
SUBSTITUTE HOUSE BILL 1187

State of Washington

54th Legislature

1995 Regular Session

By House Committee on Government Operations (originally sponsored by Representatives Reams, Fuhrman, Van Luven, Stevens, Carrell, Campbell, Thompson, Blanton, Boldt, Koster, Sheahan and Huff)

Read first time 02/09/95.

1 AN ACT Relating to state government organization; reenacting and
2 amending RCW 43.17.010 and 43.17.020; adding new sections to chapter
3 41.06 RCW; adding new chapters to Title 43 RCW; creating new sections;
4 providing an effective date; providing an expiration date; and
5 declaring an emergency.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that the department of
8 social and health services is required to fulfill an immense number of
9 responsibilities. Due to this, the department of social and health
10 services has grown to an unmanageable and unwieldy bureaucracy that
11 cannot function effectively. It is the intent of the legislature to
12 abolish the department of social and health services and to divide the
13 divisions of the department into four separate state agencies. It is
14 also the intent of the legislature to eliminate the executive division
15 of the department of social and health services, including but not
16 limited to the office of the secretary.

17 **PART 1**

18 **DEPARTMENT OF INCOME AND MEDICAL ASSISTANCE**

1 NEW SECTION. **Sec. 101.** As used in this chapter, unless the
2 context indicates otherwise:

3 (1) "Department" means the department of income and medical
4 assistance.

5 (2) "Director" means the director of income and medical assistance.

6 NEW SECTION. **Sec. 102.** There is hereby created a department of
7 state government to be known as the department of income and medical
8 assistance. The department shall be vested with all powers and duties
9 transferred to it under this chapter and such other powers and duties
10 as may be authorized by law.

11 NEW SECTION. **Sec. 103.** The executive head and appointing
12 authority of the department shall be the director. The director shall
13 be appointed by the governor, with the consent of the senate, and shall
14 serve at the pleasure of the governor. The director shall be paid a
15 salary to be fixed by the governor in accordance with RCW 43.03.040.
16 If a vacancy occurs in the position while the senate is not in session,
17 the governor shall make a temporary appointment until the next meeting
18 of the senate.

19 NEW SECTION. **Sec. 104.** It is the intent of the legislature
20 wherever possible to place the internal affairs of the department under
21 the control of the director in order that the director may institute
22 therein the flexible, alert, and intelligent management of its business
23 that changing contemporary circumstances require. Therefore, whenever
24 the director's authority is not specifically limited by law, the
25 director shall have complete charge and supervisory powers over the
26 department. The director may create such administrative structures as
27 the director considers appropriate, except as otherwise specified by
28 law. The director may employ such assistants and personnel as may be
29 necessary for the general administration of the department. This
30 employment shall be in accordance with the state civil service law,
31 chapter 41.06 RCW, except as otherwise provided.

32 NEW SECTION. **Sec. 105.** The department shall be subdivided into
33 divisions as necessary. Except as otherwise specified or as federal
34 requirements may differently require, these divisions shall be
35 established and organized in accordance with plans to be prepared by

1 the director and approved by the governor. In preparing such plans,
2 the director shall endeavor to promote efficient public management, to
3 improve programs, and to take full advantage of the economies, both
4 fiscal and administrative, to be gained from the consolidation of
5 functions and agencies under this chapter.

6 NEW SECTION. **Sec. 106.** The director shall appoint a deputy
7 director, a department personnel director, and such assistant directors
8 as may be needed to administer the department. The deputy director
9 shall have charge and general supervision of the department in the
10 absence or disability of the director and, in case of a vacancy in the
11 office of director, shall continue in charge of the department until a
12 successor is appointed and qualified, or until the governor appoints an
13 acting director.

14 NEW SECTION. **Sec. 107.** Any power or duty vested in or transferred
15 to the director by law, or executive order, may be delegated by the
16 director to the deputy director or to any other assistant or
17 subordinate; but the director shall be responsible for the official
18 acts of the officers and employees of the department.

