
ENGROSSED SUBSTITUTE SENATE BILL 5121

State of Washington

52nd Legislature

1991 Regular Session

By Senate Committee on Governmental Operations (originally sponsored by Senators Metcalf, Talmadge, McCaslin, Owen, Thorsness, Vognild, Rinehart, Sellar, L. Smith, Sutherland, Roach, Amondson, Hayner, Rasmussen, Bailey, Moore, Barr, Oke, Wojahn, Nelson, von Reichbauer, Bauer, Gaspard, L. Kreidler, Johnson, Stratton, Skratek and Erwin).

Read first time February 19, 1991.

1 AN ACT Relating to improper governmental action; amending RCW
2 42.40.020, 42.40.040, 42.40.050, 49.60.210, 49.60.250, 43.09.050, and
3 43.88.160; adding a new section to chapter 43.09 RCW; prescribing
4 penalties; and making an appropriation.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the threat of
7 retaliation to public employees acts as a deterrent to public employees
8 who wish to report information to federal, state, or local agencies.
9 The purpose of this act is to protect public employees who make good-
10 faith reports to appropriate governmental bodies and to provide
11 remedies for such individuals who are subjected to retaliation for
12 having made such reports.

13 **Sec. 2.** RCW 42.40.020 and 1989 c 284 s 1 are each amended to read
14 as follows:

1 As used in this chapter, the terms defined in this section shall
2 have the meanings indicated unless the context clearly requires
3 otherwise.

4 (1) "Auditor" means the office of the state auditor.

5 (2) "Employee" means any individual employed or holding office in
6 any department or agency of state and local government.

7 (3) (a) "Improper governmental action" means any action by an
8 employee:

9 (i) Which is undertaken in the performance of the employee's
10 official duties, whether or not the action is within the scope of the
11 employee's employment; and

12 (ii) Which is in violation of any state or local law or rule, is an
13 abuse of authority, is of substantial and specific danger to the public
14 health or safety, or is a gross waste of public funds.

15 (b) "Improper governmental action" does not include personnel
16 actions including but not limited to employee grievances, complaints,
17 appointments, promotions, transfers, assignments, reassignments,
18 reinstatements, restorations, reemployments, performance evaluations,
19 reductions in pay, dismissals, suspensions, demotions, violations of
20 the state civil service law, alleged labor agreement violations,
21 reprimands, or any action which may be taken under chapter 41.06 or
22 28B.16 RCW, or other disciplinary action except as provided in RCW
23 42.40.030.

24 (4) "Use of official authority or influence" includes taking,
25 directing others to take, recommending, processing, or approving any
26 personnel action such as an appointment, promotion, transfer,
27 assignment, reassignment, reinstatement, restoration, reemployment,
28 performance evaluation, or any adverse action under chapter 41.06 or
29 28B.16 RCW, or other disciplinary action.

1 (5) "Whistleblower" means an employee who in good faith reports
2 alleged improper governmental action to the auditor, initiating an
3 investigation under RCW 42.40.040. For purposes of the provisions of
4 this chapter and chapter 49.60 RCW relating to reprisals and
5 retaliatory action, the term "whistleblower" also means an employee who
6 provides information to the auditor in connection with an investigation
7 under RCW 42.40.040 and an employee who is believed to have reported
8 alleged improper governmental action to the auditor or to have provided
9 information to the auditor in connection with an investigation under
10 RCW 42.40.040.

11 **Sec. 3.** RCW 42.40.040 and 1989 c 284 s 3 are each amended to read
12 as follows:

13 (1) Upon receiving specific information that an employee has
14 engaged in improper governmental action, the auditor shall, within five
15 working days of receipt of the information, mail written
16 acknowledgement to the whistleblower at the address provided. For a
17 period not to exceed thirty days, the auditor shall conduct such
18 preliminary investigation of the matter as the auditor deems
19 appropriate. In conducting the investigation, the identity of the
20 ~~((person providing the information which initiated the investigation))~~
21 whistleblower shall be kept confidential.

22 (2) In addition to the authority under subsection (1) of this
23 section, the auditor may, on its own initiative, investigate incidents
24 of improper state governmental action.

25 (3) (a) If it appears to the auditor, upon completion of the
26 preliminary investigation, that the matter is so unsubstantiated that
27 no further investigation, prosecution, or administrative action is
28 warranted, the auditor shall so notify the ~~((person, if known, who~~
29 ~~provided the information initiating the investigation))~~ whistleblower.

