14) "Unfair labor practice" means any unfair labor practice 7 listed in RCW 41.80.110.
- 8 (15) "Uniformed personnel" means duly sworn police officers
- 9 employed as members of a police force established pursuant to RCW
- 10 28B.10.550.

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- 11 **Sec. 11.** RCW 42.30.020 and 1985 c 366 s 1 are each amended to 12 read as follows:
- 13 As used in this chapter unless the context indicates otherwise:
- 14 (1) "Public agency" means:
- 15 (a) Any state board, commission, committee, department, 16 educational institution, or other state agency which is created by or 17 pursuant to statute, other than courts and the legislature. This does 18 not include a comprehensive cancer center participating in a 19 collaborative arrangement as defined in section 2 of this act that is
- 20 operated in conformance with section 2 of this act;
- 21 (b) Any county, city, school district, special purpose district, 22 or other municipal corporation or political subdivision of the state 23 of Washington;
  - (c) Any subagency of a public agency which is created by or pursuant to statute, ordinance, or other legislative act, including but not limited to planning commissions, library or park boards, commissions, and agencies;
    - (d) Any policy group whose membership includes representatives of publicly owned utilities formed by or pursuant to the laws of this state when meeting together as or on behalf of participants who have contracted for the output of generating plants being planned or built by an operating agency.
  - (2) "Governing body" means the multimember board, commission, committee, council, or other policy or rule-making body of a public agency, or any committee thereof when the committee acts on behalf of the governing body, conducts hearings, or takes testimony or public comment.
- 38 (3) "Action" means the transaction of the official business of a 39 public agency by a governing body including but not limited to

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- 1 receipt of public testimony, deliberations, discussions,
- 2 considerations, reviews, evaluations, and final actions. "Final
- 3 action" means a collective positive or negative decision, or an
- 4 actual vote by a majority of the members of a governing body when
- 5 sitting as a body or entity, upon a motion, proposal, resolution,
- 6 order, or ordinance.

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- 7 (4) "Meeting" means meetings at which action is taken.
- 8 **Sec. 12.** RCW 39.26.010 and 2015 c 79 s 5 are each amended to 9 read as follows:
  - The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
  - (1) "Agency" means any state office or activity of the executive and judicial branches of state government, including state agencies, departments, offices, divisions, boards, commissions, institutions of higher education as defined in RCW 28B.10.016, and correctional and other types of institutions. "Agency" does not include a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act.
  - (2) "Bid" means an offer, proposal, or quote for goods or services in response to a solicitation issued for such goods or services by the department or an agency of Washington state government.
- 24 (3) "Bidder" means an individual or entity who submits a bid, 25 quotation, or proposal in response to a solicitation issued for such 26 goods or services by the department or an agency of Washington state 27 government.
  - (4) "Client services" means services provided directly to agency clients including, but not limited to, medical and dental services, employment and training programs, residential care, and subsidized housing.
- 32 (5) "Community rehabilitation program of the department of social 33 and health services" means any entity that:
- 34 (a) Is registered as a nonprofit corporation with the secretary 35 of state; and
- 36 (b) Is recognized by the department of social and health 37 services, division of vocational rehabilitation as eligible to do 38 business as a community rehabilitation program.

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(6) "Competitive solicitation" means a documented formal process providing an equal and open opportunity to bidders and culminating in a selection based on predetermined criteria.

- (7) "Contractor" means an individual or entity awarded a contract with an agency to perform a service or provide goods.
- (8) "Debar" means to prohibit a contractor, individual, or other entity from submitting a bid, having a bid considered, or entering into a state contract during a specified period of time as set forth in a debarment order.
  - (9) "Department" means the department of enterprise services.
- (10) "Director" means the director of the department of enterprise services.
- (11) "Estimated useful life" of an item means the estimated time from the date of acquisition to the date of replacement or disposal, determined in any reasonable manner.
- 16 (12) "Goods" means products, materials, supplies, or equipment 17 provided by a contractor.
  - (13) "In-state business" means a business that has its principal office located in Washington.
  - (14) "Life-cycle cost" means the total cost of an item to the state over its estimated useful life, including costs of selection, acquisition, operation, maintenance, and where applicable, disposal, as far as these costs can reasonably be determined, minus the salvage value at the end of its estimated useful life.
  - (15) "Master contracts" means a contract for specific goods or services, or both, that is solicited and established by the department in accordance with procurement laws and rules on behalf of and for general use by agencies as specified by the department.
  - (16) "Microbusiness" means any business entity, including a sole proprietorship, corporation, partnership, or other legal entity, that: (a) Is owned and operated independently from all other businesses; and (b) has a gross revenue of less than one million dollars annually as reported on its federal tax return or on its return filed with the department of revenue.
  - (17) "Minibusiness" means any business entity, including a sole proprietorship, corporation, partnership, or other legal entity, that: (a) Is owned and operated independently from all other businesses; and (b) has a gross revenue of less than three million dollars, but one million dollars or more annually as reported on its