19 NEW SECTION. **Sec. 108.** The director may appoint such advisory
20 committees or councils as may be required by any federal legislation as
21 a condition to the receipt of federal funds by the department. The
22 director may also appoint state-wide committees or councils on such
23 subject matters as are or come within the department's
24 responsibilities. The state-wide committees and councils shall have
25 representation from both major political parties and shall have
26 substantial consumer representation. The committees or councils shall
27 be constituted as required by federal law or as the director may
28 determine. The members of the committees or councils shall hold office
29 as follows: One-third to serve one year; one-third to serve two years;
30 and one-third to serve three years. Upon expiration of the original
31 terms, subsequent appointments shall be for three years except in the
32 case of a vacancy, in which event appointment shall be only for the
33 remainder of the unexpired term for which the vacancy occurs. No
34 member may serve more than two consecutive terms.

35 Members of such state advisory committees or councils may be paid
36 their travel expenses in accordance with RCW 43.03.050 and 43.03.060.

1 NEW SECTION. **Sec. 109.** In furtherance of the policy of the state
2 to cooperate with the federal government in all of the programs under
3 the jurisdiction of the department, such rules as may become necessary
4 to entitle the state to participate in federal funds may be adopted,
5 unless expressly prohibited by law. Any internal reorganization
6 carried out under the terms of this chapter shall meet federal
7 requirements which are a necessary condition to state receipt of
8 federal funds. Any section or provision of law dealing with the
9 department which may be susceptible to more than one construction shall
10 be interpreted in favor of the construction most likely to comply with
11 federal laws entitling this state to receive federal funds for the
12 various programs of the department. If any law dealing with the
13 department is ruled to be in conflict with federal requirements which
14 are a prescribed condition of the allocation of federal funds to the
15 state, or to any departments or agencies thereof, the conflicting part
16 is declared to be inoperative solely to the extent of the conflict.

17 NEW SECTION. **Sec. 110.** A new section is added to chapter 41.06
18 RCW to read as follows:

19 In addition to the exemptions under RCW 41.06.070, the provisions
20 of this chapter shall not apply in the department of income and medical
21 assistance to the director, the director's personal secretary, the
22 deputy director, all division directors and assistant directors, and
23 one confidential secretary for each of these officers.

24 NEW SECTION. **Sec. 111.** (1) All powers, duties, and functions of
25 the department of social and health services pertaining to income and
26 medical assistance are transferred to the department of income and
27 medical assistance. All references to the secretary or the department
28 of social and health services in the Revised Code of Washington shall
29 be construed to mean the director or the department of income and
30 medical assistance when referring to the functions transferred in this
31 section.

32 (2)(a) All reports, documents, surveys, books, records, files,
33 papers, or written material in the possession of the department of
34 social and health services pertaining to the powers, functions, and
35 duties transferred shall be delivered to the custody of the department
36 of income and medical assistance. All cabinets, furniture, office
37 equipment, motor vehicles, and other tangible property employed by the

1 department of social and health services in carrying out the powers,
2 functions, and duties transferred shall be made available to the
3 department of income and medical assistance. All funds, credits, or
4 other assets held in connection with the powers, functions, and duties
5 transferred shall be assigned to the department of income and medical
6 assistance.

7 (b) Any appropriations made to the department of social and health
8 services for carrying out the powers, functions, and duties transferred
9 shall, on the effective date of this section, be transferred and
10 credited to the department of income and medical assistance.

11 (c) Whenever any question arises as to the transfer of any
12 personnel, funds, books, documents, records, papers, files, equipment,
13 or other tangible property used or held in the exercise of the powers
14 and the performance of the duties and functions transferred, the
15 director of financial management shall make a determination as to the
16 proper allocation and certify the same to the state agencies concerned.

17 (3) All employees of the department of social and health services
18 engaged in performing the powers, functions, and duties transferred are
19 transferred to the jurisdiction of the department of income and medical
20 assistance. All employees classified under chapter 41.06 RCW, the
21 state civil service law, are assigned to the department of income and
22 medical assistance to perform their usual duties upon the same terms as
23 formerly, without any loss of rights, subject to any action that may be
24 appropriate thereafter in accordance with the laws and rules governing
25 state civil service.

26 (4) All rules and all pending business before the department of
27 social and health services pertaining to the powers, functions, and
28 duties transferred shall be continued and acted upon by the department
29 of income and medical assistance. All existing contracts and
30 obligations shall remain in full force and shall be performed by the
31 department of income and medical assistance.

