S-2540.2

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**SUBSTITUTE SENATE BILL 5915**

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**State of Washington 65th Legislature 2017 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senator Braun)

AN ACT Relating to central service functions, powers, and duties of state government; amending RCW 41.04.020, 41.04.220, 41.04.460, 41.04.720, 41.04.770, 41.06.400, 41.06.080, 41.06.395, 41.06.410, 43.41.450, 43.82.010, 43.82.055, and 43.82.150; adding new sections to chapter 43.41 RCW; adding a new section to chapter 41.04 RCW; providing an effective date; and declaring an emergency.

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

**PART I**

**HUMAN RESOURCE FUNCTIONS**

**Sec.**  RCW 41.04.020 and 2011 1st sp.s. c 43 s 471 are each amended to read as follows:

Any employee or group of employees of the state of Washington or any of its political subdivisions, or of any institution supported, in whole or in part, by the state or any of its political subdivisions, may authorize the deduction from his or her salaries or wages and payment to another, the amount or amounts of his or her subscription payments or contributions to any person, firm, or corporation administering, furnishing, or providing (1) medical, surgical, and hospital care or either of them, or (2) life insurance or accident and health disability insurance, or (3) any individual retirement account selected by the employee or the employee's spouse established under applicable state or federal law: PROVIDED, That such authorization by said employee or group of employees, shall be first approved by the head of the department, division office or institution of the state or any political subdivision thereof, employing such person or group of persons, and filed with the ((~~department of enterprise services~~)) office of financial management; or in the case of political subdivisions of the state of Washington, with the auditor of such political subdivision or the person authorized by law to draw warrants against the funds of said political subdivision.

**Sec.**  RCW 41.04.220 and 2015 c 225 s 52 are each amended to read as follows:

Any governmental entity other than state agencies((~~,~~)) may use the services of the ((~~department of enterprise services~~)) office of financial management upon the approval of the director((~~,~~)) in procuring health benefit programs as provided by RCW 41.04.180, 28A.400.350, and 28B.10.660: PROVIDED, That the ((~~department of enterprise services~~)) office of financial management may charge for the administrative cost incurred in the procuring of such services.

**Sec.**  RCW 41.04.460 and 2011 1st sp.s. c 43 s 472 are each amended to read as follows:

The ((~~department of enterprise services~~)) office of financial management, through the combined benefits communication project, shall prepare information encouraging individual financial planning for retirement and describing the potential consequences of early retirement, including members' assumption of health insurance costs, members' receipt of reduced retirement benefits, and the increased period of time before members will become eligible for cost-of-living adjustments. The department of retirement systems shall distribute the information to members who are eligible to retire under the provisions of chapter 234, Laws of 1992. Prior to retiring, such members who elect to retire shall sign a statement acknowledging their receipt and understanding of the information.

**Sec.**  RCW 41.04.720 and 2011 1st sp.s. c 43 s 439 are each amended to read as follows:

The director of ((~~enterprise services~~)) the office of financial management shall:

(1) Administer the state employee assistance program to assist employees who have personal problems that adversely affect their job performance or have the potential of doing so;

(2) Develop policies, procedures, and activities for the program;

(3) Encourage and promote the voluntary use of the employee assistance program by increasing employee awareness and disseminating educational materials;

(4) Provide technical assistance and training to agencies on how to use the employee assistance program;

(5) Assist and encourage supervisors to identify and refer employees with problems that impair their performance by incorporating proper use of the program in management training, management performance criteria, ongoing communication with agencies, and other appropriate means;

(6) Offer substance abuse prevention and awareness activities to be provided through the employee assistance program and the state employee wellness program;

(7) Monitor and evaluate the effectiveness of the program, including the collection, analysis, and publication of relevant statistical information; and

(8) Consult with state agencies, institutions of higher education, and employee organizations in carrying out the purposes of RCW 41.04.700 through 41.04.730.

**Sec.**  RCW 41.04.770 and 2011 1st sp.s. c 43 s 440 are each amended to read as follows:

The department of social and health services and the ((~~department of enterprise services~~)) office of financial management shall, after consultation with supported employment provider associations and other interested parties, encourage, educate, and assist state agencies in implementing supported employment programs. The ((~~department of enterprise services~~)) office of financial management shall provide human resources technical assistance to agencies implementing supported employment programs.