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- 1 federal tax return or on its return filed with the department of revenue.
- 3 (18) "Polychlorinated biphenyls" means any polychlorinated 4 biphenyl congeners and homologs.
- 5 (19) "Practical quantification limit" means the lowest 6 concentration that can be reliably measured within specified limits 7 of precision, accuracy, representativeness, completeness, and 8 comparability during routine laboratory operating conditions.
- 9 (20) "Purchase" means the acquisition of goods or services, 10 including the leasing or renting of goods.
- 11 (21) "Services" means labor, work, analysis, or similar 12 activities provided by a contractor to accomplish a specific scope of 13 work.
- 14 (22) "Small business" means an in-state business, including a 15 sole proprietorship, corporation, partnership, or other legal entity, 16 that:
- 17 (a) Certifies, under penalty of perjury, that it is owned and 18 operated independently from all other businesses and has either:
  - (i) Fifty or fewer employees; or

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- (ii) A gross revenue of less than seven million dollars annually as reported on its federal income tax return or its return filed with the department of revenue over the previous three consecutive years; or
- 24 (b) Is certified with the office of women and minority business 25 enterprises under chapter 39.19 RCW.
  - (23) "Sole source" means a contractor providing goods or services of such a unique nature or sole availability at the location required that the contractor is clearly and justifiably the only practicable source to provide the goods or services.
  - (24) "Washington grown" has the definition in RCW 15.64.060.
- 31 **Sec. 13.** RCW 41.06.020 and 2015 3rd sp.s. c 1 s 314 are each 32 amended to read as follows:
- 33 Unless the context clearly indicates otherwise, the words used in 34 this chapter have the meaning given in this section.
  - (1) "Affirmative action" means a procedure by which racial minorities, women, persons in the protected age category, persons with disabilities, Vietnam-era veterans, and disabled veterans are provided with increased employment opportunities. It shall not mean any sort of quota system.

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(2) "Agency" means an office, department, board, commission, or other separate unit or division, however designated, of the state government and all personnel thereof; it includes any unit of state government established by law, the executive officer or members of which are either elected or appointed, upon which the statutes confer powers and impose duties in connection with operations of either a governmental or proprietary nature. "Agency" does not include a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act.

- (3) "Board" means the Washington personnel resources board established under the provisions of RCW 41.06.110, except that this definition does not apply to the words "board" or "boards" when used in RCW 41.06.070.
- (4) "Career development" means the progressive development of employee capabilities to facilitate productivity, job satisfaction, and upward mobility through work assignments as well as education and training that are both state-sponsored and are achieved by individual employee efforts, all of which shall be consistent with the needs and obligations of the state and its agencies.
- 21 (5) "Classified service" means all positions in the state service 22 subject to the provisions of this chapter.
  - (6) "Comparable worth" means the provision of similar salaries for positions that require or impose similar responsibilities, judgments, knowledge, skills, and working conditions.
  - (7) "Competitive service" means all positions in the classified service for which a competitive examination is required as a condition precedent to appointment.
  - (8) "Department" means an agency of government that has as its governing officer a person, or combination of persons such as a commission, board, or council, by law empowered to operate the agency responsible either to (a) no other public officer or (b) the governor.
  - (9) "Director" means the director of financial management or the director's designee.
- 36 (10) "Institutions of higher education" means the University of 37 Washington, Washington State University, Central Washington 38 University, Eastern Washington University, Western Washington 39 University, The Evergreen State College, and the various state 40 community colleges.

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- 1 (11) "Noncompetitive service" means all positions in the 2 classified service for which a competitive examination is not 3 required.
- 4 (12) "Related boards" means the state board for community and 5 technical colleges; and such other boards, councils, and commissions 6 related to higher education as may be established.
- 7 (13) "Training" means activities designed to develop job-related 8 knowledge and skills of employees.
- 9 **Sec. 14.** RCW 42.17A.005 and 2020 c 152 s 2 are each amended to 10 read as follows:
- 11 The definitions in this section apply throughout this chapter 12 unless the context clearly requires otherwise.
- 13 (1) "Actual malice" means to act with knowledge of falsity or 14 with reckless disregard as to truth or falsity.