32 (5) The transfer of the powers, duties, functions, and personnel of
33 the department of social and health services shall not affect the
34 validity of any act performed before the effective date of this
35 section.

36 (6) If apportionments of budgeted funds are required because of the
37 transfers directed by this section, the director of financial
38 management shall certify the apportionments to the agencies affected,
39 the state auditor, and the state treasurer. Each of these shall make

1 the appropriate transfer and adjustments in funds and appropriation
2 accounts and equipment records in accordance with the certification.

3 (7) Nothing contained in this section may be construed to alter any
4 existing collective bargaining unit or the provisions of any existing
5 collective bargaining agreement until the agreement has expired or
6 until the bargaining unit has been modified by action of the personnel
7 board as provided by law.

8 **PART 2**

9 **DEPARTMENT OF LONG-TERM CARE**

10 NEW SECTION. **Sec. 201.** As used in this chapter, unless the
11 context indicates otherwise:

12 (1) "Department" means the department of long-term care.

13 (2) "Director" means the director of long-term care.

14 NEW SECTION. **Sec. 202.** There is hereby created a department of
15 state government to be known as the department of long-term care. The
16 department shall be vested with all powers and duties transferred to it
17 under this chapter and such other powers and duties as may be
18 authorized by law.

19 NEW SECTION. **Sec. 203.** The executive head and appointing
20 authority of the department shall be the director. The director shall
21 be appointed by the governor, with the consent of the senate, and shall
22 serve at the pleasure of the governor. The director shall be paid a
23 salary to be fixed by the governor in accordance with RCW 43.03.040.
24 If a vacancy occurs in the position while the senate is not in session,
25 the governor shall make a temporary appointment until the next meeting
26 of the senate.

27 NEW SECTION. **Sec. 204.** It is the intent of the legislature
28 wherever possible to place the internal affairs of the department under
29 the control of the director in order that the director may institute
30 therein the flexible, alert, and intelligent management of its business
31 that changing contemporary circumstances require. Therefore, whenever
32 the director's authority is not specifically limited by law, the
33 director shall have complete charge and supervisory powers over the
34 department. The director may create such administrative structures as

1 the director considers appropriate, except as otherwise specified by
2 law. The director may employ such assistants and personnel as may be
3 necessary for the general administration of the department. This
4 employment shall be in accordance with the state civil service law,
5 chapter 41.06 RCW, except as otherwise provided.

6 NEW SECTION. **Sec. 205.** The department shall be subdivided into
7 divisions as necessary. Except as otherwise specified or as federal
8 requirements may differently require, these divisions shall be
9 established and organized in accordance with plans to be prepared by
10 the director and approved by the governor. In preparing such plans,
11 the director shall endeavor to promote efficient public management, to
12 improve programs, and to take full advantage of the economies, both
13 fiscal and administrative, to be gained from the consolidation of
14 functions and agencies under this chapter.

15 NEW SECTION. **Sec. 206.** The director shall appoint a deputy
16 director, a department personnel director, and such assistant directors
17 as may be needed to administer the department. The deputy director
18 shall have charge and general supervision of the department in the
19 absence or disability of the director and, in case of a vacancy in the
20 office of director, shall continue in charge of the department until a
21 successor is appointed and qualified, or until the governor appoints an
22 acting director.

23 NEW SECTION. **Sec. 207.** Any power or duty vested in or transferred
24 to the director by law, or executive order, may be delegated by the
25 director to the deputy director or to any other assistant or
26 subordinate; but the director shall be responsible for the official
27 acts of the officers and employees of the department.

28 NEW SECTION. **Sec. 208.** The director may appoint such advisory
29 committees or councils as may be required by any federal legislation as
30 a condition to the receipt of federal funds by the department. The
31 director may also appoint state-wide committees or councils on such
32 subject matters as are or come within the department's
33 responsibilities. The state-wide committees and councils shall have
34 representation from both major political parties and shall have
35 substantial consumer representation. The committees or councils shall

1 be constituted as required by federal law or as the director may
2 determine. The members of the committees or councils shall hold office
3 as follows: One-third to serve one year; one-third to serve two years;
4 and one-third to serve three years. Upon expiration of the original
5 terms, subsequent appointments shall be for three years except in the
6 case of a vacancy, in which event appointment shall be only for the
7 remainder of the unexpired term for which the vacancy occurs. No
8 member may serve more than two consecutive terms.

