
SENATE BILL 6409

State of Washington

64th Legislature

2016 Regular Session

By Senators Bailey, Frockt, Braun, Becker, Carlyle, and Chase; by request of Council of Presidents

Read first time 01/20/16. Referred to Committee on Higher Education.

1 AN ACT Relating to administrative efficiencies in Washington
2 state public higher education; and amending RCW 28B.10.027,
3 28B.10.029, 39.26.110, 39.26.140, 39.26.210, 42.48.010, 43.88.030,
4 and 43.88.110.

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

6 **Sec. 1.** RCW 28B.10.027 and 2005 c 36 s 3 are each amended to
7 read as follows:

8 (1) All universities and colleges shall allocate as a
9 nondeductible item, out of any moneys appropriated for the original
10 construction or any major renovation or remodel work exceeding two
11 hundred thousand dollars of any building, an amount of one-half of
12 one percent of the construction appropriation to be expended by the
13 Washington state arts commission with the approval of the board of
14 regents or trustees for the acquisition of works of art.

15 (2) An institution of higher education, working with the
16 Washington arts commission, may expend up to ten percent of the
17 projected art allocation for a project during the design phase in
18 order to select an artist and design art to be integrated in the
19 building design. The one-half of one percent to be expended by the
20 Washington arts commission shall be adjusted downward by the amount

1 expended by a university or college during the design phase of the
2 capital project.

3 (3) The works of art may be placed on public lands of
4 institutions of higher education, integral to or attached to a public
5 building or structure of institutions of higher education, detached
6 within or outside a public building or structure of institutions of
7 higher education, part of a portable exhibition or collection, part
8 of a temporary exhibition, or loaned or exhibited in other public
9 facilities.

10 (4) In addition to the cost of the works of art, the one-half of
11 one percent of the appropriation shall be used to provide for the
12 administration of the visual arts program, including conservation of
13 the state art collection, by the Washington state arts commission and
14 all costs for installation of the work of art. For the purpose of
15 this section building shall not include sheds, warehouses, and other
16 buildings of a temporary nature.

17 **Sec. 2.** RCW 28B.10.029 and 2015 c 79 s 1 are each amended to
18 read as follows:

19 (1)(a) An institution of higher education may, consistent with
20 RCW 28B.10.925 and 28B.10.926, exercise independently those powers
21 otherwise granted to the director of enterprise services in chapters
22 43.19 and 39.26 RCW in connection with the purchase and disposition
23 of all material, supplies, services, and equipment needed for the
24 support, maintenance, and use of the respective institution of higher
25 education.

26 (b) Property disposition policies followed by institutions of
27 higher education shall be consistent with policies followed by the
28 department of enterprise services.

29 (c)(i) Except as provided in (c)(ii) and (iii) of this subsection
30 and elsewhere as provided by law, purchasing policies and procedures
31 followed by institutions of higher education shall be in compliance
32 with chapters 39.19, 39.26, and 43.03 RCW, and RCW 43.19.1917,
33 43.19.685, and 43.19.560 through 43.19.637.

34 (ii) Institutions of higher education may use all appropriate
35 means for making and paying for travel arrangements including, but
36 not limited to, electronic booking and reservations, advance payment
37 and deposits for tours, lodging, and other necessary expenses, and
38 other travel transactions based on standard industry practices and
39 federal accountable plan requirements. Such arrangements shall

1 support student, faculty, staff, and other participants' travel, by
2 groups and individuals, both domestic and international, in the most
3 cost-effective and efficient manner possible, regardless of the
4 source of funds.

5 (iii) Formal sealed, electronic, or web-based competitive bidding
6 is not necessary for purchases or personal services contracts by
7 institutions of higher education for less than one hundred thousand
8 dollars. However, for purchases and personal services contracts of
9 ten thousand dollars or more and less than one hundred thousand
10 dollars, quotations must be secured from at least three vendors to
11 assure establishment of a competitive price and may be obtained by
12 telephone, electronic, or written quotations, or any combination
13 thereof. As part of securing the three vendor quotations,
14 institutions of higher education must invite at least one quotation
15 each from a certified minority and a certified woman-owned vendor
16 that otherwise qualifies to perform the work. A record of competition
17 for all such purchases and personal services contracts of ten
18 thousand dollars or more and less than one hundred thousand dollars
19 must be documented for audit purposes.

