

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 2406**

Chapter 26, Laws of 2010

61st Legislature  
2010 Regular Session

JLARC--PROCESS--MEMBERSHIP--PERFORMANCE AUDITS

EFFECTIVE DATE: 06/10/10

Passed by the House January 28, 2010  
Yeas 97 Nays 0

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

Passed by the Senate March 4, 2010  
Yeas 47 Nays 0

BRAD OWEN

\_\_\_\_\_  
**President of the Senate**

Approved March 12, 2010, 1:52 p.m.

CHRISTINE GREGOIRE

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2406** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

\_\_\_\_\_  
**Chief Clerk**

FILED

March 12, 2010

**Secretary of State  
State of Washington**

---

HOUSE BILL 2406

---

Passed Legislature - 2010 Regular Session

State of Washington

61st Legislature

2010 Regular Session

By Representatives Kelley, Alexander, Miloscia, and Haigh

Prefiled 12/07/09. Read first time 01/11/10. Referred to Committee on State Government & Tribal Affairs.

1 AN ACT Relating to updating and removing obsolete references from  
2 the statutes governing the joint legislative audit and review  
3 committee; amending RCW 44.28.010, 44.28.020, 44.28.083, 44.28.088,  
4 44.28.097, and 44.28.110; and repealing RCW 44.28.030 and 44.28.161.

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

6 **Sec. 1.** RCW 44.28.010 and 1996 c 288 s 3 are each amended to read  
7 as follows:

8 The joint legislative audit and review committee is created, which  
9 shall consist of eight senators and eight representatives from the  
10 legislature. The senate members of the joint committee shall be  
11 appointed by the president of the senate, and the house members of the  
12 joint committee shall be appointed by the speaker of the house. Not  
13 more than four members from each house shall be from the same political  
14 party. Members shall be appointed before the close of each regular  
15 session of the legislature during an odd-numbered year. ~~((If before  
16 the close of a regular session during an odd numbered year, the  
17 governor issues a proclamation convening the legislature into special  
18 session, or the legislature by resolution convenes the legislature into  
19 special session, following such regular session, then such appointments~~

1 ~~shall be made as a matter of closing business of such special session.~~  
2 ~~Members shall be subject to confirmation, as to the senate members by~~  
3 ~~the senate, and as to the house members by the house. In the event of~~  
4 ~~a failure to appoint or confirm joint committee members, the members of~~  
5 ~~the joint committee from either house in which there is a failure to~~  
6 ~~appoint or confirm shall be elected by the members of such house.))~~

7 **Sec. 2.** RCW 44.28.020 and 1996 c 288 s 4 are each amended to read  
8 as follows:

9 The term of office of the members of the joint committee (~~who~~  
10 ~~continue to be members of the senate and house shall be from the close~~  
11 ~~of the session in which they were appointed or elected as provided in~~  
12 ~~RCW 44.28.010 until the close of the next regular session during an~~  
13 ~~odd numbered year or special session following such regular session,~~  
14 ~~or, in the event that such appointments or elections are not made,~~  
15 ~~until the close of the next regular session during an odd numbered year~~  
16 ~~during which successors are appointed or elected. The term of office~~  
17 ~~of joint committee members who do not continue to be members of the~~  
18 ~~senate and house ceases upon the convening of the next regular session~~  
19 ~~of the legislature during an odd numbered year after their~~  
20 ~~confirmation, election or appointment)) shall be two years, ending two  
21 years from the date of appointment or when a member is no longer a  
22 member of the house from which he or she was appointed, except that  
23 members shall continue to serve until a successor is appointed.  
24 Vacancies on the joint committee shall be filled (~~by appointment by~~  
25 ~~the remaining members. All such vacancies shall be filled from the~~  
26 ~~same political party and from the same house as the member whose seat~~  
27 ~~was vacated)) from the same political party and from the same house as  
28 the member whose seat was vacated. Senate vacancies shall be filled  
29 through appointment by the president of the senate, and house vacancies  
30 shall be filled through appointment by the speaker of the house.~~~~

31 **Sec. 3.** RCW 44.28.083 and 1996 c 288 s 12 are each amended to read  
32 as follows:

33 (1) (~~During the regular legislative session of each odd numbered~~  
34 ~~year, beginning with 1997)) At the conclusion of the regular  
35 legislative session of each odd-numbered year, the joint legislative  
36 audit and review committee shall develop and approve a performance~~

1 audit work plan for the (~~subsequent sixteen to twenty four month~~  
2 ~~period and an overall work plan that identifies state agency programs~~  
3 ~~for which formal evaluation appears necessary~~) ensuing biennium. The  
4 biennial work plan may be modified, as necessary, at the conclusion of  
5 other legislative sessions to reflect actions taken by the legislature  
6 and the joint committee. The work plan shall include a description of  
7 each performance audit, and the cost of completing the audits on the  
8 work plan shall be limited to the funds appropriated to the joint  
9 committee. Approved performance audit work plans shall be transmitted  
10 to the entire legislature by July 1st following the conclusion of each  
11 regular session of an odd-numbered year and as soon as practical  
12 following other legislative sessions.

13 (2) Among the factors to be considered in preparing the work plans  
14 are:

15 (a) Whether a program newly created or significantly altered by the  
16 legislature warrants continued oversight because (i) the fiscal impact  
17 of the program is significant, or (ii) the program represents a  
18 relatively high degree of risk in terms of reaching the stated goals  
19 and objectives for that program;

20 (b) Whether implementation of an existing program has failed to  
21 meet its goals and objectives by any significant degree; (~~and~~)

22 (c) Whether a follow-up audit would help ensure that previously  
23 identified recommendations for improvements were being implemented; and

24 (d) Whether an assignment for the joint committee to conduct a  
25 performance audit has been mandated in legislation.