1 (b) The notification shall be by memorandum containing a summary of
2 the information received, a summary of the results of the preliminary
3 investigation with regard to each allegation of improper governmental
4 action, and any determination made by the auditor under (c) of this
5 subsection.

6 (c) In any case to which this section applies, the identity of the
7 (~~person who provided the information initiating the investigation~~)
8 whistleblower shall be kept confidential unless the auditor determines
9 that the information has been provided other than in good faith.

10 (d) If it appears to the auditor that the matter does not meet the
11 definition of an "improper governmental action" under RCW 42.40.020(3),
12 or is other than a gross waste of public funds, the auditor may forward
13 a summary of the allegations to the appropriate agency for
14 investigation and require a response by memorandum containing a summary
15 of the investigation with regard to each allegation and any
16 determination of corrective action taken. The auditor will keep the
17 identity of the (~~person who provided the information initiating the~~
18 ~~investigation~~) whistleblower confidential. Upon receipt of the
19 results of the investigation from the appropriate agency, the auditor
20 will notify the (~~provider~~) whistleblower as prescribed under (a),
21 (b), and (c) of this subsection.

22 (4) If it appears to the auditor after completion of the
23 preliminary investigation that further investigation, prosecution, or
24 administrative action is warranted, the auditor shall so notify the
25 (~~party, if known, who provided the information initiating the~~
26 ~~investigation~~) whistleblower and either conduct further investigations
27 or issue a report under subsection (6) of this section. Within sixty
28 days after the thirty-day period in subsection (1) of this section, the
29 auditor shall complete the investigation and report its findings to the
30 whistleblower unless written justification for the delay is furnished

1 to the whistleblower. In all such cases, the report of the auditor's
2 investigation and findings shall be sent to the whistleblower within
3 one year after the information was filed under subsection (1) of this
4 section.

5 (5) (a) At any stage of an investigation under this section the
6 auditor may require by subpoena the attendance and testimony of
7 witnesses and the production of documentary or other evidence relating
8 to the investigation at any designated place in the state. The auditor
9 may issue subpoenas, administer oaths, examine witnesses, and receive
10 evidence. In the case of contumacy or failure to obey a subpoena, the
11 superior court for the county in which the person to whom the subpoena
12 is addressed resides or is served may issue an order requiring the
13 person to appear at any designated place to testify or to produce
14 documentary or other evidence. Any failure to obey the order of the
15 court may be punished by the court as a contempt thereof.

16 (b) The auditor may order the taking of depositions at any stage of
17 a proceeding or investigation under this chapter. Depositions shall be
18 taken before an individual designated by the auditor and having the
19 power to administer oaths. Testimony shall be reduced to writing by or
20 under the direction of the individual taking the deposition and shall
21 be subscribed by the deponent.

22 (6) (a) If the auditor determines that there is reasonable cause to
23 believe that an employee has engaged in any improper activity, the
24 auditor shall report the nature and details of the activity to:

25 (i) The employee and the head of the employing agency; and

26 (ii) If appropriate, the attorney general or such other authority
27 as the auditor determines appropriate.

28 (b) The auditor has no enforcement power except that in any case in
29 which the auditor submits a report of alleged improper activity to the
30 head of an agency, the attorney general, or any other individual to

1 which a report has been made under this section, the individual shall
2 report to the auditor with respect to any action taken by the
3 individual regarding the activity, the first report being transmitted
4 no later than thirty days after the date of the auditor's report and
5 monthly thereafter until final action is taken. If the auditor
6 determines that appropriate action is not being taken within a
7 reasonable time, the auditor shall report the determination to the
8 governor and to the legislature.

9 (7) This section does not limit any authority conferred upon the
10 attorney general or any other agency of government to investigate any
11 matter.

12 **Sec. 4.** RCW 42.40.050 and 1989 c 284 s 4 are each amended to read
13 as follows:

14 (1) Any ((employee)) whistleblower (a) who provides his or her name
15 and specific information to the auditor on any matter which is found to
16 warrant further investigation or other action, or which is provided by
17 the ((employee)) whistleblower in good faith, as determined by the
18 auditor, whether or not further action is warranted and (b) who is
19 subjected to any reprisal or retaliatory action ((undertaken during the
20 period beginning on the day after the date on which the specific
21 information is received by the auditor alleging improper governmental
22 action,)) may seek judicial review of the reprisal or retaliatory
23 action in superior court, whether or not there has been an
24 administrative review of the action. In such ((an)) action, the
25 reviewing court may award costs and reasonable ((attorney's))
26 attorneys' fees to the prevailing party. The provisions of RCW
27 4.92.060 through 4.92.075 shall apply to judicial proceedings and
28 proceedings before the human rights commission under this chapter.