9 Members of such state advisory committees or councils may be paid
10 their travel expenses in accordance with RCW 43.03.050 and 43.03.060.

11 NEW SECTION. **Sec. 209.** In furtherance of the policy of the state
12 to cooperate with the federal government in all of the programs under
13 the jurisdiction of the department, such rules as may become necessary
14 to entitle the state to participate in federal funds may be adopted,
15 unless expressly prohibited by law. Any internal reorganization
16 carried out under the terms of this chapter shall meet federal
17 requirements which are a necessary condition to state receipt of
18 federal funds. Any section or provision of law dealing with the
19 department which may be susceptible to more than one construction shall
20 be interpreted in favor of the construction most likely to comply with
21 federal laws entitling this state to receive federal funds for the
22 various programs of the department. If any law dealing with the
23 department is ruled to be in conflict with federal requirements which
24 are a prescribed condition of the allocation of federal funds to the
25 state, or to any departments or agencies thereof, the conflicting part
26 is declared to be inoperative solely to the extent of the conflict.

27 NEW SECTION. **Sec. 210.** A new section is added to chapter 41.06
28 RCW to read as follows:

29 In addition to the exemptions under RCW 41.06.070, the provisions
30 of this chapter shall not apply in the department of long-term care to
31 the director, the director's personal secretary, the deputy director,
32 all division directors and assistant directors, and one confidential
33 secretary for each of these officers.

34 NEW SECTION. **Sec. 211.** (1) All powers, duties, and functions of
35 the department of social and health services pertaining to long-term
36 care are transferred to the department of long-term care. All

1 references to the secretary or the department of social and health
2 services in the Revised Code of Washington shall be construed to mean
3 the director or the department of long-term care when referring to the
4 functions transferred in this section.

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

16 (b) Any appropriations made to the department of social and health
17 services for carrying out the powers, functions, and duties transferred
18 shall, on the effective date of this section, be transferred and
19 credited to the department of long-term care.

20 (c) Whenever any question arises as to the transfer of any
21 personnel, funds, books, documents, records, papers, files, equipment,
22 or other tangible property used or held in the exercise of the powers
23 and the performance of the duties and functions transferred, the
24 director of financial management shall make a determination as to the
25 proper allocation and certify the same to the state agencies concerned.

26 (3) All employees of the department of social and health services
27 engaged in performing the powers, functions, and duties transferred are
28 transferred to the jurisdiction of the department of long-term care.
29 All employees classified under chapter 41.06 RCW, the state civil
30 service law, are assigned to the department of long-term care to
31 perform their usual duties upon the same terms as formerly, without any
32 loss of rights, subject to any action that may be appropriate
33 thereafter in accordance with the laws and rules governing state civil
34 service.

35 (4) All rules and all pending business before the department of
36 social and health services pertaining to the powers, functions, and
37 duties transferred shall be continued and acted upon by the department
38 of long-term care. All existing contracts and obligations shall remain

1 in full force and shall be performed by the department of long-term
2 care.

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

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

13 (7) Nothing contained in this section may be construed to alter any
14 existing collective bargaining unit or the provisions of any existing
15 collective bargaining agreement until the agreement has expired or
16 until the bargaining unit has been modified by action of the personnel
17 board as provided by law.

18 **PART 3**

19 **DEPARTMENT OF CHILDREN, YOUTH, AND FAMILY SERVICES**

20 NEW SECTION. **Sec. 301.** As used in this chapter, unless the
21 context indicates otherwise:

22 (1) "Department" means the department of children, youth, and
23 family services.

24 (2) "Director" means the director of children, youth, and family
25 services.

26 NEW SECTION. **Sec. 302.** There is hereby created a department of
27 state government to be known as the department of children, youth, and
28 family services. The department shall be vested with all powers and
29 duties transferred to it under this chapter and such other powers and
30 duties as may be authorized by law.

31 NEW SECTION. **Sec. 303.** The executive head and appointing
32 authority of the department shall be the director. The director shall
33 be appointed by the governor, with the consent of the senate, and shall
34 serve at the pleasure of the governor. The director shall be paid a
35 salary to be fixed by the governor in accordance with RCW 43.03.040.