26 (~~(2) The project description for each performance audit must~~  
27 ~~include start and completion dates, the proposed approach, and cost~~  
28 ~~estimates.))~~

29 (3) The legislative auditor may consult with the chairs and staff  
30 of appropriate legislative committees, the state auditor, and the  
31 director of financial management in developing the performance audit  
32 work plan.

33 (~~(4) The performance audit work plan and the overall work plan may~~  
34 ~~include proposals to employ contract resources. As conditions warrant,~~  
35 ~~the performance audit work plan and the overall work plan may be~~  
36 ~~amended from time to time. All performance audit work plans shall be~~  
37 ~~transmitted to the appropriate fiscal and policy committees of the~~  
38 ~~senate and the house of representatives no later than the sixtieth day~~

1 ~~of the regular legislative session of each odd-numbered year, beginning~~  
2 ~~with 1997. All overall work plans shall be transmitted to the~~  
3 ~~appropriate fiscal and policy committees of the senate and the house of~~  
4 ~~representatives.))~~

5       **Sec. 4.** RCW 44.28.088 and 2005 c 319 s 113 are each amended to  
6 read as follows:

7       (1) When the legislative auditor has completed a performance audit  
8 authorized in the performance audit work plan, the legislative auditor  
9 shall transmit the preliminary performance audit report to the affected  
10 state agency or local government and the office of financial management  
11 for comment. The agency or local government and the office of  
12 financial management shall provide any response to the legislative  
13 auditor within thirty days after receipt of the preliminary performance  
14 audit report unless a different time period is approved by the joint  
15 committee. The legislative auditor shall incorporate the response of  
16 the agency or local government and the office of financial management  
17 into the final performance audit report.

18       (2) ~~((Except as provided in subsection (3) of this section,))~~  
19 Before releasing the results of a performance audit to the legislature  
20 or the public, the legislative auditor shall submit the preliminary  
21 performance audit report to the joint committee for its review,  
22 comments, and final recommendations. Any comments by the joint  
23 committee must be included as a separate addendum to the final  
24 performance audit report. Upon consideration and incorporation of the  
25 review, comments, and recommendations of the joint committee, the  
26 legislative auditor shall transmit the final performance audit report  
27 to the affected agency or local government, the director of financial  
28 management, the leadership of the senate and the house of  
29 representatives, and the appropriate standing committees of the house  
30 of representatives and the senate and shall publish the results and  
31 make the report available to the public. For purposes of this section,  
32 "leadership of the senate and the house of representatives" means the  
33 speaker of the house, the majority leaders of the senate and the house  
34 of representatives, the minority leaders of the senate and the house of  
35 representatives, the caucus chairs of both major political parties of  
36 the senate and the house of representatives, and the floor leaders of

1 both major political parties of the senate and the house of  
2 representatives.

3 ~~((3) If contracted to manage a transportation-related performance  
4 audit under RCW 44.75.090, before releasing the results of a  
5 performance audit originally directed by the transportation performance  
6 audit board to the legislature or the public, the legislative auditor  
7 shall submit the preliminary performance audit report to the  
8 transportation performance audit board for review and comments solely  
9 on the management of the audit. Any comments by the transportation  
10 performance audit board must be included as a separate addendum to the  
11 final performance audit report. Upon consideration and incorporation  
12 of the review and comments of the transportation performance audit  
13 board, the legislative auditor shall transmit the final performance  
14 audit report to the affected agency or local government, the director  
15 of financial management, the leadership of the senate and the house of  
16 representatives, and the appropriate standing committees of the house  
17 of representatives and the senate and shall publish the results and  
18 make the report available to the public.))~~

19 **Sec. 5.** RCW 44.28.097 and 1996 c 288 s 18 are each amended to read  
20 as follows:

21 All agency and local government reports concerning program  
22 performance, including administrative review, quality control, and  
23 other internal audit or performance reports, as requested by the joint  
24 committee, shall be furnished by the agency or local government  
25 requested to provide such report.

26 **Sec. 6.** RCW 44.28.110 and 1955 c 206 s 8 are each amended to read  
27 as follows:

28 (1) In the discharge of any duty herein imposed, the joint  
29 committee or any personnel under its authority and its subcommittees  
30 shall have the authority to examine and inspect all properties,  
31 equipment, facilities, files, records, and accounts of any state  
32 office, department, institution, board, committee, commission ~~((or))~~,  
33 agency, or local government, and to administer oaths, issue subpoenas,  
34 compel the attendance of witnesses and the production of any papers,  
35 books, accounts, documents, and testimony, and to cause the deposition

1 of witnesses, either residing within or without the state, to be taken  
2 in the manner prescribed by laws for taking depositions in civil  
3 actions in the superior courts.

4 (2) The authority in this section extends to accessing any  
5 confidential records needed to discharge the joint committee's  
6 performance audit duties. However, access to confidential records for  
7 the purpose of conducting performance audits does not change their  
8 confidential nature, and any existing confidentiality requirements  
9 shall remain in force and be similarly respected by the joint committee  
10 and its staff.

11 NEW SECTION. Sec. 7. The following acts or parts of acts are each  
12 repealed:

13 (1) RCW 44.28.030 (Continuation of memberships and powers) and 1996  
14 c 288 s 5, 1955 c 206 s 6, & 1951 c 43 s 13; and

15 (2) RCW 44.28.161 (Transportation-related performance audits) and  
16 2005 c 319 s 25 & 2003 c 362 s 13.

Passed by the House January 28, 2010.

Passed by the Senate March 4, 2010.

Approved by the Governor March 12, 2010.

Filed in Office of Secretary of State March 12, 2010.