**Sec.**  RCW 41.06.400 and 2011 1st sp.s. c 43 s 423 are each amended to read as follows:

(1) In addition to other powers and duties specified in this chapter, ((~~the department of enterprise services in consultation with~~)) the office of financial management shall:

(a) By rule, prescribe the purpose and minimum standards for training and career development programs and, in so doing, regularly consult with and consider the needs of individual agencies and employees;

(b) Provide training and career development programs which may be conducted more efficiently and economically on an interagency basis;

(c) Promote interagency sharing of resources for training and career development;

(d) Monitor and review the impact of training and career development programs to ensure that the responsibilities of the state to provide equal employment opportunities are diligently carried out.

(2) At an agency's request, the department of enterprise services may provide training and career development programs for an agency's internal use which may be conducted more efficiently and economically by the department of enterprise services.

**Sec.**  RCW 41.06.080 and 2011 1st sp.s. c 43 s 403 are each amended to read as follows:

Notwithstanding the provisions of this chapter, the office of financial management ((~~and the department of enterprise services~~)) may make their human resource services available on request, on a reimbursable basis, to:

(1) Either the legislative or the judicial branch of the state government;

(2) Any county, city, town, or other municipal subdivision of the state;

(3) The institutions of higher learning;

(4) Any agency, class, or position set forth in RCW 41.06.070.

**Sec.**  RCW 41.06.395 and 2011 1st sp.s. c 43 s 422 are each amended to read as follows:

The director shall adopt rules establishing guidelines for policies, procedures, and mandatory training programs on sexual harassment for state employees to be adopted by state agencies. The ((~~department of enterprise services~~)) office of financial management shall establish reporting requirements for state agencies on compliance with RCW 43.01.135.

**Sec.**  RCW 41.06.410 and 2011 1st sp.s. c 43 s 424 are each amended to read as follows:

Each agency subject to the provisions of this chapter shall:

(1) Prepare an employee training and career development plan which shall at least meet minimum standards established by the ((~~department of enterprise services~~)) office of financial management;

(2) Provide for training and career development for its employees in accordance with the agency plan;

(3) Budget for training and career development in accordance with procedures of the office of financial management.

**Sec.**  RCW 43.41.450 and 2016 sp.s. c 36 s 927 are each amended to read as follows:

The office of financial management central service account is created in the state treasury. The account is to be used by the office as a revolving fund for the payment of salaries, wages, and other costs required for the operation and maintenance of statewide budgeting, accounting, forecasting, policy, and other functions and activities in the office. All receipts from agency fees and charges for services collected from public agencies must be deposited into the account. The director shall fix the terms and charges to agencies based on each agency's share of the office statewide cost allocation plan for federal funds. Moneys in the account may be spent only after appropriation.

**PART II**

**IT FUNCTIONS**

NEW SECTION. **Sec.**  A new section is added to chapter 43.41 RCW to read as follows:

(1) The information technology investment account is created in the custody of the state treasurer. All receipts from legislative appropriations and transfers must be deposited into the account. Only the director of financial management or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) Funds in the account are provided solely for the information technology projects as provided in the omnibus appropriations act.

(3) Agencies may apply to the office of financial management to receive funds from the information technology investment account. Preference must be given to projects that utilize commercial off-the-shelf or software as a service technology solution.

(4) Allocations and allotments may be made only during discrete stages of projects, which at a minimum must include a planning stage, procurement stage, and implementation and integration stage. At least fourteen days prior to an allocation or allotment of funds to an agency, the office of financial management, jointly with the office of the chief information officer, must deliver to the legislative fiscal committees the following information for each project receiving an allocation from the account:

(a) A technology budget using a method similar to the state capital budget, identifying project costs, funding sources, and anticipated deliverables through each stage of the investment and across fiscal periods and biennia from project initiation to implementation. If the project affects more than one agency, a technology budget must be prepared for each agency;

(b) The technology implementation plan that includes:

