S-4110.1			
9-4110.1			

SUBSTITUTE SENATE BILL 6310

State of Washington 56th Legislature 2000 Regular Session

By Senate Committee on State & Local Government (originally sponsored by Senators Gardner, Horn, Oke, Loveland, Stevens, Wojahn, Bauer, Rasmussen, McAuliffe and Costa; by request of Joint Legislative Audit & Review Committee)

Read first time 1/25/00.

- AN ACT Relating to government accountability through the state sunset review process; amending RCW 43.131.020, 43.131.030, 43.131.040,
- 3 43.131.090, 43.131.100, 43.131.130, 43.131.150, and 43.131.900; adding
- 4 new sections to chapter 43.131 RCW; repealing RCW 43.131.050,
- 5 43.131.060, 43.131.070, and 43.131.080; and providing an expiration
- 6 date.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 **Sec. 1.** RCW 43.131.020 and 1977 ex.s. c 289 s 2 are each amended 9 to read as follows:
- 10 The state legislature finds that state ((agencies)) entities may
- 11 fail to deliver services as effectively and efficiently as is expected
- 12 by the general public and as originally contemplated by the
- 13 legislature. It further finds that state government actions have
- 14 produced a substantial increase in numbers of ((agencies)) entities,
- 15 growth of programs, and proliferation of rules ((and regulations)), and
- 16 that the entire process has evolved without sufficient legislative and
- 17 executive oversight, regulatory accountability, or a system of checks
- 18 and balances. The legislature further finds that by establishing a
- 19 system for the termination, continuation, or modification of state

p. 1 SSB 6310

- ((agencies)) entities, coupled with a system of scheduled review of 1
- such ((agencies)) entities, it will be in a better position to: 2
- Evaluate the need for the continued existence of existing and future 3
- 4 state ((agencies)) entities; assess the effectiveness and performance
- of agencies, boards, commissions, and programs; and ensure public 5
- accountability. The legislature recognizes that the executive branch 6
- 7 shares in this duty and responsibility to assure that state government
- 8 operates in an efficient, orderly, and responsive manner.
- 9 Sec. 2. RCW 43.131.030 and 1983 1st ex.s. c 27 s 1 are each amended to read as follows: 10
- As used in this chapter the following words and phrases shall have 11 the following meanings unless the context clearly requires otherwise. 12
- 13 (1) (("Committees of reference" means the standing legislative
- 14 committees designated by the senate and house of representatives to
- consider termination, modification, or reestablishment of state 15
- agencies pursuant to this chapter.)) "Entity" includes every state 16
- office, department, board, commission, unit or subunit, and agency of 17
- 18 the state, and where provided by law, programs and activities involving
- less than the full responsibility of a state agency. "Entity" also 19
- includes any part of the Revised Code of Washington scheduled for 20
- repeal, expiration, or program termination. 21
- 22 (2) "Person" includes every natural person, firm, partnership, 23 corporation, association, or organization.
- 24 ((3) "Regulatory entity" means any board, commission, agency,
- 25 division, or other unit or subunit of state government which licenses
- or regulates one or more professions, occupations, industries, 26
- 27 businesses, or other endeavors in the state of Washington.
- 28 (4) "State agency" includes every state office, department, board,
- 29 commission, regulatory entity and agency of the state, and where
- 30 provided by law, programs and activities involving less than the full
- responsibility of a state agency.)) 31
- 32 Sec. 3. RCW 43.131.040 and 1983 1st ex.s. c 27 s 2 are each
- amended to read as follows: 33
- 34 Any state ((agency)) entity scheduled for termination by the
- 35 processes provided in this chapter may be reestablished by the
- legislature for a specified period of time or indefinitely. 36
- 37 legislature may again review the state ((agency)) entity in a manner