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- "State agency" includes every state office, department, division, bureau, board, commission, or other state agency. "Local agency" includes every county, city, town, municipal corporation, quasi-municipal corporation, or special purpose district, or any office, department, division, bureau, board, commission, or agency thereof, or other local public agency. "Agency" does not include a comprehensive cancer center participating in a collaborative arrangement as defined in section 2 of this act that is operated in conformance with section 2 of this act.
- (3) "Authorized committee" means the political committee authorized by a candidate, or by the public official against whom recall charges have been filed, to accept contributions or make expenditures on behalf of the candidate or public official.
- (4) "Ballot proposition" means any "measure" as defined by RCW 29A.04.091, or any initiative, recall, or referendum proposition proposed to be submitted to the voters of the state or any municipal corporation, political subdivision, or other voting constituency from and after the time when the proposition has been initially filed with the appropriate election officer of that constituency before its circulation for signatures.
- 36 (5) "Benefit" means a commercial, proprietary, financial, 37 economic, or monetary advantage, or the avoidance of a commercial, 38 proprietary, financial, economic, or monetary disadvantage.
  - (6) "Bona fide political party" means:

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- (a) An organization that has been recognized as a minor political party by the secretary of state;
  - (b) The governing body of the state organization of a major political party, as defined in RCW 29A.04.086, that is the body authorized by the charter or bylaws of the party to exercise authority on behalf of the state party; or
  - The county central committee or legislative district committee of a major political party. There may be only one legislative district committee for each party in each legislative district.
    - (7) "Books of account" means:

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- (a) In the case of a campaign or political committee, a ledger or similar listing of contributions, expenditures, and debts, such as a campaign or committee is required to file regularly with the commission, current as of the most recent business day; or
- (b) In the case of a commercial advertiser, details of political advertising or electioneering communications provided by the advertiser, including the names and addresses of persons from whom it accepted political advertising or electioneering communications, the exact nature and extent of the services rendered and the total cost and the manner of payment for the services.
- (8) "Candidate" means any individual who seeks nomination for election or election to public office. An individual seeks nomination or election when the individual first:
- (a) Receives contributions or makes expenditures or reserves space or facilities with intent to promote the individual's candidacy for office; 27
  - (b) Announces publicly or files for office;
  - (c) Purchases commercial advertising space or broadcast time to promote the individual's candidacy; or
  - (d) Gives consent to another person to take on behalf of the individual any of the actions in (a) or (c) of this subsection.
  - (9) "Caucus political committee" means a political committee organized and maintained by the members of a major political party in the state senate or state house of representatives.
  - (10) "Commercial advertiser" means any person that sells the service of communicating messages or producing material for broadcast or distribution to the general public or segments of the general public whether through brochures, fliers, newspapers, magazines, television, radio, billboards, direct mail advertising, printing,

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- paid internet or digital communications, or any other means of mass communications used for the purpose of appealing, directly or indirectly, for votes or for financial or other support in any election campaign.
- 5 (11) "Commission" means the agency established under RCW 6 42.17A.100.
  - (12) "Committee" unless the context indicates otherwise, includes a political committee such as a candidate, ballot proposition, recall, political, or continuing political committee.
  - (13) "Compensation" unless the context requires a narrower meaning, includes payment in any form for real or personal property or services of any kind. For the purpose of compliance with RCW 42.17A.710, "compensation" does not include per diem allowances or other payments made by a governmental entity to reimburse a public official for expenses incurred while the official is engaged in the official business of the governmental entity.
  - (14) "Continuing political committee" means a political committee that is an organization of continuing existence not limited to participation in any particular election campaign or election cycle.
    - (15) (a) "Contribution" includes:

- (i) A loan, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, transfer of funds, or anything of value, including personal and professional services for less than full consideration;
  - (ii) An expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a political or incidental committee, the person or persons named on the candidate's or committee's registration form who direct expenditures on behalf of the candidate or committee, or their agents;
- (iii) The financing by a person of the dissemination, distribution, or republication, in whole or in part, of broadcast, written, graphic, digital, or other form of political advertising or electioneering communication prepared by a candidate, a political or incidental committee, or its authorized agent;
- 36 (iv) Sums paid for tickets to fund-raising events such as dinners 37 and parties, except for the actual cost of the consumables furnished 38 at the event.
  - (b) "Contribution" does not include:

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- 1 (i) Accrued interest on money deposited in a political or 2 incidental committee's account;
  - (ii) Ordinary home hospitality;

- (iii) A contribution received by a candidate or political or incidental committee that is returned to the contributor within ten business days of the date on which it is received by the candidate or political or incidental committee;
- (iv) A news item, feature, commentary, or editorial in a regularly scheduled news medium that is of interest to the public, that is in a news medium controlled by a person whose business is that news medium, and that is not controlled by a candidate or a political or incidental committee;
- (v) An internal political communication primarily limited to the members of or contributors to a political party organization or political or incidental committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization;
- (vi) The rendering of personal services of the sort commonly performed by volunteer campaign workers, or incidental expenses personally incurred by volunteer campaign workers not in excess of fifty dollars personally paid for by the worker. "Volunteer services," for the purposes of this subsection, means services or labor for which the individual is not compensated by any person;
- (vii) Messages in the form of reader boards, banners, or yard or window signs displayed on a person's own property or property occupied by a person. However, a facility used for such political advertising for which a rental charge is normally made must be reported as an in-kind contribution and counts toward any applicable contribution limit of the person providing the facility;

