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SENATE BILL 6262

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State of Washington

53rd Legislature

1994 Regular Session

By Senators L. Smith, Erwin and Oke

Read first time 01/18/94. Referred to Committee on Government Operations.

1 AN ACT Relating to the state treasurer; reenacting and amending RCW  
2 42.17.2401 and 42.17.2401; adding a new section to chapter 43.08 RCW;  
3 adding a new section to chapter 43.33 RCW; adding a new section to  
4 chapter 43.33A RCW; providing an effective date; and providing an  
5 expiration date.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.08 RCW  
8 to read as follows:

9 (1) The state treasurer may not enter any agreement for the  
10 services of an underwriter or service provider who has made a  
11 contribution reportable under chapter 42.17 RCW to the state treasurer  
12 during the current or preceding election cycle.

13 (2) The state treasurer may not enter an agreement for the services  
14 of an underwriter or service provider that does not, as a condition of  
15 entry to the agreement, certify that it will not make a contribution  
16 reportable under chapter 42.17 RCW to a candidate for the office of  
17 state treasurer during the period beginning on the date of entry into  
18 the agreement and ending one year after the date the agreement has been  
19 revoked or otherwise become inoperative.

1 (3) As used in this section:

2 (a) "Service provider" means an individual or firm that provides  
3 legal or financial advisory assistance to the state or to another  
4 service provider or underwriter, for compensation. The term includes  
5 agents, legal counsel, officers, principals, and professional employees  
6 of the service provider, but only from the date the individual or firm  
7 becomes employed or is retained as an agent, legal counsel, officer,  
8 principal, or professional employee of the service provider.

9 (b) "Underwriter" means an individual or firm that initially  
10 purchases a new issue of bonds from the state by a negotiated sale.  
11 The term includes agents, legal counsel, officers, principals, and  
12 professional employees of the underwriter, but only from the date the  
13 individual or firm becomes employed or is retained as an agent, legal  
14 counsel, officer, principal, or professional employee of the  
15 underwriter.

16 (4) The purpose of this section is to avoid the appearance or  
17 perception that favoritism, special dealing, or political  
18 considerations might be involved in a decision relating to the state's  
19 selection of service providers or underwriters.

20 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.33 RCW  
21 to read as follows:

22 (1) The state finance committee may not enter an agreement for the  
23 services of an underwriter or service provider who has made a  
24 contribution reportable under chapter 42.17 RCW to the state treasurer  
25 during the current or preceding election cycle.

26 (2) The state finance committee may not enter an agreement for the  
27 services of an underwriter or service provider that does not, as a  
28 condition of entry to the agreement, certify that it will not make a  
29 contribution reportable under chapter 42.17 RCW to a candidate for the  
30 office of state treasurer during the period beginning on the date of  
31 entry into the agreement and ending one year after the date the  
32 agreement has been revoked or otherwise become inoperative.

33 (3) As used in this section:

34 (a) "Service provider" means an individual or firm that provides  
35 legal or financial advisory assistance to the state or to another  
36 service provider or underwriter, for compensation. The term includes  
37 agents, legal counsel, officers, principals, and professional employees  
38 of the service provider, but only from the date the individual or firm

1 becomes employed or is retained as an agent, legal counsel, officer,  
2 principal, or professional employee of the service provider.

3 (b) "Underwriter" means an individual or firm that initially  
4 purchases a new issue of bonds from the state by a negotiated sale.  
5 The term includes agents, legal counsel, officers, principals, and  
6 professional employees of the underwriter, but only from the date the  
7 individual or firm becomes employed or is retained as an agent, legal  
8 counsel, officer, principal, or professional employee of the  
9 underwriter.

10 (4) The purpose of this section is to avoid the appearance or  
11 perception that favoritism, special dealing, or political  
12 considerations might be involved in a decision relating to the state's  
13 selection of service providers or underwriters.

14 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.33A RCW  
15 to read as follows:

16 (1) The state investment board may not enter an agreement for the  
17 services of a service provider who has made a contribution reportable  
18 under chapter 42.17 RCW to the state treasurer during the current or  
19 preceding election cycle.