20 (d) Purchases under chapter 39.26, 43.19, or 43.105 RCW by
21 institutions of higher education may be made by using contracts for
22 materials, supplies, services, or equipment negotiated or entered
23 into by, for, or through group purchasing organizations.

24 (e) The community and technical colleges shall comply with RCW
25 43.19.450.

26 (f) Except for the University of Washington, institutions of
27 higher education shall comply with RCW 43.19.769, 43.19.763, and
28 43.19.781.

29 (g) If an institution of higher education can satisfactorily
30 demonstrate to the director of the office of financial management
31 that the cost of compliance is greater than the value of benefits
32 from any of the following statutes, then it shall be exempt from
33 them: RCW 43.19.685 and 43.19.637.

34 (~~(h) Any institution of higher education that chooses to~~
35 ~~exercise independent purchasing authority for a commodity or group of~~
36 ~~commodities shall notify the director of enterprise services.~~
37 ~~Thereafter the director of enterprise services shall not be required~~
38 ~~to provide those services for that institution for the duration of~~
39 ~~the enterprise services contract term for that commodity or group of~~
40 ~~commodities.))~~

1 (2) The council of presidents and the state board for community
2 and technical colleges shall convene its correctional industries
3 business development advisory committee, and work collaboratively
4 with correctional industries, to:

5 (a) Reaffirm purchasing criteria and ensure that quality,
6 service, and timely delivery result in the best value for expenditure
7 of state dollars;

8 (b) Update the approved list of correctional industries products
9 from which higher education shall purchase; and

10 (c) Develop recommendations on ways to continue to build
11 correctional industries' business with institutions of higher
12 education.

13 (3) Higher education and correctional industries shall develop a
14 plan to build higher education business with correctional industries
15 to increase higher education purchases of correctional industries
16 products, based upon the criteria established in subsection (2) of
17 this section. The plan shall include the correctional industries'
18 production and sales goals for higher education and an approved list
19 of products from which higher education institutions shall purchase,
20 based on the criteria established in subsection (2) of this section.
21 Higher education and correctional industries shall report to the
22 legislature regarding the plan and its implementation no later than
23 January 30, 2005.

24 (4)(a) Institutions of higher education shall set as a target to
25 contract, beginning not later than June 30, 2006, to purchase one
26 percent of the total goods and services required by the institutions
27 each year produced or provided in whole or in part from class II
28 inmate work programs operated by the department of corrections.
29 Institutions of higher education shall set as a target to contract,
30 beginning not later than June 30, 2008, to purchase two percent of
31 the total goods and services required by the institutions each year
32 produced or provided in whole or in part from class II inmate work
33 programs operated by the department of corrections.

34 (b) Institutions of higher education shall endeavor to assure the
35 department of corrections has notifications of bid opportunities with
36 the goal of meeting or exceeding the purchasing target in (a) of this
37 subsection.

38 **Sec. 3.** RCW 39.26.110 and 2012 c 224 s 12 are each amended to
39 read as follows:

1 (1) The department must provide expertise and training on best
2 practices for state procurement.

3 (2) The department must establish either training or
4 certification programs, or both, to ensure consistency in procurement
5 practices for employees authorized to perform procurement functions
6 under the provisions of this chapter. When establishing training or
7 certification programs, the department may approve existing training
8 or certification programs at state agencies. When establishing
9 programs or approving existing programs, the department shall work
10 with agencies with existing training programs to ensure coordination
11 and minimize additional costs associated with training requirements.