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

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

17 NEW SECTION. **Sec. 305.** The department shall be subdivided into
18 divisions as necessary. Except as otherwise specified or as federal
19 requirements may differently require, these divisions shall be
20 established and organized in accordance with plans to be prepared by
21 the director and approved by the governor. In preparing such plans,
22 the director shall endeavor to promote efficient public management, to
23 improve programs, and to take full advantage of the economies, both
24 fiscal and administrative, to be gained from the consolidation of
25 functions and agencies under this chapter.

26 NEW SECTION. **Sec. 306.** The director shall appoint a deputy
27 director, a department personnel director, and such assistant directors
28 as may be needed to administer the department. The deputy director
29 shall have charge and general supervision of the department in the
30 absence or disability of the director and, in case of a vacancy in the
31 office of director, shall continue in charge of the department until a
32 successor is appointed and qualified, or until the governor appoints an
33 acting director.

34 NEW SECTION. **Sec. 307.** Any power or duty vested in or transferred
35 to the director by law, or executive order, may be delegated by the

1 director to the deputy director or to any other assistant or
2 subordinate; but the director shall be responsible for the official
3 acts of the officers and employees of the department.

4 NEW SECTION. **Sec. 308.** The director may appoint such advisory
5 committees or councils as may be required by any federal legislation as
6 a condition to the receipt of federal funds by the department. The
7 director may also appoint state-wide committees or councils on such
8 subject matters as are or come within the department's
9 responsibilities. The state-wide committees and councils shall have
10 representation from both major political parties and shall have
11 substantial consumer representation. The committees or councils shall
12 be constituted as required by federal law or as the director may
13 determine. The members of the committees or councils shall hold office
14 as follows: One-third to serve one year; one-third to serve two years;
15 and one-third to serve three years. Upon expiration of the original
16 terms, subsequent appointments shall be for three years except in the
17 case of a vacancy, in which event appointment shall be only for the
18 remainder of the unexpired term for which the vacancy occurs. No
19 member may serve more than two consecutive terms.

20 Members of such state advisory committees or councils may be paid
21 their travel expenses in accordance with RCW 43.03.050 and 43.03.060.

22 NEW SECTION. **Sec. 309.** In furtherance of the policy of the state
23 to cooperate with the federal government in all of the programs under
24 the jurisdiction of the department, such rules as may become necessary
25 to entitle the state to participate in federal funds may be adopted,
26 unless expressly prohibited by law. Any internal reorganization
27 carried out under the terms of this chapter shall meet federal
28 requirements which are a necessary condition to state receipt of
29 federal funds. Any section or provision of law dealing with the
30 department which may be susceptible to more than one construction shall
31 be interpreted in favor of the construction most likely to comply with
32 federal laws entitling this state to receive federal funds for the
33 various programs of the department. If any law dealing with the
34 department is ruled to be in conflict with federal requirements which
35 are a prescribed condition of the allocation of federal funds to the
36 state, or to any departments or agencies thereof, the conflicting part
37 is declared to be inoperative solely to the extent of the conflict.

1 NEW SECTION. **Sec. 310.** A new section is added to chapter 41.06
2 RCW to read as follows:

3 In addition to the exemptions under RCW 41.06.070, the provisions
4 of this chapter shall not apply in the department of children, youth,
5 and family services to the director, the director's personal secretary,
6 the deputy director, all division directors and assistant directors,
7 and one confidential secretary for each of these officers.

8 NEW SECTION. **Sec. 311.** (1) All powers, duties, and functions of
9 the department of social and health services pertaining to children,
10 youth, and family services are transferred to the department of
11 children, youth, and family services. All references to the secretary
12 or the department of social and health services in the Revised Code of
13 Washington shall be construed to mean the director or the department of
14 children, youth, and family services when referring to the functions
15 transferred in this section.

16 (2)(a) All reports, documents, surveys, books, records, files,
17 papers, or written material in the possession of the department of
18 social and health services pertaining to the powers, functions, and
19 duties transferred shall be delivered to the custody of the department
20 of children, youth, and family services. All cabinets, furniture,
21 office equipment, motor vehicles, and other tangible property employed
22 by the department of social and health services in carrying out the
23 powers, functions, and duties transferred shall be made available to
24 the department of children, youth, and family services. All funds,
25 credits, or other assets held in connection with the powers, functions,
26 and duties transferred shall be assigned to the department of children,
27 youth, and family services.