SSB 6310 p. 2

- 1 consistent with the provisions of this chapter and reestablish, modify,
- 2 or consolidate such state ((agency)) entity or allow it to be
- 3 terminated.
- 4 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 43.131 RCW 5 to read as follows:
- The joint legislative audit and review committee shall conduct a program and fiscal review of any entity scheduled for termination under
- 8 this chapter. This program and fiscal review shall be completed and a
- 9 preliminary report prepared during the calendar year prior to the date
- 10 established for termination. These reports shall be prepared in the
- 11 manner set forth in RCW 44.28.071 and 44.28.075. Upon completion of
- 12 its preliminary report, the joint legislative audit and review
- 13 committee shall transmit copies of the report to the office of
- 14 financial management and any affected entity. The final report shall
- 15 include the response, if any, of the affected entity and the office of
- 16 financial management in the same manner as set forth in RCW 44.28.088.
- 17 The joint legislative audit and review committee shall transmit the
- 18 final report to the legislature, to the state entity affected, to the
- 19 governor, and to the state library.
- NEW SECTION. Sec. 5. A new section is added to chapter 43.131 RCW to read as follows:
- 22 (1) Any entity may be scheduled for sunset termination and review 23 under this chapter by the legislature.
- 24 (2) An entity scheduled for sunset termination shall establish
- 25 performance measures, as required under subsection (3) of this section,
- 26 and must be evaluated, in part, in terms of the results. The entity
- 27 has the burden of proof for demonstrating compliance with the
- 28 performance measures. The sunset termination legislation shall name a
- 29 lead entity, if more than one entity is impacted by scheduled
- 30 termination. The affected entity or lead entity has the responsibility
- 31 for developing a data collection plan and submitting information to the
- 32 joint legislative audit and review committee.
- 33 (3)(a) An entity shall develop performance measures and a data
- 34 collection plan and submit them to the joint legislative audit and
- 35 review committee within one year of the effective date of the
- 36 legislation establishing the sunset termination.

p. 3 SSB 6310

- 1 (b) The joint legislative audit and review committee shall review 2 the performance measures and data collection plan for sufficiency and 3 notify the entity of approval or disapproval. If disapproved or 4 approved conditionally, the committee shall notify the entity, in 5 writing, of the necessary changes.
- 6 (4) Unless specified otherwise, sunset terminations under this
 7 chapter shall be a minimum of seven years. The joint legislative
 8 audit and review committee shall complete its review in the year prior
 9 to the date of termination. An entity scheduled for termination is
 10 terminated on the date scheduled unless legislation is enacted prior to
 11 the termination date.
- NEW SECTION. **Sec. 6.** A new section is added to chapter 43.131 RCW to read as follows:
- (1) In conducting the review of an entity, the joint legislative audit and review committee shall determine the scope and objectives of the review and consider, but not be limited to, the following factors, if applicable:
- 18 (a) The extent to which the entity has complied with legislative 19 intent;
- 20 (b) The extent to which the entity is operating in an efficient and 21 economical manner which results in optimum performance;
- (c) The extent to which the entity is operating in the public interest by controlling costs;
- 24 (d) The extent to which the entity duplicates the activities of 25 other entities or of the private sector;
- 26 (e) The extent to which the entity is meeting the performance 27 measures developed under section 5 of this act; and
- 28 (f) The possible impact of the termination or modification of the 29 entity.
- 30 (2) After completing the review under subsection (1) of this 31 section, the committee shall make its recommendations to the 32 legislature.
- 33 **Sec. 7.** RCW 43.131.090 and 1993 c 281 s 54 are each amended to 34 read as follows:
- Unless the legislature specifies a shorter period of time, a terminated ((state agency)) entity shall continue in existence until June 30th of the next succeeding year for the purpose of concluding its