12 (3) Beginning July 1, 2013, state agencies must require agency
13 employees responsible for developing, executing, or managing
14 procurements or contracts, or both, to complete department-approved
15 training or certification programs, or both. Beginning July 1, 2015,
16 no agency employee may execute or manage contracts unless the
17 employee has met the training or certification requirements or both
18 as set by the department. Any request for exception to this
19 requirement must be submitted to the director for approval before the
20 employee or group of employees executes or manages contracts.

21 (4) Notwithstanding subsections (1) through (3) of this section,
22 institutions of higher education may develop independent training or
23 certification programs, or both, to ensure consistency in procurement
24 practices for employees authorized to perform procurement functions
25 under applicable state and federal laws. Each institution of higher
26 education exercising its authority to develop independent training or
27 certification programs must require employees responsible for
28 developing, executing, or managing procurements or contracts, or
29 both, to complete such training or certification program.

30 **Sec. 4.** RCW 39.26.140 and 2012 c 224 s 16 are each amended to
31 read as follows:

32 (1) Agencies, other than institutions of higher education as
33 defined in RCW 28B.10.016, must submit sole source contracts to the
34 department and make the contracts available for public inspection not
35 less than ten working days before the proposed starting date of the
36 contract. Agencies, other than institutions of higher education as
37 defined in RCW 28B.10.016, must provide documented justification for
38 sole source contracts to the department when the contract is
39 submitted, and must include evidence that the agency posted the

1 contract opportunity at a minimum on the state's enterprise vendor
2 registration and bid notification system.

3 (2) The department must approve sole source contracts before any
4 such contract becomes binding and before any services may be
5 performed or goods provided under the contract. These requirements
6 shall also apply to all sole source contracts except as otherwise
7 exempted by the director.

8 (3) The director may provide an agency an exemption from the
9 requirements of this section for a contract or contracts. Requests
10 for exemptions must be submitted to the director in writing.

11 (4) Contracts awarded by institutions of higher education from
12 nonstate funds are exempt from the requirements of this section.

13 **Sec. 5.** RCW 39.26.210 and 2012 c 224 s 23 are each amended to
14 read as follows:

15 (1) Agencies, other than institutions of higher education as
16 defined in RCW 28B.10.016, must annually submit to the department a
17 list of all contracts that the agency has entered into or renewed.
18 "Contracts," for the purposes of this section, does not include
19 purchase orders. The department must maintain a publicly available
20 list of all contracts entered into by agencies during each fiscal
21 year, except that contracts for the employment of expert witnesses
22 for the purposes of litigation shall not be made publicly available
23 to the extent that information is exempt from disclosure under state
24 law. Except as otherwise exempt, the data must identify the
25 contracting agency, the contractor, the purpose of the contract,
26 effective dates and periods of performance, the cost of the contract
27 and funding source, any substantive modifications to the contract,
28 and whether the contract was competitively procured or awarded on a
29 sole source basis.

30 (2) The department may conduct audits of its master contracts and
31 convenience contracts to ensure that the contractor is in compliance
32 with the contract terms and conditions, including but not limited to
33 providing only the goods and services specified in the contract at
34 the contract price.

35 **Sec. 6.** RCW 42.48.010 and 2007 c 17 s 6 are each amended to read
36 as follows:

37 For the purposes of this chapter, the following definitions
38 apply:

1 (1) "Individually identifiable" means that a record contains
2 information which reveals or can likely be associated with the
3 identity of the person or persons to whom the record pertains.

4 (2) "Legally authorized representative" means a person legally
5 authorized to give consent for the disclosure of personal records on
6 behalf of a minor or a legally incompetent adult.

7 (3) "Personal record" means any information obtained or
8 maintained by a state agency which refers to a person and which is
9 declared exempt from public disclosure, confidential, or privileged
10 under state or federal law.

11 (4) "Research" means a planned and systematic sociological,
12 psychological, epidemiological, biomedical, or other scientific
13 investigation carried out by a state agency, by a scientific research
14 professional associated with a bona fide scientific research
15 organization, or by a graduate student currently enrolled in an
16 advanced academic degree curriculum, with an objective to contribute
17 to scientific knowledge, the solution of social and health problems,
18 or the evaluation of public benefit and service programs. This
19 definition excludes methods of record analysis and data collection
20 that are subjective, do not permit replication, and are not designed
21 to yield reliable and valid results.