28 (b) Any appropriations made to the department of social and health
29 services for carrying out the powers, functions, and duties transferred
30 shall, on the effective date of this section, be transferred and
31 credited to the department of children, youth, and family services.

32 (c) Whenever any question arises as to the transfer of any
33 personnel, funds, books, documents, records, papers, files, equipment,
34 or other tangible property used or held in the exercise of the powers
35 and the performance of the duties and functions transferred, the
36 director of financial management shall make a determination as to the
37 proper allocation and certify the same to the state agencies concerned.

1 (3) All employees of the department of social and health services
2 engaged in performing the powers, functions, and duties transferred are
3 transferred to the jurisdiction of the department of children, youth,
4 and family services. All employees classified under chapter 41.06 RCW,
5 the state civil service law, are assigned to the department of
6 children, youth, and family services to perform their usual duties upon
7 the same terms as formerly, without any loss of rights, subject to any
8 action that may be appropriate thereafter in accordance with the laws
9 and rules governing state civil service.

10 (4) All rules and all pending business before the department of
11 social and health services pertaining to the powers, functions, and
12 duties transferred shall be continued and acted upon by the department
13 of children, youth, and family services. All existing contracts and
14 obligations shall remain in full force and shall be performed by the
15 department of children, youth, and family services.

16 (5) The transfer of the powers, duties, functions, and personnel of
17 the department of social and health services shall not affect the
18 validity of any act performed before the effective date of this
19 section.

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

26 (7) Nothing contained in this section may be construed to alter any
27 existing collective bargaining unit or the provisions of any existing
28 collective bargaining agreement until the agreement has expired or
29 until the bargaining unit has been modified by action of the personnel
30 board as provided by law.

31 **PART 4**

32 **DEPARTMENT OF REHABILITATIVE AND HEALTH SERVICES**

33 NEW SECTION. **Sec. 401.** As used in this chapter, unless the
34 context indicates otherwise:

35 (1) "Department" means the department of rehabilitative and health
36 services.

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

3 NEW SECTION. **Sec. 402.** There is hereby created a department of
4 state government to be known as the department of rehabilitative and
5 health services. The department shall be vested with all powers and
6 duties transferred to it under this chapter and such other powers and
7 duties as may be authorized by law.

8 NEW SECTION. **Sec. 403.** The executive head and appointing
9 authority of the department shall be the director. The director shall
10 be appointed by the governor, with the consent of the senate, and shall
11 serve at the pleasure of the governor. The director shall be paid a
12 salary to be fixed by the governor in accordance with RCW 43.03.040.
13 If a vacancy occurs in the position while the senate is not in session,
14 the governor shall make a temporary appointment until the next meeting
15 of the senate.

16 NEW SECTION. **Sec. 404.** It is the intent of the legislature
17 wherever possible to place the internal affairs of the department under
18 the control of the director in order that the director may institute
19 therein the flexible, alert, and intelligent management of its business
20 that changing contemporary circumstances require. Therefore, whenever
21 the director's authority is not specifically limited by law, the
22 director shall have complete charge and supervisory powers over the
23 department. The director may create such administrative structures as
24 the director considers appropriate, except as otherwise specified by
25 law. The director may employ such assistants and personnel as may be
26 necessary for the general administration of the department. This
27 employment shall be in accordance with the state civil service law,
28 chapter 41.06 RCW, except as otherwise provided.

29 NEW SECTION. **Sec. 405.** The department shall be subdivided into
30 divisions as necessary. Except as otherwise specified or as federal
31 requirements may differently require, these divisions shall be
32 established and organized in accordance with plans to be prepared by
33 the director and approved by the governor. In preparing such plans,
34 the director shall endeavor to promote efficient public management, to
35 improve programs, and to take full advantage of the economies, both

1 fiscal and administrative, to be gained from the consolidation of
2 functions and agencies under this chapter.

3 NEW SECTION. **Sec. 406.** The director shall appoint a deputy
4 director, a department personnel director, and such assistant directors
5 as may be needed to administer the department. The deputy director
6 shall have charge and general supervision of the department in the
7 absence or disability of the director and, in case of a vacancy in the
8 office of director, shall continue in charge of the department until a
9 successor is appointed and qualified, or until the governor appoints an
10 acting director.