(i) An organizational chart of the project management team that identifies team members and their roles and responsibilities;

(ii) The office of the chief information officer staff assigned to the project;

(iii) An implementation schedule covering activities, critical milestones, and deliverables at each stage of the project for the life of the project at each agency affected by the project; and

(iv) Performance measures used to determine that the project is on time, within budget, and meeting expectations for quality of work product;

(c) A letter from the office of the chief information officer certifying that:

(i) The project is consistent with the state's enterprise architecture and other policies developed by the office of the chief information officer;

(ii) The agency has the organizational capacity, preparedness, and leadership to implement the project successfully;

(iii) The agency has adequately assessed and minimized the risks inherent with the project;

(iv) The project has the management, staffing, and oversight resources needed for the cost, complexity, and risks associated with the project;

(v) The project has implementation schedules and performance measures for timeliness, deliverables, quality, and budget;

(vi) The agency has an adequate risk management plan that also enables the office of the chief information officer to assess, intervene, and take necessary action when performance measures are not being met; and

(vii) For any investment that does not use commercial off-the-shelf or software as a service technology solution, the proposed project represents the best business solution and should not be delayed.

(5) For any project that exceeds two million dollars in total funds to complete, requires more than one biennium to complete, or is financed through financial contracts, bonds, or other indebtedness:

(a) Quality assurance for the project must report independently to the office of the chief information officer;

(b) The office of the chief information officer must review and, if necessary, revise the proposed project to ensure it is flexible and adaptable to advances in technology;

(c) The technology budget must specifically identify the uses of any financing proceeds. No more than thirty percent of the financing proceeds may be used for payroll-related costs for state employees assigned to project management, installation, testing, or training;

(d) The agency must consult with the office of the state treasurer during the competitive procurement process to evaluate early in the process whether products and services to be solicited and the responsive bids from a solicitation may be financed; and

(e) The agency must consult with the contracting division of the department of enterprise services for a review of all contracts and agreements related to the project's information technology procurements.

(6) The office of the chief information officer may suspend or terminate a project at any time if the office of the chief information officer determines that the project is not meeting or is not expected to meet anticipated performance measures. Once suspension or termination occurs, the agency shall not make additional expenditures on the project without approval of the state chief information officer. If a project is terminated, the office of financial management must terminate the agency's allocation from the information technology investment account and the agency shall return any remaining funds to the account to be reallocated to other projects by the office of financial management.

(7) Any cost to administer, oversee, or implement a project must be paid from the information technology investment account.

**PART III**

**REAL ESTATE FUNCTIONS**

**Sec.**  RCW 43.82.010 and 2015 c 99 s 1 are each amended to read as follows:

(1) The director of enterprise services, on behalf of the agency involved and after consultation with the office of financial management, shall purchase, lease, lease purchase, rent, or otherwise acquire all real estate, improved or unimproved, as may be required by elected state officials, institutions, departments, commissions, boards, and other state agencies, or federal agencies where joint state and federal activities are undertaken and may grant easements and transfer, exchange, sell, lease, or sublease all or part of any surplus real estate for those state agencies which do not otherwise have the specific authority to dispose of real estate. This section does not transfer financial liability for the acquired property to the department of enterprise services.

(2) Except for real estate occupied by federal agencies, the director shall determine the location, size, and design of any real estate or improvements thereon acquired or held pursuant to subsection (1) of this section. ((~~Facilities acquired or held pursuant to this chapter, and any improvements thereon, shall conform to standards adopted by the director and approved by the office of financial management governing facility efficiency unless a specific exemption from such standards is provided by the director of enterprise services. The director of enterprise services shall report to the office of financial management and the appropriate committees of the legislature annually on any exemptions granted pursuant to this subsection.~~))

(3) Except for leases permitted under subsection (4) of this section, the director of enterprise services may fix the terms and conditions of each lease entered into under this chapter, except that no lease shall extend greater than twenty years in duration. The director of enterprise services may enter into a long-term lease greater than ten years in duration upon a determination by the director of the office of financial management that the long-term lease provides a more favorable rate than would otherwise be available, it appears to a substantial certainty that the facility is necessary for use by the state for the full length of the lease term, and the facility meets the standards adopted pursuant to subsection (2) of this section. The director of enterprise services may enter into a long-term lease greater than ten years in duration if an analysis shows that the life-cycle cost of leasing the facility is less than the life-cycle cost of purchasing or constructing a facility in lieu of leasing the facility.

