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**SENATE BILL 6026**

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**State of Washington 66th Legislature 2020 Regular Session**

**By** Senators Hunt, Kuderer, Zeiger, Hasegawa, and Conway; by request of State Auditor

AN ACT Relating to the state auditor's duties and procedures; amending RCW 43.09.185, 43.09.230, and 43.09.420; repealing RCW 43.09.265, 43.09.430, 43.09.435, 43.09.440, 43.09.445, 43.09.450, 43.09.455, 43.09.460, and 43.88.162; and repealing 2012 c 164 s 709, 2012 c 1 s 201, and 2005 c 385 s 1 (uncodified).

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

**Sec.**  RCW 43.09.185 and 1995 c 301 s 8 are each amended to read as follows:

State agencies and local governments shall ((~~immediately~~)) report to the state auditor's office known or suspected loss of public funds or assets or other illegal activity. The state auditor must adopt policies as necessary to implement this section.

**Sec.**  RCW 43.09.230 and 1995 c 301 s 12 are each amended to read as follows:

The state auditor shall require from every local government financial reports covering the full period of each fiscal year, in accordance with the forms and methods prescribed by the state auditor, which shall be uniform for all accounts of the same class.

Such reports shall be prepared, certified, and filed with the state auditor within one hundred fifty days after the close of each fiscal year.

The reports shall contain accurate statements, in summarized form, of all collections made, or receipts received, by the officers from all sources; all accounts due the public treasury, but not collected; and all expenditures for every purpose, and by what authority authorized; and also: (1) A statement of all costs of ownership and operation, and of all income, of each and every public service industry owned and operated by a local government; (2) a statement of the entire public debt of every local government, to which power has been delegated by the state to create a public debt, showing the purpose for which each item of the debt was created, and the provisions made for the payment thereof; and (3) a classified statement of all receipts and expenditures by any public institution; ((~~and (4) a statement of all expenditures for labor relations consultants, with the identification of each consultant, compensation, and the terms and conditions of each agreement or arrangement;~~)) together with such other information as may be required by the state auditor.

The reports shall be certified as to their correctness by the state auditor, the state auditor's deputies, or other person legally authorized to make such certification.

Their substance shall be published in an annual volume of comparative statistics at the expense of the state as a public document.

**Sec.**  RCW 43.09.420 and 1993 c 216 s 1 are each amended to read as follows:

As part of the routine audits of state agencies, the state auditor shall audit all revolving funds, local funds, and other state funds and state accounts that are not managed by or in the care of the state treasurer and that are under the control of state agencies, including but not limited to state departments, boards, and commissions. In conducting the audits of these funds and accounts, the auditor shall examine revenues and expenditures or assets and liabilities, accounting methods and procedures, and recordkeeping practices. ((~~In addition to including the results of these examinations as part of the routine audits of the agencies, the auditor shall report to the legislature on the status of all such funds and accounts that have been examined during the preceding biennium and any recommendations for their improved financial management. Such a report shall be filed with the legislature within five months of the end of each biennium regarding the funds and accounts audited during the biennium. The first such report shall be filed by December 1, 1993, regarding any such funds and accounts audited during the 1991-93 biennium.~~))

NEW SECTION. **Sec.**  The following acts or parts of acts are each repealed:

(1)2012 c 164 s 709 (uncodified);

(2)2012 c 1 s 201 (uncodified);

(3)2005 c 385 s 1 (uncodified);

(4)RCW 43.09.265 (Local government accounting—Review of tax levies of local governments) and 1995 c 301 s 16 & 1979 ex.s. c 218 s 7;

(5)RCW 43.09.430 (Performance audits—Definitions) and 2005 c 385 s 2;

(6)RCW 43.09.435 (Performance audits—Citizen advisory board) and 2005 c 385 s 3;

(7)RCW 43.09.440 (Performance audits—Collaboration with joint legislative audit and review committee—Criteria—Statewide performance review—Contracting out—Release of audit reports) and 2012 c 229 s 817 & 2005 c 385 s 5;

(8)RCW 43.09.445 (Performance audits—Local jurisdictions) and 2005 c 385 s 6;

(9)RCW 43.09.450 (Performance audits—Audit of performance audit program) and 2005 c 385 s 8;

(10)RCW 43.09.455 (Performance audits—Follow-up and corrective action—Progress reports) and 2005 c 385 s 9;

(11)RCW 43.09.460 (Performance audits—Appropriation—Budget request) and 2005 c 385 s 11; and

(12)RCW 43.88.162 (State auditor's powers and duties—Performance audits) and 2005 c 385 s 7.

**--- END ---**