11 NEW SECTION. **Sec. 407.** Any power or duty vested in or transferred
12 to the director by law, or executive order, may be delegated by the
13 director to the deputy director or to any other assistant or
14 subordinate; but the director shall be responsible for the official
15 acts of the officers and employees of the department.

16 NEW SECTION. **Sec. 408.** The director may appoint such advisory
17 committees or councils as may be required by any federal legislation as
18 a condition to the receipt of federal funds by the department. The
19 director may also appoint state-wide committees or councils on such
20 subject matters as are or come within the department's
21 responsibilities. The state-wide committees and councils shall have
22 representation from both major political parties and shall have
23 substantial consumer representation. The committees or councils shall
24 be constituted as required by federal law or as the director may
25 determine. The members of the committees or councils shall hold office
26 as follows: One-third to serve one year; one-third to serve two years;
27 and one-third to serve three years. Upon expiration of the original
28 terms, subsequent appointments shall be for three years except in the
29 case of a vacancy, in which event appointment shall be only for the
30 remainder of the unexpired term for which the vacancy occurs. No
31 member may serve more than two consecutive terms.

32 Members of such state advisory committees or councils may be paid
33 their travel expenses in accordance with RCW 43.03.050 and 43.03.060.

34 NEW SECTION. **Sec. 409.** In furtherance of the policy of the state
35 to cooperate with the federal government in all of the programs under

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

15 NEW SECTION. **Sec. 410.** A new section is added to chapter 41.06
16 RCW to read as follows:

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

22 NEW SECTION. **Sec. 411.** (1) All powers, duties, and functions of
23 the department of social and health services pertaining to
24 rehabilitative and health services are transferred to the department of
25 rehabilitative and health services. All references to the secretary or
26 the department of social and health services in the Revised Code of
27 Washington shall be construed to mean the director or the department of
28 rehabilitative and health services when referring to the functions
29 transferred in this section.

30 (2)(a) All reports, documents, surveys, books, records, files,
31 papers, or written material in the possession of the department of
32 social and health services pertaining to the powers, functions, and
33 duties transferred shall be delivered to the custody of the department
34 of rehabilitative and health services. All cabinets, furniture, office
35 equipment, motor vehicles, and other tangible property employed by the
36 department of social and health services in carrying out the powers,
37 functions, and duties transferred shall be made available to the

1 department of rehabilitative and health services. All funds, credits,
2 or other assets held in connection with the powers, functions, and
3 duties transferred shall be assigned to the department of
4 rehabilitative and health services.

5 (b) Any appropriations made to the department of social and health
6 services for carrying out the powers, functions, and duties transferred
7 shall, on the effective date of this section, be transferred and
8 credited to the department of rehabilitative and health services.

9 (c) Whenever any question arises as to the transfer of any
10 personnel, funds, books, documents, records, papers, files, equipment,
11 or other tangible property used or held in the exercise of the powers
12 and the performance of the duties and functions transferred, the
13 director of financial management shall make a determination as to the
14 proper allocation and certify the same to the state agencies concerned.

15 (3) All employees of the department of social and health services
16 engaged in performing the powers, functions, and duties transferred are
17 transferred to the jurisdiction of the department of rehabilitative and
18 health services. All employees classified under chapter 41.06 RCW, the
19 state civil service law, are assigned to the department of
20 rehabilitative and health services to perform their usual duties upon
21 the same terms as formerly, without any loss of rights, subject to any
22 action that may be appropriate thereafter in accordance with the laws
23 and rules governing state civil service.

24 (4) All rules and all pending business before the department of
25 social and health services pertaining to the powers, functions, and
26 duties transferred shall be continued and acted upon by the department
27 of rehabilitative and health services. All existing contracts and
28 obligations shall remain in full force and shall be performed by the
29 department of rehabilitative and health services.

30 (5) The transfer of the powers, duties, functions, and personnel of
31 the department of social and health services shall not affect the
32 validity of any act performed before the effective date of this
33 section.

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

1 (7) Nothing contained in this section may be construed to alter any
2 existing collective bargaining unit or the provisions of any existing
3 collective bargaining agreement until the agreement has expired or
4 until the bargaining unit has been modified by action of the personnel
5 board as provided by law.