SSB 6310 p. 4

- affairs: PROVIDED, That the powers and authority of the ((state agency)) entity shall not be reduced or otherwise limited during this period. Unless otherwise provided:
- 4 (1) All employees of terminated ((state agencies)) entities 5 classified under chapter 41.06 RCW, the state civil service law, shall 6 be transferred as appropriate or as otherwise provided in the 7 procedures adopted by the Washington personnel resources board pursuant 8 to RCW 41.06.150;
- 9 (2) All documents and papers, equipment, or other tangible property
 10 in the possession of the terminated ((state agency)) entity shall be
 11 delivered to the custody of the ((agency)) entity assuming the
 12 responsibilities of the terminated ((agency)) entity or if such
 13 responsibilities have been eliminated, documents and papers shall be
 14 delivered to the state archivist and equipment or other tangible
 15 property to the department of general administration;
- 16 (3) All funds held by, or other moneys due to, the terminated 17 ((state agency)) entity shall revert to the fund from which they were 18 appropriated, or if that fund is abolished to the general fund;
- (4) Notwithstanding the provisions of RCW 34.05.020, all rules made by a terminated ((state agency)) entity shall be repealed, without further action by the ((state agency)) entity, at the end of the period provided in this section, unless assumed and reaffirmed by the ((agency)) entity assuming the related legal responsibilities of the terminated ((state agency)) entity;
- (5) All contractual rights and duties of ((a state agency)) an entity shall be assigned or delegated to the ((agency)) entity assuming the responsibilities of the terminated ((state agency)) entity, or if there is none to such ((agency)) entity as the governor shall direct.
- 29 **Sec. 8.** RCW 43.131.100 and 1977 ex.s. c 289 s 10 are each amended 30 to read as follows:
- This chapter shall not affect the right to institute or prosecute 31 any cause of action by or against ((a state agency)) an entity 32 terminated pursuant to this chapter if the cause of action arose prior 33 34 to the end of the period provided in RCW 43.131.090. Such causes of action may be instituted, prosecuted, or defended in the name of the 35 36 state of Washington by the office of the attorney general. Any hearing or other proceeding pending before ((a state agency)) an entity to be 37 terminated and not completed before the end of the period provided in 38

p. 5 SSB 6310

- 1 RCW 43.131.090, may be completed by the ((agency)) entity assuming the
- 2 responsibilities of the terminated ((state agency)) entity.
- 3 **Sec. 9.** RCW 43.131.130 and 1977 ex.s. c 289 s 13 are each amended 4 to read as follows:
- 5 Nothing in this chapter or RCW 43.06.010 ((as now or hereafter
- 6 amended,)) shall prevent the legislature from abolishing or modifying
- 7 ((a state agency)) an entity scheduled for termination prior to the
- 8 ((agency's)) entity's established termination date or from abolishing
- 9 or modifying any other ((state agency)) entity.
- 10 **Sec. 10.** RCW 43.131.150 and 1983 1st ex.s. c 27 s 8 are each
- 11 amended to read as follows:
- 12 The ((state agencies and programs)) entities scheduled for
- 13 termination under this chapter shall be subject to all of the processes
- 14 provided in this chapter.
- 15 <u>NEW SECTION.</u> **Sec. 11.** The following acts or parts of acts are
- 16 each repealed:
- 17 (1) RCW 43.131.050 (Joint legislative audit and review committee
- 18 and office of financial management--Duties--Reports required) and 1996
- 19 c 288 s 43, 1990 c 297 s 2, 1979 c 22 s 1, & 1977 ex.s. c 289 s 5;
- 20 (2) RCW 43.131.060 (Joint legislative audit and review committee
- 21 review of regulatory entity--Factors for consideration) and 1996 c 288
- 22 s 44, 1988 c 17 s 1, & 1977 ex.s. c 289 s 6;
- 23 (3) RCW 43.131.070 (Joint legislative audit and review committee
- 24 review of a state agency other than a regulatory entity--Factors for
- 25 consideration) and 1996 c 288 s 45 & 1977 ex.s. c 289 s 7; and
- 26 (4) RCW 43.131.080 (Committees of reference--Powers and duties) and
- 27 1996 c 288 s 46, 1989 c 175 s 109, 1983 1st ex.s. c 27 s 3, & 1977
- 28 ex.s. c 289 s 8.
- 29 **Sec. 12.** RCW 43.131.900 and 1988 c 17 s 2 are each amended to read
- 30 as follows:
- 31 RCW 43.131.010 through 43.131.150 shall expire on June 30, ((2000))
- 32 2015, unless extended by law for an additional fixed period of time.
- 33 <u>NEW SECTION.</u> **Sec. 13.** If any provision of this act or its
- 34 application to any person or circumstance is held invalid, the

SSB 6310 p. 6

- 1 remainder of the act or the application of the provision to other
- 2 persons or circumstances is not affected.

--- END ---

p. 7 SSB 6310