(4) The director of enterprise services may fix the terms of leases for property under the department of enterprise services' control at the former Northern State Hospital site for up to sixty years.

(5) Except as permitted under chapter 39.94 RCW, no lease for or on behalf of any state agency may be used or referred to as collateral or security for the payment of securities offered for sale through a public offering. Except as permitted under chapter 39.94 RCW, no lease for or on behalf of any state agency may be used or referred to as collateral or security for the payment of securities offered for sale through a private placement without the prior written approval of the state treasurer. However, this limitation shall not prevent a lessor from assigning or encumbering its interest in a lease as security for the repayment of a promissory note provided that the transaction would otherwise be an exempt transaction under RCW 21.20.320. The state treasurer shall adopt rules that establish the criteria under which any such approval may be granted. In establishing such criteria the state treasurer shall give primary consideration to the protection of the state's credit rating and the integrity of the state's debt management program. If it appears to the state treasurer that any lease has been used or referred to in violation of this subsection or rules adopted under this subsection, then he or she may recommend that the governor cause such lease to be terminated. The department of enterprise services shall promptly notify the state treasurer whenever it may appear to the department that any lease has been used or referred to in violation of this subsection or rules adopted under this subsection.

(6) It is the policy of the state to encourage the colocation and consolidation of state services into single or adjacent facilities, whenever appropriate, to improve public service delivery, minimize duplication of facilities, increase efficiency of operations, and promote sound growth management planning.

(7) ((~~The director of enterprise services shall provide coordinated long-range planning services to identify and evaluate opportunities for colocating and consolidating state facilities. Upon the renewal of any lease, the inception of a new lease, or the purchase of a facility, the director of enterprise services shall determine whether an opportunity exists for colocating the agency or agencies in a single facility with other agencies located in the same geographic area. If a colocation opportunity exists, the director of enterprise services shall consult with the affected state agencies and the office of financial management to evaluate the impact colocation would have on the cost and delivery of agency programs, including whether program delivery would be enhanced due to the centralization of services. The director of enterprise services, in consultation with the office of financial management, shall develop procedures for implementing colocation and consolidation of state facilities.~~

~~(8)~~)) The director of enterprise services is authorized to purchase, lease, rent, or otherwise acquire improved or unimproved real estate as owner or lessee and to lease or sublet all or a part of such real estate to state or federal agencies. The director of enterprise services shall charge each using agency its proportionate rental which shall include an amount sufficient to pay all costs, including, but not limited to, those for utilities, janitorial and accounting services, and sufficient to provide for contingencies; which shall not exceed five percent of the average annual rental, to meet unforeseen expenses incident to management of the real estate.

((~~(9)~~)) (8) If the director of enterprise services determines that it is necessary or advisable to undertake any work, construction, alteration, repair, or improvement on any real estate acquired pursuant to subsection (1) or ((~~(8)~~)) (7) of this section, the director shall cause plans and specifications thereof and an estimate of the cost of such work to be made and filed in his or her office and the state agency benefiting thereby is hereby authorized to pay for such work out of any available funds: PROVIDED, That the cost of executing such work shall not exceed the sum of twenty-five thousand dollars. Work, construction, alteration, repair, or improvement in excess of twenty-five thousand dollars, other than that done by the owner of the property if other than the state, shall be performed in accordance with the public works law of this state.

((~~(10)~~)) (9) In order to obtain maximum utilization of space, the ((~~director of enterprise services~~)) office of financial management shall make space utilization studies, and shall establish standards for use of space by state agencies. Such studies shall include the identification of opportunities for colocation and consolidation of state agency office and support facilities.

((~~(11)~~)) (10) The director of enterprise services may construct new buildings on, or improve existing facilities, and furnish and equip, all real estate under his or her management. Prior to the construction of new buildings or major improvements to existing facilities or acquisition of facilities using a lease purchase contract, the director of enterprise services shall conduct an evaluation of the facility design and budget using life-cycle cost analysis, value-engineering, and other techniques to maximize the long-term effectiveness and efficiency of the facility or improvement.