1 (2) (~~The employee who provided specific information shall notify~~
2 ~~the state auditor in writing if any changes in the employee's work~~
3 ~~situation exist which are related to the employee's having provided~~
4 ~~information. If the auditor has reason to believe that such a change~~
5 ~~in work situation has occurred, the auditor shall investigate and~~
6 ~~report on the matter in accordance with this chapter~~) A whistleblower
7 or perceived whistleblower having reason to believe that he or she has
8 been subjected to retaliatory action may make, sign, and file a
9 complaint with the human rights commission in accordance with RCW
10 49.60.230. The human rights commission shall investigate and pass upon
11 the complaint in accordance with chapter 49.60 RCW. The auditor shall
12 provide a record of its investigation under RCW 42.40.040 to the human
13 rights commission. The human rights commission shall have exclusive
14 administrative jurisdiction over complaints alleging reprisal or
15 retaliatory action under this chapter and any fine, order, or other
16 action issued by the human rights commission or any action taken by an
17 appointing authority on order of the human rights commission shall not
18 be subject to consideration, review, or alteration by any other state
19 agency or board.

20 (3) For the purpose of this section "reprisal or retaliatory
21 action" means but is not limited to:

22 (a) Denial of adequate staff to perform duties;

23 (b) Frequent staff changes;

24 (c) Frequent and undesirable office changes;

25 (d) Refusal to assign meaningful work;

26 (e) Unwarranted and unsubstantiated letters of reprimand or
27 unsatisfactory performance evaluations;

28 (f) Demotion;

29 (g) Reduction in pay;

30 (h) Denial of promotion;

- 1 (i) Suspension; (~~and~~)
2 (j) Dismissal;
3 (k) Denial of employment; and
4 (l) A supervisor or superior encouraging coworkers to behave in a
5 hostile manner toward the whistleblower.

6 **Sec. 5.** RCW 49.60.210 and 1985 c 185 s 18 are each amended to read
7 as follows:

8 (1) It is an unfair practice for any employer, employment agency,
9 labor union, or other person to discharge, expel, or otherwise
10 discriminate against any person because he or she has opposed any
11 practices forbidden by this chapter, or because he or she has filed a
12 charge, testified, or assisted in any proceeding under this chapter.

13 (2) It is an unfair practice for a state or local government
14 manager or supervisor to retaliate against a whistleblower as defined
15 in chapter 42.40 RCW.

16 **Sec. 6.** RCW 49.60.250 and 1989 c 175 s 115 are each amended to
17 read as follows:

18 (1) In case of failure to reach an agreement for the elimination of
19 such unfair practice, and upon the entry of findings to that effect,
20 the entire file, including the complaint and any and all findings made,
21 shall be certified to the chairperson of the commission. The
22 chairperson of the commission shall thereupon request the appointment
23 of an administrative law judge under Title 34 RCW to hear the complaint
24 and shall cause to be issued and served in the name of the commission
25 a written notice, together with a copy of the complaint, as the same
26 may have been amended, requiring the respondent to answer the charges
27 of the complaint at a hearing before the administrative law judge, at
28 a time and place to be specified in such notice.

1 (2) The place of any such hearing may be the office of the
2 commission or another place designated by it. The case in support of
3 the complaint shall be presented at the hearing by counsel for the
4 commission: PROVIDED, That the complainant may retain independent
5 counsel and submit testimony and be fully heard. No member or employee
6 of the commission who previously made the investigation or caused the
7 notice to be issued shall participate in the hearing except as a
8 witness, nor shall the member or employee participate in the
9 deliberations of the administrative law judge in such case. Any
10 endeavors or negotiations for conciliation shall not be received in
11 evidence.

12 (3) The respondent shall file a written answer to the complaint and
13 appear at the hearing in person or otherwise, with or without counsel,
14 and submit testimony and be fully heard. The respondent has the right
15 to cross-examine the complainant.

16 (4) The administrative law judge conducting any hearing may permit
17 reasonable amendment to any complaint or answer. Testimony taken at
18 the hearing shall be under oath and recorded.