(viii) Legal or accounting services rendered to or on behalf of:

- (A) A political party or caucus political committee if the person paying for the services is the regular employer of the person rendering such services; or
- (B) A candidate or an authorized committee if the person paying for the services is the regular employer of the individual rendering the services and if the services are solely for the purpose of ensuring compliance with state election or public disclosure laws; or
- (ix) The performance of ministerial functions by a person on behalf of two or more candidates or political or incidental committees either as volunteer services defined in (b)(vi) of this

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subsection or for payment by the candidate or political or incidental committee for whom the services are performed as long as:

(A) The person performs solely ministerial functions;

- (B) A person who is paid by two or more candidates or political or incidental committees is identified by the candidates and political committees on whose behalf services are performed as part of their respective statements of organization under RCW 42.17A.205; and
- (C) The person does not disclose, except as required by law, any information regarding a candidate's or committee's plans, projects, activities, or needs, or regarding a candidate's or committee's contributions or expenditures that is not already publicly available from campaign reports filed with the commission, or otherwise engage in activity that constitutes a contribution under (a)(ii) of this subsection.

A person who performs ministerial functions under this subsection (15)(b)(ix) is not considered an agent of the candidate or committee as long as the person has no authority to authorize expenditures or make decisions on behalf of the candidate or committee.

- (c) Contributions other than money or its equivalent are deemed to have a monetary value equivalent to the fair market value of the contribution. Services or property or rights furnished at less than their fair market value for the purpose of assisting any candidate or political committee are deemed a contribution. Such a contribution must be reported as an in-kind contribution at its fair market value and counts towards any applicable contribution limit of the provider.
- (16) "Depository" means a bank, mutual savings bank, savings and loan association, or credit union doing business in this state.
- (17) "Elected official" means any person elected at a general or special election to any public office, and any person appointed to fill a vacancy in any such office.
- (18) "Election" includes any primary, general, or special election for public office and any election in which a ballot proposition is submitted to the voters. An election in which the qualifications for voting include other than those requirements set forth in Article VI, section 1 (Amendment 63) of the Constitution of the state of Washington shall not be considered an election for purposes of this chapter.

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(19) "Election campaign" means any campaign in support of or in opposition to a candidate for election to public office and any campaign in support of, or in opposition to, a ballot proposition.

- (20) "Election cycle" means the period beginning on the first day of January after the date of the last previous general election for the office that the candidate seeks and ending on December 31st after the next election for the office. In the case of a special election to fill a vacancy in an office, "election cycle" means the period beginning on the day the vacancy occurs and ending on December 31st after the special election.
- (21)(a) "Electioneering communication" means any broadcast, cable, or satellite television, radio transmission, digital communication, United States postal service mailing, billboard, newspaper, or periodical that:
- (i) Clearly identifies a candidate for a state, local, or judicial office either by specifically naming the candidate, or identifying the candidate without using the candidate's name;
- (ii) Is broadcast, transmitted electronically or by other means, mailed, erected, distributed, or otherwise published within sixty days before any election for that office in the jurisdiction in which the candidate is seeking election; and
- (iii) Either alone, or in combination with one or more communications identifying the candidate by the same sponsor during the sixty days before an election, has a fair market value or cost of one thousand dollars or more.
  - (b) "Electioneering communication" does not include:
- (i) Usual and customary advertising of a business owned by a candidate, even if the candidate is mentioned in the advertising when the candidate has been regularly mentioned in that advertising appearing at least twelve months preceding the candidate becoming a candidate;
- (ii) Advertising for candidate debates or forums when the advertising is paid for by or on behalf of the debate or forum sponsor, so long as two or more candidates for the same position have been invited to participate in the debate or forum;
- 36 (iii) A news item, feature, commentary, or editorial in a 37 regularly scheduled news medium that is:
  - (A) Of interest to the public;
- 39 (B) In a news medium controlled by a person whose business is 40 that news medium; and

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- 1 (C) Not a medium controlled by a candidate or a political or 2 incidental committee;
  - (iv) Slate cards and sample ballots;