6 **PART 5**

7 **GENERAL DEPARTMENTAL PROVISIONS**

8 **Sec. 501.** RCW 43.17.010 and 1993 sp.s. c 2 s 16, 1993 c 472 s 17,
9 and 1993 c 280 s 18 are each reenacted and amended to read as follows:

10 There shall be departments of the state government which shall be
11 known as (1) the department of social and health services, (2) the
12 department of ecology, (3) the department of labor and industries, (4)
13 the department of agriculture, (5) the department of fish and wildlife,
14 (6) the department of transportation, (7) the department of licensing,
15 (8) the department of general administration, (9) the department of
16 community, trade, and economic development, (10) the department of
17 veterans affairs, (11) the department of revenue, (12) the department
18 of retirement systems, (13) the department of corrections, ((and)) (14)
19 the department of health, ((and)) (15) the department of financial
20 institutions, (16) the department of income and medical assistance,
21 (17) the department of long-term care, (18) the department of children,
22 youth, and family services, and (19) the department of rehabilitative
23 and health services, which shall be charged with the execution,
24 enforcement, and administration of such laws, and invested with such
25 powers and required to perform such duties, as the legislature may
26 provide.

27 **Sec. 502.** RCW 43.17.020 and 1993 sp.s. c 2 s 17, 1993 c 472 s 18,
28 and 1993 c 280 s 19 are each reenacted and amended to read as follows:

29 There shall be a chief executive officer of each department to be
30 known as: (1) The secretary of social and health services, (2) the
31 director of ecology, (3) the director of labor and industries, (4) the
32 director of agriculture, (5) the director of fish and wildlife, (6) the
33 secretary of transportation, (7) the director of licensing, (8) the
34 director of general administration, (9) the director of community,
35 trade, and economic development, (10) the director of veterans affairs,
36 (11) the director of revenue, (12) the director of retirement systems,

1 (13) the secretary of corrections, ((and)) (14) the secretary of
2 health, ((and)) (15) the director of financial institutions, (16) the
3 director of income and medical assistance, (17) the director of long-
4 term care, (18) the director of children, youth, and family services,
5 and (19) the director of rehabilitative and health services.

6 Such officers, except the secretary of transportation, shall be
7 appointed by the governor, with the consent of the senate, and hold
8 office at the pleasure of the governor. The secretary of
9 transportation shall be appointed by the transportation commission as
10 prescribed by RCW 47.01.041.

11 NEW SECTION. **Sec. 503.** (1) By July 1, 1995, the speaker of the
12 house of representatives and the governor shall appoint a committee on
13 the restructuring of the department of social and health services. The
14 committee shall consist of the speaker of the house of representatives,
15 or the speaker's designee, and four other members of the house of
16 representatives, two from each political party to be appointed by the
17 speaker. The governor shall appoint two ex officio nonvoting members
18 of the committee, one representing the office of financial management
19 and one representing the department of social and health services.

20 (2) The house of representatives shall provide staff services to
21 the committee. The office of financial management and the department
22 of social and health services shall provide staff expertise as
23 requested.

24 (3) The committee shall divide the existing functions and
25 responsibilities of the department of social and health services into
26 the new departments established under this act, or propose another
27 method of restructuring the department of social and health services
28 into separate agencies. The committee may address:

29 (a) Strategies for ensuring collaboration among programs and
30 between the new departments;

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

33 (c) Recommendations for providing consolidated support services to
34 the new departments.

35 (4) By January 1, 1996, the committee shall submit to the
36 legislature proposed legislation implementing the recommendations of
37 the committee for the restructuring of the department of social and
38 health services.

1 NEW SECTION. **Sec. 604.** Sections 401 through 409 of this act shall
2 constitute a new chapter in Title 43 RCW.

3 NEW SECTION. **Sec. 605.** Sections 503 and 504 of this act shall
4 expire January 1, 1996.

5 NEW SECTION. **Sec. 606.** (1) Sections 503 and 504 of this act are
6 necessary for the immediate preservation of the public peace, health,
7 or safety, or support of the state government and its existing public
8 institutions, and shall take effect immediately.

9 (2) Sections 1, 101 though 111, 201 through 211, 301 through 311,
10 401 through 411, 501, 502, and 601 through 605 of this act shall take
11 effect September 15, 1996.

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