22 (5) "Research record" means an item or grouping of information
23 obtained for the purpose of research from or about a person or
24 extracted for the purpose of research from a personal record.

25 (6) "State agency" means: (a) The department of social and health
26 services; (b) the department of corrections; (c) ~~((an institution of
27 higher education as defined in RCW 28B.10.016; (d))~~ the department
28 of health; or ~~((e))~~ (d) the department of early learning.

29 **Sec. 7.** RCW 43.88.030 and 2006 c 334 s 43 are each amended to
30 read as follows:

31 (1) The director of financial management shall provide all
32 agencies with a complete set of instructions for submitting biennial
33 budget requests to the director at least three months before agency
34 budget documents are due into the office of financial management. The
35 budget document or documents shall consist of the governor's budget
36 message which shall be explanatory of the budget and shall contain an
37 outline of the proposed financial policies of the state for the
38 ensuing fiscal period, as well as an outline of the proposed six-year
39 financial policies where applicable, and shall describe in connection

1 therewith the important features of the budget. The biennial budget
2 document or documents shall also describe performance indicators that
3 demonstrate measurable progress towards priority results. The message
4 shall set forth the reasons for salient changes from the previous
5 fiscal period in expenditure and revenue items and shall explain any
6 major changes in financial policy. Attached to the budget message
7 shall be such supporting schedules, exhibits and other explanatory
8 material in respect to both current operations and capital
9 improvements as the governor shall deem to be useful to the
10 legislature. The budget document or documents shall set forth a
11 proposal for expenditures in the ensuing fiscal period, or six-year
12 period where applicable, based upon the estimated revenues and
13 caseloads as approved by the economic and revenue forecast council
14 and caseload forecast council or upon the estimated revenues and
15 caseloads of the office of financial management for those funds,
16 accounts, sources, and programs for which the forecast councils do
17 not prepare an official forecast. Revenues shall be estimated for
18 such fiscal period from the source and at the rates existing by law
19 at the time of submission of the budget document, including the
20 supplemental budgets submitted in the even-numbered years of a
21 biennium. However, the estimated revenues and caseloads for use in
22 the governor's budget document may be adjusted to reflect budgetary
23 revenue transfers and revenue and caseload estimates dependent upon
24 budgetary assumptions of enrollments, workloads, and caseloads. All
25 adjustments to the approved estimated revenues and caseloads must be
26 set forth in the budget document. The governor may additionally
27 submit, as an appendix to each supplemental, biennial, or six-year
28 agency budget or to the budget document or documents, a proposal for
29 expenditures in the ensuing fiscal period from revenue sources
30 derived from proposed changes in existing statutes.

31 The budget document or documents shall also contain:

32 (a) Revenues classified by fund and source for the immediately
33 past fiscal period, those received or anticipated for the current
34 fiscal period, and those anticipated for the ensuing biennium;

35 (b) The undesignated fund balance or deficit, by fund;

36 (c) Such additional information dealing with expenditures,
37 revenues, workload, performance, and personnel as the legislature may
38 direct by law or concurrent resolution;

1 (d) Such additional information dealing with revenues and
2 expenditures as the governor shall deem pertinent and useful to the
3 legislature;

4 (e) Tabulations showing expenditures classified by fund,
5 function, and agency;

6 (f) The expenditures that include nonbudgeted, nonappropriated
7 accounts outside the state treasury;

8 (g) Identification of all proposed direct expenditures to
9 implement the Puget Sound water quality plan under chapter 90.71 RCW,
10 shown by agency and in total; and

11 (h) Tabulations showing each postretirement adjustment by
12 retirement system established after fiscal year 1991, to include, but
13 not be limited to, estimated total payments made to the end of the
14 previous biennial period, estimated payments for the present
15 biennium, and estimated payments for the ensuing biennium.