19 (5) If, upon all the evidence, the administrative law judge finds
20 that the respondent has engaged in any unfair practice, the
21 administrative law judge shall state findings of fact and shall issue
22 and file with the commission and cause to be served on such respondent
23 an order requiring such respondent to cease and desist from such unfair
24 practice and to take such affirmative action, including, (but not
25 limited to) hiring, reinstatement or upgrading of employees, with or
26 without back pay, an admission or restoration to full membership rights
27 in any respondent organization, or to take such other action as, in the
28 judgment of the administrative law judge, will effectuate the purposes
29 of this chapter, including action that could be ordered by a court,
30 except that damages for humiliation and mental suffering shall not

1 exceed one thousand dollars, and including a requirement for report of
2 the matter on compliance.

3 (6) If a determination is made that retaliatory action, as defined
4 in RCW 42.40.050, has been taken against a whistleblower, as defined in
5 RCW 42.40.020, the administrative law judge may, in addition to any
6 other remedy, impose a civil penalty upon the retaliator of up to three
7 thousand dollars and issue an order to the state employer to suspend
8 the retaliator for up to thirty days without pay. At a minimum, the
9 administrative law judge shall require that a letter of reprimand be
10 placed in the retaliator's personnel file. All penalties recovered
11 shall be paid into the state treasury and credited to the general fund.

12 (7) The final order of the administrative law judge shall include
13 a notice to the parties of the right to obtain judicial review of the
14 order by appeal in accordance with the provisions of RCW 34.05.510
15 through 34.05.598, and that such appeal must be served and filed within
16 thirty days after the service of the order on the parties.

17 ~~((+7))~~ (8) If, upon all the evidence, the administrative law judge
18 finds that the respondent has not engaged in any alleged unfair
19 practice, the administrative law judge shall state findings of fact and
20 shall similarly issue and file an order dismissing the complaint.

21 ~~((+8))~~ (9) An order dismissing a complaint may include an award of
22 reasonable attorneys' fees in favor of the respondent if the
23 administrative law judge concludes that the complaint was frivolous,
24 unreasonable, or groundless.

25 ~~((+9))~~ (10) The commission shall establish rules of practice to
26 govern, expedite, and effectuate the foregoing procedure.

27 **Sec. 7.** RCW 43.09.050 and 1979 c 151 s 91 are each amended to read
28 as follows:

29 The auditor shall:

1 (1) Except as otherwise specifically provided by law, audit the
2 accounts of all collectors of the revenue and other holders of public
3 money required by law to pay the same into the treasury;

4 (2) In his or her discretion, inspect the books of any person
5 charged with the receipt, safekeeping, and disbursement of public
6 moneys;

7 (3) Investigate improper governmental activity under chapter 42.40
8 RCW;

9 (4) Inform the attorney general in writing of the necessity for
10 (~~him~~) the attorney general to direct prosecutions in the name of the
11 state for all official delinquencies in relation to the assessment,
12 collection, and payment of the revenue, against all persons who, by any
13 means, become possessed of public money or property, and fail to pay
14 over or deliver the same, and against all debtors of the state;

15 (~~(4)~~) (5) Give information in writing to the legislature,
16 whenever required, upon any subject relating to the financial affairs
17 of the state, or touching any duties of his or her office;

18 (~~(5)~~) (6) Report to the director of financial management in
19 writing the names of all persons who have received any moneys belonging
20 to the state, and have not accounted therefor;

21 (~~(6)~~) (7) Authenticate with his or her official seal papers
22 issued from his or her office;

23 (~~(7)~~) (8) Make his or her official report annually on or before
24 the 31st of December.

25 **Sec. 8.** RCW 43.88.160 and 1987 c 505 s 36 are each amended to read
26 as follows:

27 This section sets forth the major fiscal duties and
28 responsibilities of officers and agencies of the executive branch. The
29 regulations issued by the governor pursuant to this chapter shall

1 provide for a comprehensive, orderly basis for fiscal management and
2 control, including efficient accounting and reporting therefor, for the
3 executive branch of the state government and may include, in addition,
4 such requirements as will generally promote more efficient public
5 management in the state.