20 (2) The state investment board may not enter an agreement for the  
21 services of a service provider that does not, as a condition of entry  
22 to the agreement, certify that it will not make a contribution  
23 reportable under chapter 42.17 RCW to a candidate for the office of  
24 state treasurer during the period beginning on the date of entry into  
25 the agreement and ending one year after the date the agreement has been  
26 revoked or otherwise become inoperative.

27 (3) As used in this section, "service provider" means an individual  
28 or firm that provides legal or financial advisory assistance to the  
29 state or to another service provider or underwriter, for compensation.  
30 The term includes agents, legal counsel, officers, principals, and  
31 professional employees of the service provider, but only from the date  
32 the individual or firm becomes employed or is retained as an agent,  
33 legal counsel, officer, principal, or professional employee of the  
34 service provider.

35 (4) The purpose of this section is to avoid the appearance or  
36 perception that favoritism, special dealing, or political  
37 considerations might be involved in a decision relating to the state's  
38 selection of service providers.

1       **Sec. 4.** RCW 42.17.2401 and 1993 c 492 s 488 and 1993 c 281 s 43  
2 are each reenacted and amended to read as follows:

3       For the purposes of RCW 42.17.240, the term "executive state  
4 officer" includes:

5       (1) The chief administrative law judge, the director of  
6 agriculture, the administrator of the office of marine safety, the  
7 administrator of the Washington basic health plan, the director of the  
8 department of services for the blind, the director of the state system  
9 of community and technical colleges, the director of community  
10 development, the secretary of corrections, the director of ecology, the  
11 commissioner of employment security, the chairman of the energy  
12 facility site evaluation council, the director of the energy office,  
13 the secretary of the state finance committee, the director of financial  
14 management, the director of fisheries, the executive secretary of the  
15 forest practices appeals board, the director of the gambling  
16 commission, the director of general administration, the secretary of  
17 health, the administrator of the Washington state health care  
18 authority, the executive secretary of the health care facilities  
19 authority, the executive secretary of the higher education facilities  
20 authority, the executive secretary of the horse racing commission, the  
21 executive secretary of the human rights commission, the executive  
22 secretary of the indeterminate sentence review board, the director of  
23 the department of information services, the director of the interagency  
24 committee for outdoor recreation, the executive director of the state  
25 investment board, the director of labor and industries, the director of  
26 licensing, the director of the lottery commission, the director of the  
27 office of minority and women's business enterprises, the director of  
28 parks and recreation, the director of personnel, the executive director  
29 of the public disclosure commission, the director of retirement  
30 systems, the director of revenue, the secretary of social and health  
31 services, the chief of the Washington state patrol, the executive  
32 secretary of the board of tax appeals, the director of trade and  
33 economic development, the secretary of transportation, the secretary of  
34 the utilities and transportation commission, the director of veterans  
35 affairs, the director of wildlife, the president of each of the  
36 regional and state universities and the president of The Evergreen  
37 State College, each district and each campus president of each state  
38 community college;

39       (2) Each professional staff member of the office of the governor;

1 (3) Each professional staff member of the legislature; ((and))

2 (4) Central Washington University board of trustees, board of  
3 trustees of each community college, each member of the state board for  
4 community and technical colleges, state convention and trade center  
5 board of directors, committee for deferred compensation, Eastern  
6 Washington University board of trustees, Washington economic  
7 development finance authority, The Evergreen State College board of  
8 trustees, forest practices appeals board, forest practices board,  
9 gambling commission, Washington health care facilities authority, each  
10 member of the Washington health services commission, higher education  
11 coordinating board, higher education facilities authority, horse racing  
12 commission, state housing finance commission, human rights commission,  
13 indeterminate sentence review board, board of industrial insurance  
14 appeals, information services board, interagency committee for outdoor  
15 recreation, state investment board, liquor control board, lottery  
16 commission, marine oversight board, oil and gas conservation committee,  
17 Pacific Northwest electric power and conservation planning council,  
18 parks and recreation commission, personnel appeals board, board of  
19 pilotage commissioners, pollution control hearings board, public  
20 disclosure commission, public pension commission, shorelines hearing  
21 board, public employees' benefits board, board of tax appeals,  
22 transportation commission, University of Washington board of regents,  
23 utilities and transportation commission, Washington state maritime  
24 commission, Washington personnel resources board, Washington public  
25 power supply system executive board, Washington State University board  
26 of regents, Western Washington University board of trustees, and  
27 wildlife commission; and

28 (5) Within the office of the state treasurer the following  
29 professional staff members: Assistant treasurer, deputy treasurer,  
30 legal counsel, and investment officer.