((~~(12)~~)) (11) All conveyances and contracts to purchase, lease, rent, transfer, exchange, or sell real estate and to grant and accept easements shall be approved as to form by the attorney general, signed by the director of enterprise services or the director's designee, and recorded with the county auditor of the county in which the property is located.

((~~(13)~~)) (12) The director of enterprise services may delegate any or all of the functions specified in this section to any agency upon such terms and conditions as the director deems advisable. By January 1st of each year, beginning January 1, 2008, the department shall submit an annual report to the office of financial management and the appropriate committees of the legislature on all delegated leases.

((~~(14)~~)) (13) This section does not apply to the acquisition of real estate by:

(a) The state college and universities for research or experimental purposes;

(b) ((~~The state liquor control board for liquor stores and warehouses;~~

~~(c)~~)) The department of natural resources, the department of fish and wildlife, the department of transportation, and the state parks and recreation commission for purposes other than the leasing of offices, warehouses, and real estate for similar purposes; and

((~~(d)~~)) (c) The department of commerce for community college health career training programs, offices for the department of commerce or other appropriate state agencies, and other nonprofit community uses, including community meeting and training facilities, where the real estate is acquired during the 2013‑2015 fiscal biennium.

((~~(15)~~)) (14) Notwithstanding any provision in this chapter to the contrary, the department of enterprise services may negotiate ground leases for public lands on which property is to be acquired under a financing contract pursuant to chapter 39.94 RCW under terms approved by the state finance committee.

((~~(16)~~)) (15) The department of enterprise services shall report annually to the office of financial management and the appropriate fiscal committees of the legislature on facility leases executed for all state agencies for the preceding year, lease terms, and annual lease costs. The report must include leases executed under RCW 43.82.045 and subsection ((~~(13)~~)) (12) of this section.

**Sec.**  RCW 43.82.055 and 2015 3rd sp.s. c 1 s 301 are each amended to read as follows:

The office of financial management shall:

(1) Work with the department of enterprise services and all other state agencies to determine the long-term facility needs of state government;

(2) Develop and submit a six-year facility plan to the legislature by January 1st of every odd-numbered year that includes state agency space requirements and other pertinent data necessary for cost-effective facility planning. The department of enterprise services shall assist with this effort as required by the office of financial management; ((~~and~~))

(3) Establish and enforce policies and workplace strategies that promote the efficient use of state facilities; and

(4) Evaluate opportunities for colocating and consolidating state facilities in the same geographic area. This includes evaluating the impact colocation would have on the cost and delivery of agency programs, including whether program delivery would be enhanced due to the centralization of services.

**Sec.**  RCW 43.82.150 and 2015 3rd sp.s. c 1 s 302 are each amended to read as follows:

(1) The office of financial management shall develop and maintain an inventory system to account for all facilities owned or leased by state government. At a minimum, the inventory system must include the facility owner, location, type, condition, use data, and size of each facility. In addition, for owned facilities, the inventory system must include the date and cost of original construction and the cost of any major remodeling or renovation. The inventory must be updated by all agencies, departments, boards, commissions, and institutions by June 30th of each year. The office of financial management shall publish a report summarizing information contained in the inventory system for each agency by October 1st of each year, beginning in 2010 and shall submit this report to the appropriate fiscal committees of the legislature.

(2) The inventory required under this subsection must be submitted in a standard format prescribed by the office of financial management.

(3) Agencies must report space use data for office facilities.

(4) For the purposes of this section, "facilities" means buildings and other structures with walls and a roof. "Facilities" does not mean roads, bridges, parking areas, utility systems, and other similar improvements to real property.

**PART IV**

**CONTRACTING FUNCTIONS**

NEW SECTION. **Sec.**  A new section is added to chapter 41.04 RCW to read as follows:

(1) All current and prospective employees of and contractors with the state of Washington who are or may be authorized by the agency for which he or she is employed to access federal tax information are required to have a criminal history record check through the Washington state patrol criminal identification system and through the federal bureau of investigation. The record check must include a fingerprint check using a complete Washington state criminal identification fingerprint card, which must be forwarded by the state patrol to the federal bureau of investigation.