6 (1) Governor; director of financial management. The governor,
7 through the director of financial management, shall devise and
8 supervise a modern and complete accounting system for each agency to
9 the end that all revenues, expenditures, receipts, disbursements,
10 resources and obligations of the state shall be properly and
11 systematically accounted for. The accounting system shall include the
12 development of accurate, timely records and reports of all financial
13 affairs of the state. The system shall also provide for central
14 accounts in the office of financial management at the level of detail
15 deemed necessary by the director to perform central financial
16 management. The director of financial management shall adopt and
17 periodically update an accounting procedures manual. Any agency
18 maintaining its own accounting and reporting system shall comply with
19 the updated accounting procedures manual and the rules of the director
20 adopted under this chapter. An agency may receive a waiver from
21 complying with this requirement if the waiver is approved by the
22 director. Waivers expire at the end of the fiscal biennium for which
23 they are granted. The director shall forward notice of waivers granted
24 to the legislative fiscal committees. The director of financial
25 management may require such financial, statistical, and other reports
26 as the director deems necessary from all agencies covering any period.

27 The director of financial management is responsible for quarterly
28 reporting of primary budget drivers such as applicable workloads,
29 caseload estimates, and appropriate unit cost data. These reports
30 shall be transmitted to the legislative fiscal committees or by

1 electronic means to the legislative evaluation and accountability
2 program committee. Quarterly reports shall include actual monthly data
3 and the variance between actual and estimated data to date. The
4 reports shall also include estimates of these items for the remainder
5 of the budget period.

6 In addition, the director of financial management, as agent of the
7 governor, shall:

8 (a) Make surveys and analyses of agencies with the object of
9 determining better methods and increased effectiveness in the use of
10 manpower and materials; and the director shall authorize expenditures
11 for employee training to the end that the state may benefit from
12 training facilities made available to state employees;

13 (b) Report to the governor with regard to duplication of effort or
14 lack of coordination among agencies;

15 (c) Review any pay and classification plans, and changes
16 thereunder, developed by any agency for their fiscal impact: PROVIDED,
17 That none of the provisions of this subsection shall affect merit
18 systems of personnel management now existing or hereafter established
19 by statute relating to the fixing of qualifications requirements for
20 recruitment, appointment, or promotion of employees of any agency. The
21 director shall advise and confer with agencies including appropriate
22 standing committees of the legislature as may be designated by the
23 speaker of the house and the president of the senate regarding the
24 fiscal impact of such plans and may amend or alter said plans, except
25 that for the following agencies no amendment or alteration of said
26 plans may be made without the approval of the agency concerned:
27 Agencies headed by elective officials;

28 (d) Fix the number and classes of positions or authorized man years
29 of employment for each agency and during the fiscal period amend the
30 determinations previously fixed by the director except that the

1 director shall not be empowered to fix said number or said classes for
2 the following: Agencies headed by elective officials;

3 (e) Provide for transfers and repayments between the budget
4 stabilization account and the general fund as directed by appropriation
5 and RCW 43.88.525 through 43.88.540;

6 (f) Promulgate regulations to effectuate provisions contained in
7 (~~subsections~~) (a) through (e) (~~hereof~~) of this subsection.

8 (2) The treasurer shall:

9 (a) Receive, keep and disburse all public funds of the state not
10 expressly required by law to be received, kept and disbursed by some
11 other persons: PROVIDED, That this subsection shall not apply to those
12 public funds of the institutions of higher learning which are not
13 subject to appropriation;

14 (b) Disburse public funds under the treasurer's supervision or
15 custody by warrant or check;

16 (c) Keep a correct and current account of all moneys received and
17 disbursed by the treasurer, classified by fund or account;

18 (d) Perform such other duties as may be required by law or by
19 regulations issued pursuant to this law.

20 It shall be unlawful for the treasurer to issue any warrant or
21 check for public funds in the treasury except upon forms duly
22 prescribed by the director of financial management. Said forms shall
23 provide for authentication and certification by the agency head or the
24 agency head's designee that the services have been rendered or the
25 materials have been furnished; or, in the case of loans or grants, that
26 the loans or grants are authorized by law; or, in the case of payments
27 for periodic maintenance services to be performed on state owned
28 equipment, that a written contract for such periodic maintenance
29 services is currently in effect and copies thereof are on file with the
30 office of financial management; and the treasurer shall not be liable