31 **Sec. 5.** RCW 42.17.2401 and 1993 sp.s. c 2 s 18, 1993 c 492 s 488,  
32 and 1993 c 281 s 43 are each reenacted and amended to read as follows:

33 For the purposes of RCW 42.17.240, the term "executive state  
34 officer" includes:

35 (1) The chief administrative law judge, the director of  
36 agriculture, the administrator of the office of marine safety, the  
37 administrator of the Washington basic health plan, the director of the  
38 department of services for the blind, the director of the state system

1 of community and technical colleges, the director of community, trade,  
2 and economic development, the secretary of corrections, the director of  
3 ecology, the commissioner of employment security, the chairman of the  
4 energy facility site evaluation council, the director of the energy  
5 office, the secretary of the state finance committee, the director of  
6 financial management, the director of fish and wildlife, the executive  
7 secretary of the forest practices appeals board, the director of the  
8 gambling commission, the director of general administration, the  
9 secretary of health, the administrator of the Washington state health  
10 care authority, the executive secretary of the health care facilities  
11 authority, the executive secretary of the higher education facilities  
12 authority, the executive secretary of the horse racing commission, the  
13 executive secretary of the human rights commission, the executive  
14 secretary of the indeterminate sentence review board, the director of  
15 the department of information services, the director of the interagency  
16 committee for outdoor recreation, the executive director of the state  
17 investment board, the director of labor and industries, the director of  
18 licensing, the director of the lottery commission, the director of the  
19 office of minority and women's business enterprises, the director of  
20 parks and recreation, the director of personnel, the executive director  
21 of the public disclosure commission, the director of retirement  
22 systems, the director of revenue, the secretary of social and health  
23 services, the chief of the Washington state patrol, the executive  
24 secretary of the board of tax appeals, (~~the director of trade and~~  
25 ~~economic development,~~) the secretary of transportation, the secretary  
26 of the utilities and transportation commission, the director of  
27 veterans affairs, the president of each of the regional and state  
28 universities and the president of The Evergreen State College, each  
29 district and each campus president of each state community college;

30 (2) Each professional staff member of the office of the governor;

31 (3) Each professional staff member of the legislature; (~~and~~)

32 (4) Central Washington University board of trustees, board of  
33 trustees of each community college, each member of the state board for  
34 community and technical colleges, state convention and trade center  
35 board of directors, committee for deferred compensation, Eastern  
36 Washington University board of trustees, Washington economic  
37 development finance authority, The Evergreen State College board of  
38 trustees, forest practices appeals board, forest practices board,  
39 gambling commission, Washington health care facilities authority, each

1 member of the Washington health services commission, higher education  
2 coordinating board, higher education facilities authority, horse racing  
3 commission, state housing finance commission, human rights commission,  
4 indeterminate sentence review board, board of industrial insurance  
5 appeals, information services board, interagency committee for outdoor  
6 recreation, state investment board, liquor control board, lottery  
7 commission, marine oversight board, oil and gas conservation committee,  
8 Pacific Northwest electric power and conservation planning council,  
9 parks and recreation commission, personnel appeals board, board of  
10 pilotage commissioners, pollution control hearings board, public  
11 disclosure commission, public pension commission, shorelines hearing  
12 board, public employees' benefits board, board of tax appeals,  
13 transportation commission, University of Washington board of regents,  
14 utilities and transportation commission, Washington state maritime  
15 commission, Washington personnel resources board, Washington public  
16 power supply system executive board, Washington State University board  
17 of regents, Western Washington University board of trustees, and fish  
18 and wildlife commission; and

19 (5) Within the office of the state treasurer the following  
20 professional staff members: Assistant treasurer, deputy treasurer,  
21 legal counsel, and investment officer.

22 NEW SECTION. Sec. 6. Section 4 of this act shall expire July 1,  
23 1994.

24 NEW SECTION. Sec. 7. Section 5 of this act shall take effect July  
25 1, 1994.

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