(2) Agencies must establish background investigation policies applicable to current and prospective employees and contractors subject to subsection (1) of this section. Agency background investigation policies must also satisfy any specific background investigation standards established by the internal revenue service. The office of financial management shall create a model background investigation policy.

(3) The cost of the background investigation for current and prospective employees shall be paid by the agency. The agency may charge contractors the cost of the background investigation.

(4) Information received by the employing agency pursuant to this section may be used only for the purposes of making, supporting, or defending decisions regarding the appointment, hiring, or retention of persons, or for complying with any requirements from the internal revenue service. Further dissemination or use of the information is prohibited, notwithstanding any other provision of law.

(5) The office of financial management may adopt rules to implement this section.

NEW SECTION. **Sec.**  A new section is added to chapter 43.41 RCW to read as follows:

(1) The office must develop a state agency contract oversight and management program. The program will have the following duties and powers:

(a) To conduct, assist, or oversee large, complex, or legislatively directed procurements; and

(b) To conduct compliance reviews, including but not limited to reviewing performance and fiscal compliance, of state agency contract management activities.

(2) The office's activities under subsection (1)(b) of this section are intended to supplement, and not supplant, the contract management activities of the department of enterprise services and includes, but is not limited to:

(a) Reviewing standard contracts or contract terms used by state agencies;

(b) Assisting state agencies with the implementation of performance-based contracts such as developing performance measures and outcomes and contract techniques to incentivize performance;

(c) Providing an assessment and making recommendations to state agencies to improve the effectiveness of an agency's contract terms or contract management;

(d) Establishing minimum standards to be used in all state agency contracts to reduce state risk and enhance contract performance; and

(e) Collaborating with the department of enterprise services to incorporate the office's findings and recommendations in the policies and procedures adopted under RCW 39.26.180.

(3) To ensure service delivery and to protect public funds, the office may direct a state agency to:

(a) Take action to enforce and compel contractor performance and other contract terms;

(b) Suspend or terminate a contract or to exercise other contract remedies if a contract is not meeting expectations or performance measures;

(c) Include the office as a named party to a contract or to include other contract terms that allow the office to take independent action to enforce and compel contractor performance and other contract terms; or

(d) Refer a contract to the state auditor for review under RCW 43.09.055.

(4) The office's activities under subsection (1)(b) of this section must first concentrate on managed care contracts, medicaid funded contracts, and information technology contracts.

(5) The office must report by January 1st of each year to the governor and the appropriate committees of the legislature on its activities under subsection (1)(b) of this section. The report must identify the agencies reviewed, recommendations made for improvement, any reduction in any costs or risks from changes to agency contracts, and any actions taken under subsection (3) of this section.

**PART V**

**MISCELLANEOUS**

NEW SECTION. **Sec.**  A new section is added to chapter 43.41 RCW to read as follows:

(1) Those powers, duties, and functions of the department of enterprise services being transferred to the office of financial management as set forth in sections 101 through 110 of this act are hereby transferred to the office of financial management.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of enterprise services pertaining to the powers, duties, and functions transferred shall be delivered to the custody of the office of financial management. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of enterprise services in carrying out the powers, duties, and functions transferred shall be made available to the office of financial management. All funds, credits, or other assets held by the department of enterprise services in connection with the powers, duties, and functions transferred shall be assigned to the office of financial management.

(b) Any appropriations made to the department of enterprise services for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the office of financial management.

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

(3) All rules and all pending business before the department of enterprise services pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the office of financial management. All existing contracts and obligations shall remain in full force and shall be performed by the office of financial management.

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

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

(6) All employees of the department of enterprise services engaged in performing the powers, functions, and duties transferred to the office of financial management, are transferred to the office of financial management. Except as provided in chapter 41.80 RCW, all employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the office of financial management to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service law.

NEW SECTION. **Sec.**  Except for section 201 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017.

NEW SECTION. **Sec.**  Section 201 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

**--- END ---**