1 under the treasurer's surety bond for erroneous or improper payments so
2 made: PROVIDED, That when services are lawfully paid for in advance of
3 full performance by any private individual or business entity other
4 than as provided for by RCW 42.24.035, such individual or entity other
5 than central stores rendering such services shall make a cash deposit
6 or furnish surety bond coverage to the state as shall be fixed in an
7 amount by law, or if not fixed by law, then in such amounts as shall be
8 fixed by the director of the department of general administration but
9 in no case shall such required cash deposit or surety bond be less than
10 an amount which will fully indemnify the state against any and all
11 losses on account of breach of promise to fully perform such services:
12 AND PROVIDED FURTHER, That no payments shall be made in advance for any
13 equipment maintenance services to be performed more than three months
14 after such payment. Any such bond so furnished shall be conditioned
15 that the person, firm or corporation receiving the advance payment will
16 apply it toward performance of the contract. The responsibility for
17 recovery of erroneous or improper payments made under this section
18 shall lie with the agency head or the agency head's designee in
19 accordance with regulations issued pursuant to this chapter. Nothing
20 in this section shall be construed to permit a public body to advance
21 funds to a private service provider pursuant to a grant or loan before
22 services have been rendered or material furnished.

23 (3) The state auditor shall:

24 (a) Report to the legislature the results of current post audits
25 that have been made of the financial transactions of each agency; to
26 this end the auditor may, in the auditor's discretion, examine the
27 books and accounts of any agency, official or employee charged with the
28 receipt, custody or safekeeping of public funds. The current post
29 audit of each agency may include a section on recommendations to the

1 legislature as provided in (c) of this subsection (~~((3)(c) of this~~
2 ~~section))~~).

3 (b) Give information to the legislature, whenever required, upon
4 any subject relating to the financial affairs of the state.

5 (c) Make the auditor's official report on or before the thirty-
6 first of December which precedes the meeting of the legislature. The
7 report shall be for the last complete fiscal period and shall include
8 at least the following:

9 Determinations as to whether agencies, in making expenditures,
10 complied with the laws of this state: PROVIDED, That nothing in *this
11 act shall be construed to grant the state auditor the right to perform
12 performance audits. A performance audit for the purpose of *this act
13 shall be the examination of the effectiveness of the administration,
14 its efficiency and its adequacy in terms of the programs of departments
15 or agencies as previously approved by the legislature. The authority
16 and responsibility to conduct such an examination shall be vested in
17 the legislative budget committee as prescribed in RCW 44.28.085 as now
18 or hereafter amended.

19 (d) Be empowered to take exception to specific expenditures that
20 have been incurred by any agency or to take exception to other
21 practices related in any way to the agency's financial transactions and
22 to cause such exceptions to be made a matter of public record,
23 including disclosure to the agency concerned and to the director of
24 financial management. It shall be the duty of the director of
25 financial management to cause corrective action to be taken promptly,
26 such action to include, as appropriate, the withholding of funds as
27 provided in RCW 43.88.110.

28 (e) Promptly report any irregularities to the attorney general.

29 (f) Investigate improper governmental activity under chapter 42.40
30 RCW.

1 (4) The legislative budget committee may:

2 (a) Make post audits of the financial transactions of any agency
3 and management surveys and program reviews as provided for in RCW
4 44.28.085 as now or hereafter amended. To this end the committee may
5 in its discretion examine the books, accounts, and other records of any
6 agency, official, or employee.

7 (b) Give information to the legislature or any legislative
8 committee whenever required upon any subject relating to the
9 performance and management of state agencies.

10 (c) Make a report to the legislature which shall include at least
11 the following:

12 (i) Determinations as to the extent to which agencies in making
13 expenditures have complied with the will of the legislature and in this
14 connection, may take exception to specific expenditures or financial
15 practices of any agencies; and

16 (ii) Such plans as it deems expedient for the support of the
17 state's credit, for lessening expenditures, for promoting frugality and
18 economy in agency affairs and generally for an improved level of fiscal
19 management.

20 NEW SECTION. **Sec. 9.** A new section is added to chapter 43.09
21 RCW to read as follows:

22 The expense of investigating improper local governmental activity
23 as provided in chapter 42.40 RCW shall be borne by each entity subject
24 to such investigation. Procedures established by the division of
25 municipal corporations concerning the municipal revolving fund shall be
26 made applicable to these investigations and their expenses.

27 NEW SECTION. **Sec. 10.** The sum of twenty thousand dollars, or
28 as much thereof as may be necessary, is appropriated for the biennium

1 ending June 30, 1993, from the general fund to the human rights
2 commission for the purposes of this act.