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- (v) Advertising for books, films, dissertations, or similar works (A) written by a candidate when the candidate entered into a contract for such publications or media at least twelve months before becoming a candidate, or (B) written about a candidate;
  - (vi) Public service announcements;
- (vii) An internal political communication primarily limited to the members of or contributors to a political party organization or political or incidental committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization;
- 14 (viii) An expenditure by or contribution to the authorized 15 committee of a candidate for state, local, or judicial office; or
- 16 (ix) Any other communication exempted by the commission through 17 rule consistent with the intent of this chapter.
  - (22) "Expenditure" includes a payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure. "Expenditure" also includes a promise to pay, a payment, or a transfer of anything of value in exchange for goods, services, property, facilities, or anything of value for the purpose of assisting, benefiting, or honoring any public official or candidate, or assisting in furthering or opposing any election campaign. For the purposes of this chapter, agreements to make expenditures, contracts, and promises to pay may be reported as estimated obligations until actual payment is made. "Expenditure" shall not include the partial or complete repayment by a candidate or political or incidental committee of the principal of a loan, the receipt of which loan has been properly reported.
- 33 (23) "Final report" means the report described as a final report 34 in RCW 42.17A.235(11)(a).
  - (24) "Foreign national" means:
- 36 (a) An individual who is not a citizen of the United States and 37 is not lawfully admitted for permanent residence;
  - (b) A government, or subdivision, of a foreign country;
  - (c) A foreign political party; and

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- 1 (d) Any entity, such as a partnership, association, corporation, 2 organization, or other combination of persons, that is organized 3 under the laws of or has its principal place of business in a foreign 4 country.
- 5 (25) "General election" for the purposes of RCW 42.17A.405 means 6 the election that results in the election of a person to a state or 7 local office. It does not include a primary.
  - (26) "Gift" has the definition in RCW 42.52.010.

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- (27) "Immediate family" includes the spouse or domestic partner, 9 dependent children, and other dependent relatives, if living in the 10 11 household. For the purposes of the definition of "intermediary" in this section, "immediate family" means an individual's spouse or 12 13 domestic partner, and child, stepchild, grandchild, parent, 14 stepparent, grandparent, brother, half brother, sister, or half sister of the individual and the spouse or the domestic partner of 15 any such person and a child, stepchild, grandchild, parent, 16 17 stepparent, grandparent, brother, half brother, sister, or half sister of the individual's spouse or domestic partner and the spouse 18 or the domestic partner of any such person. 19
  - (28) "Incidental committee" means any nonprofit organization not otherwise defined as a political committee but that may incidentally make a contribution or an expenditure in excess of the reporting thresholds in RCW 42.17A.235, directly or through a political committee. Any nonprofit organization is not an incidental committee if it is only remitting payments through the nonprofit organization in an aggregated form and the nonprofit organization is not required to report those payments in accordance with this chapter.
- 28 (29) "Incumbent" means a person who is in present possession of 29 an elected office.
- 30 (30)(a) "Independent expenditure" means an expenditure that has 31 each of the following elements:
- 32 (i) It is made in support of or in opposition to a candidate for 33 office by a person who is not:
  - (A) A candidate for that office;
- 35 (B) An authorized committee of that candidate for that office; 36 and
- 37 (C) A person who has received the candidate's encouragement or 38 approval to make the expenditure, if the expenditure pays in whole or 39 in part for political advertising supporting that candidate or

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promoting the defeat of any other candidate or candidates for that office;

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- (ii) It is made in support of or in opposition to a candidate for office by a person with whom the candidate has not collaborated for the purpose of making the expenditure, if the expenditure pays in whole or in part for political advertising supporting that candidate or promoting the defeat of any other candidate or candidates for that office;
- (iii) The expenditure pays in whole or in part for political advertising that either specifically names the candidate supported or opposed, or clearly and beyond any doubt identifies the candidate without using the candidate's name; and
- (iv) The expenditure, alone or in conjunction with another expenditure or other expenditures of the same person in support of or opposition to that candidate, has a value of one thousand dollars or more. A series of expenditures, each of which is under one thousand dollars, constitutes one independent expenditure if their cumulative value is one thousand dollars or more.
- (b) "Independent expenditure" does not include: Ordinary home hospitality; communications with journalists or editorial staff designed to elicit a news item, feature, commentary, or editorial in a regularly scheduled news medium that is of primary interest to the general public, controlled by a person whose business is that news medium, and not controlled by a candidate or a political committee; participation in the creation of a publicly funded voters' pamphlet in written or video form; an statement internal political communication primarily limited to contributors to a political party organization or political action committee, the officers, management staff, and stockholders of a corporation or similar enterprise, or the members of a labor organization or other membership organization; or the rendering of personal services of the sort commonly performed by volunteer campaign workers or incidental expenses personally incurred by volunteer campaign workers not in excess of two hundred fifty dollars personally paid for by the worker.
- (31)(a) "Intermediary" means an individual who transmits a contribution to a candidate or committee from another person unless the contribution is from the individual's employer, immediate family, or an association to which the individual belongs.
- 39 (b) A treasurer or a candidate is not an intermediary for 40 purposes of the committee that the treasurer or candidate serves.

