FINAL BILL REPORT SB 5629

C 260 L 02

Synopsis as Enacted

Brief Description: Changing the office of financial management's budgeting, accounting, and reporting requirements for state agencies.

Sponsors: Senators Patterson and Horn.

Senate Committee on State & Local Government House Committee on State Government

Background: State agencies must file copies of equipment service contracts with the Office of Financial Management and payments on these contracts may be made only three months prior to when the services are provided. An assessment district must send notice of intent to improve or make an assessment on a parcel of state land to the Office of Financial Management. When an assessment roll is created, the assessment district must forward to the Office of Financial Management a list of all lands within the district that the state owns, leases, or has a possessory interest in. Further, the Office of Financial Management must be notified when an assessment district has foreclosed on land which the state owns, leases, or has a possessory interest in. Finally, the Office of Financial Management shall be notified when an eminent domain commission files an eminent domain assessment with the court on land which the state owns, leases, or has a possessory interest in.

In recent years, services to the public mandated by state law have been provided by personal service and client service contracts between the state agency and the service provider.

Summary: Assessment districts do not have to file a notice with the Office of Financial Management (OFM) of an assessment, foreclosure or improvement on land which the state owns, leases, or in which the state has a possessory interest. Eminent domain commissions no longer need to inform the Office of Financial Management when the commission files an eminent domain assessment with a court. State agencies no longer have to file equipment service contracts with the Office of Financial Management and payments may be made up to 12 months prior to the actual service.

OFM must develop mandatory guidelines and training for the management of personal service and client service contracts by state agencies. OFM is also required to conduct risk-based audits of state contracting practices. The State Auditor and the Attorney General must provide annual reports to the Legislature of contract audit findings, enforcement actions, and status of agency resolution.

Votes on Final Passage:

Senate 49 0

House 96 0 (House amended) Senate 36 0 (Senate concurred) Effective: March 29, 2002 (Section 7)

June 13, 2002

January 1, 2003 (Sections 8 and 9)

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