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1 (c) A professional fund-raiser is not an intermediary if the 2 fund-raiser is compensated for fund-raising services at the usual and 3 customary rate.

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- (d) A volunteer hosting a fund-raising event at the individual's home is not an intermediary for purposes of that event.
- (32) "Legislation" means bills, resolutions, motions, amendments, nominations, and other matters pending or proposed in either house of the state legislature, and includes any other matter that may be the subject of action by either house or any committee of the legislature and all bills and resolutions that, having passed both houses, are pending approval by the governor.
- (33) "Legislative office" means the office of a member of the state house of representatives or the office of a member of the state senate.
- (34) "Lobby" and "lobbying" each mean attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency under the state administrative procedure act, chapter 34.05 RCW. Neither "lobby" nor "lobbying" includes an association's or other organization's act of communicating with the members of that association or organization.
- 23 (35) "Lobbyist" includes any person who lobbies either on the person's own or another's behalf.
  - (36) "Lobbyist's employer" means the person or persons by whom a lobbyist is employed and all persons by whom the lobbyist is compensated for acting as a lobbyist.
  - (37) "Ministerial functions" means an act or duty carried out as part of the duties of an administrative office without exercise of personal judgment or discretion.
- 31 (38) "Participate" means that, with respect to a particular 32 election, an entity:
- 33 (a) Makes either a monetary or in-kind contribution to a 34 candidate;
- 35 (b) Makes an independent expenditure or electioneering 36 communication in support of or opposition to a candidate;
- 37 (c) Endorses a candidate before contributions are made by a 38 subsidiary corporation or local unit with respect to that candidate 39 or that candidate's opponent;

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(d) Makes a recommendation regarding whether a candidate should be supported or opposed before a contribution is made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent; or

- (e) Directly or indirectly collaborates or consults with a subsidiary corporation or local unit on matters relating to the support of or opposition to a candidate, including, but not limited to, the amount of a contribution, when a contribution should be given, and what assistance, services or independent expenditures, or electioneering communications, if any, will be made or should be made in support of or opposition to a candidate.
- (39) "Person" includes an individual, partnership, joint venture, public or private corporation, association, federal, state, or local governmental entity or agency however constituted, candidate, committee, political committee, political party, executive committee thereof, or any other organization or group of persons, however organized.
- (40) "Political advertising" includes any advertising displays, newspaper ads, billboards, signs, brochures, articles, tabloids, flyers, letters, radio or television presentations, digital communication, or other means of mass communication, used for the purpose of appealing, directly or indirectly, for votes or for financial or other support or opposition in any election campaign.
- (41) "Political committee" means any person (except a candidate or an individual dealing with the candidate's or individual's own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition.
- (42) "Primary" for the purposes of RCW 42.17A.405 means the procedure for nominating a candidate to state or local office under chapter 29A.52 RCW or any other primary for an election that uses, in large measure, the procedures established in chapter 29A.52 RCW.
- (43) "Public office" means any federal, state, judicial, county, city, town, school district, port district, special district, or other state political subdivision elective office.
  - (44) "Public record" has the definition in RCW 42.56.010.
- 37 (45) "Recall campaign" means the period of time beginning on the 38 date of the filing of recall charges under RCW 29A.56.120 and ending 39 thirty days after the recall election.

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- 1 (46) "Remediable violation" means any violation of this chapter 2 that:
  - (a) Involved expenditures or contributions totaling no more than the contribution limits set out under RCW 42.17A.405(2) per election, or one thousand dollars if there is no statutory limit;
    - (b) Occurred:

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- (i) More than thirty days before an election, where the commission entered into an agreement to resolve the matter; or
- 9 (ii) At any time where the violation did not constitute a 10 material violation because it was inadvertent and minor or otherwise 11 has been cured and, after consideration of all the circumstances, 12 further proceedings would not serve the purposes of this chapter;
- 13 (c) Does not materially harm the public interest, beyond the harm 14 to the policy of this chapter inherent in any violation; and
  - (d) Involved:
  - (i) A person who:
  - (A) Took corrective action within five business days after the commission first notified the person of noncompliance, or where the commission did not provide notice and filed a required report within twenty-one days after the report was due to be filed; and
  - (B) Substantially met the filing deadline for all other required reports within the immediately preceding twelve-month period; or
    - (ii) A candidate who:
    - (A) Lost the election in question; and
  - (B) Did not receive contributions over one hundred times the contribution limit in aggregate per election during the campaign in question.
    - (47)(a) "Sponsor" for purposes of an electioneering communications, independent expenditures, or political advertising means the person paying for the electioneering communication, independent expenditure, or political advertising. If a person acts as an agent for another or is reimbursed by another for the payment, the original source of the payment is the sponsor.
    - (b) "Sponsor," for purposes of a political or incidental committee, means any person, except an authorized committee, to whom any of the following applies:
- 37 (i) The committee receives eighty percent or more of its 38 contributions either from the person or from the person's members, 39 officers, employees, or shareholders;

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1 (ii) The person collects contributions for the committee by use 2 of payroll deductions or dues from its members, officers, or 3 employees.

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- (48) "Sponsored committee" means a committee, other than an authorized committee, that has one or more sponsors.
- (49) "State office" means state legislative office or the office of governor, lieutenant governor, secretary of state, attorney general, commissioner of public lands, insurance commissioner, superintendent of public instruction, state auditor, or state treasurer.
- 11 (50) "State official" means a person who holds a state office.
- 12 (51) "Surplus funds" mean, in the case of a political committee or candidate, the balance of contributions that remain in the 13 possession or control of that committee or candidate subsequent to 14 the election for which the contributions were received, and that are 15 16 in excess of the amount necessary to pay remaining debts or expenses 17 incurred by the committee or candidate with respect to that election. In the case of a continuing political committee, "surplus funds" mean 18 19 those contributions remaining in the possession or control of the committee that are in excess of the amount necessary to pay all 20 21 remaining debts or expenses when it makes its final report under RCW 22 42.17A.255.
- (52) "Technical correction" means the correction of a minor or ministerial error in a required report that does not materially harm the public interest and needs to be corrected for the report to be in full compliance with the requirements of this chapter.
  - (53) "Treasurer" and "deputy treasurer" mean the individuals appointed by a candidate or political or incidental committee, pursuant to RCW 42.17A.210, to perform the duties specified in that section.
- 31 (54) "Violation" means a violation of this chapter that is not a 32 remediable violation, minor violation, or an error classified by the 33 commission as appropriate to address by a technical correction.
- 34 **Sec. 15.** RCW 42.52.010 and 2011 c 60 s 28 are each reenacted and 35 amended to read as follows:
- 36 Unless the context clearly requires otherwise, the definitions in 37 this section apply throughout this chapter.
- 38 (1) "Agency" means any state board, commission, bureau, 39 committee, department, institution, division, or tribunal in the

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- 1 legislative, executive, or judicial branch of state government.
- 2 "Agency" includes all elective offices, the state legislature, those
- 3 institutions of higher education created and supported by the state
- 4 government, and those courts that are parts of state government.
- 5 "Agency" does not include a comprehensive cancer center participating
- 6 <u>in a collaborative arrangement as defined in section 2 of this act</u>
- 7 that is operated in conformance with section 2 of this act.

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- (2) "Assist" means to act, or offer or agree to act, in such a way as to help, aid, advise, furnish information to, or otherwise provide assistance to another person, believing that the action is of help, aid, advice, or assistance to the person and with intent so to assist such person.
  - (3) "Beneficial interest" has the meaning ascribed to it under the Washington case law. However, an ownership interest in a mutual fund or similar investment pooling fund in which the owner has no management powers does not constitute a beneficial interest in the entities in which the fund or pool invests.
- (4) "Compensation" means anything of economic value, however designated, that is paid, loaned, granted, or transferred, or to be paid, loaned, granted, or transferred for, or in consideration of, personal services to any person.
- (5) "Confidential information" means (a) specific information, rather than generalized knowledge, that is not available to the general public on request or (b) information made confidential by law.
- (6) "Contract" or "grant" means an agreement between two or more persons that creates an obligation to do or not to do a particular thing. "Contract" or "grant" includes, but is not limited to, an employment contract, a lease, a license, a purchase agreement, or a sales agreement.
- 31 (7) "Ethics boards" means the commission on judicial conduct, the 32 legislative ethics board, and the executive ethics board.
- 33 (8) "Family" has the same meaning as "immediate family" in RCW 42.17A.005.
- 35 (9) "Gift" means anything of economic value for which no 36 consideration is given. "Gift" does not include:
- 37 (a) Items from family members or friends where it is clear beyond 38 a reasonable doubt that the gift was not made as part of any design 39 to gain or maintain influence in the agency of which the recipient is 40 an officer or employee;

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(b) Items related to the outside business of the recipient that are customary and not related to the recipient's performance of official duties;

- (c) Items exchanged among officials and employees or a social event hosted or sponsored by a state officer or state employee for coworkers;
- (d) Payments by a governmental or nongovernmental entity of reasonable expenses incurred in connection with a speech, presentation, appearance, or trade mission made in an official capacity. As used in this subsection, "reasonable expenses" are limited to travel, lodging, and subsistence expenses incurred the day before through the day after the event;
- 13 (e) Items a state officer or state employee is authorized by law 14 to accept;
  - (f) Payment of enrollment and course fees and reasonable travel expenses attributable to attending seminars and educational programs sponsored by a bona fide governmental or nonprofit professional, educational, trade, or charitable association or institution. As used in this subsection, "reasonable expenses" are limited to travel, lodging, and subsistence expenses incurred the day before through the day after the event;
  - (g) Items returned by the recipient to the donor within thirty days of receipt or donated to a charitable organization within thirty days of receipt;
    - (h) Campaign contributions reported under chapter 42.17A RCW;
    - (i) Discounts available to an individual as a member of an employee group, occupation, or similar broad-based group; and
    - (j) Awards, prizes, scholarships, or other items provided in recognition of academic or scientific achievement.
      - (10) "Head of agency" means the chief executive officer of an agency. In the case of an agency headed by a commission, board, committee, or other body consisting of more than one natural person, agency head means the person or board authorized to appoint agency employees and regulate their conduct.
      - (11) "Honorarium" means money or thing of value offered to a state officer or state employee for a speech, appearance, article, or similar item or activity in connection with the state officer's or state employee's official role.
    - (12) "Official duty" means those duties within the specific scope of employment of the state officer or state employee as defined by

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the officer's or employee's agency or by statute or the state Constitution.

- (13) "Participate" means to participate in state action or a proceeding personally and substantially as a state officer or state employee, through approval, disapproval, decision, recommendation, the rendering of advice, investigation, or otherwise but does not include preparation, consideration, or enactment of legislation or the performance of legislative duties.
- 9 (14) "Person" means any individual, partnership, association, 10 corporation, firm, institution, or other entity, whether or not 11 operated for profit.
  - (15) "Regulatory agency" means any state board, commission, department, or officer, except those in the legislative or judicial branches, authorized by law to conduct adjudicative proceedings, issue permits or licenses, or to control or affect interests of identified persons.
  - (16) "Responsibility" in connection with a transaction involving the state, means the direct administrative or operating authority, whether intermediate or final, and either exercisable alone or through subordinates, effectively to approve, disapprove, or otherwise direct state action in respect of such transaction.
- 22 (17) "State action" means any action on the part of an agency, 23 including, but not limited to:
  - (a) A decision, determination, finding, ruling, or order; and
  - (b) A grant, payment, award, license, contract, transaction, sanction, or approval, or the denial thereof, or failure to act with respect to a decision, determination, finding, ruling, or order.
  - (18) "State employee" means an individual who is employed by an agency in any branch of state government. For purposes of this chapter, employees of the superior courts are not state officers or state employees.
  - (19) "State officer" means every person holding a position of public trust in or under an executive, legislative, or judicial office of the state. "State officer" includes judges of the superior court, judges of the court of appeals, justices of the supreme court, members of the legislature together with the secretary of the senate and the chief clerk of the house of representatives, holders of elective offices in the executive branch of state government, chief executive officers of state agencies, members of boards, commissions, or committees with authority over one or more state agencies or

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- institutions, and employees of the state who are engaged in supervisory, policy-making, or policy-enforcing work. For the purposes of this chapter, "state officer" also includes any person exercising or undertaking to exercise the powers or functions of a state officer.
- 6 (20) "Thing of economic value," in addition to its ordinary 7 meaning, includes:
- 8 (a) A loan, property interest, interest in a contract or other 9 chose in action, and employment or another arrangement involving a 10 right to compensation;
- 11 (b) An option, irrespective of the conditions to the exercise of 12 the option; and
- 13 (c) A promise or undertaking for the present or future delivery 14 or procurement.
  - (21) (a) "Transaction involving the state" means a proceeding, application, submission, request for a ruling or other determination, contract, claim, case, or other similar matter that the state officer, state employee, or former state officer or state employee in question believes, or has reason to believe:
    - (i) Is, or will be, the subject of state action; or

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- (ii) Is one to which the state is or will be a party; or
- 22 (iii) Is one in which the state has a direct and substantial 23 proprietary interest.
  - (b) "Transaction involving the state" does not include the following: Preparation, consideration, or enactment of legislation, including appropriation of moneys in a budget, or the performance of legislative duties by an officer or employee; or a claim, case, lawsuit, or similar matter if the officer or employee did not participate in the underlying transaction involving the state that is the basis for the claim, case, or lawsuit.
  - (22) "University" includes "state universities" and "regional universities" as defined in RCW 28B.10.016 and also includes any research or technology institute affiliated with a university(( $\tau$  including without limitation, the Spokane intercollegiate research and technology institute and the Washington technology center)).
  - (23) "University research employee" means a state officer or state employee employed by a university, but only to the extent the state officer or state employee is engaged in research, technology

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- 1 transfer, approved consulting activities related to research and
- 2 technology transfer, or other incidental activities.

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