16 (2) The budget document or documents shall include detailed
17 estimates of all anticipated revenues applicable to proposed
18 operating or capital expenditures and shall also include all proposed
19 operating or capital expenditures. The total of beginning
20 undesignated fund balance and estimated revenues less working capital
21 and other reserves shall equal or exceed the total of proposed
22 applicable expenditures. The budget document or documents shall
23 further include:

24 (a) Interest, amortization and redemption charges on the state
25 debt;

26 (b) Payments of all reliefs, judgments, and claims;

27 (c) Other statutory expenditures;

28 (d) Expenditures incident to the operation for each agency;

29 (e) Revenues derived from agency operations;

30 (f) Expenditures and revenues shall be given in comparative form
31 showing those incurred or received for the immediately past fiscal
32 period and those anticipated for the current biennium and next
33 ensuing biennium;

34 (g) A showing and explanation of amounts of general fund and
35 other funds obligations for debt service and any transfers of moneys
36 that otherwise would have been available for appropriation;

37 (h) Common school expenditures on a fiscal-year basis;

38 (i) A showing, by agency, of the value and purpose of financing
39 contracts for the lease/purchase or acquisition of personal or real
40 property for the current and ensuing fiscal periods; and

1 (j) A showing and explanation of anticipated amounts of general
2 fund and other funds required to amortize the unfunded actuarial
3 accrued liability of the retirement system specified under chapter
4 41.45 RCW, and the contributions to meet such amortization, stated in
5 total dollars and as a level percentage of total compensation.

6 (3) The governor's operating budget document or documents shall
7 reflect the statewide priorities as required by RCW 43.88.090.

8 (4) The governor's operating budget document or documents shall
9 identify activities that are not addressing the statewide priorities.

10 (5) A separate capital budget document or schedule shall be
11 submitted that will contain the following:

12 (a) A statement setting forth a long-range facilities plan for
13 the state that identifies and includes the highest priority needs
14 within affordable spending levels;

15 (b) A capital program consisting of proposed capital projects for
16 the next biennium and the two biennia succeeding the next biennium
17 consistent with the long-range facilities plan. Inasmuch as is
18 practical, and recognizing emergent needs, the capital program shall
19 reflect the priorities, projects, and spending levels proposed in
20 previously submitted capital budget documents in order to provide a
21 reliable long-range planning tool for the legislature and state
22 agencies;

23 (c) A capital plan consisting of proposed capital spending for at
24 least four biennia succeeding the next biennium;

25 (d) A strategic plan for reducing backlogs of maintenance and
26 repair projects. The plan shall include a prioritized list of
27 specific facility deficiencies and capital projects to address the
28 deficiencies for each agency, cost estimates for each project, a
29 schedule for completing projects over a reasonable period of time,
30 and identification of normal maintenance activities to reduce future
31 backlogs;

32 (e) A statement of the reason or purpose for a project;

33 (f) Verification that a project is consistent with the provisions
34 set forth in chapter 36.70A RCW;

35 (g) A statement about the proposed site, size, and estimated life
36 of the project, if applicable;

37 (h) Estimated total project cost;

38 (i) For major projects valued over five million dollars, with the
39 exception of projects at institutions of higher education as defined
40 in RCW 28B.10.016, which may be valued up to ten million dollars,

1 estimated costs for the following project components: Acquisition,
2 consultant services, construction, equipment, project management, and
3 other costs included as part of the project. Project component costs
4 shall be displayed in a standard format defined by the office of
5 financial management to allow comparisons between projects;

6 (j) Estimated total project cost for each phase of the project as
7 defined by the office of financial management;

8 (k) Estimated ensuing biennium costs;

9 (l) Estimated costs beyond the ensuing biennium;

10 (m) Estimated construction start and completion dates;

11 (n) Source and type of funds proposed;

12 (o) Estimated ongoing operating budget costs or savings resulting
13 from the project, including staffing and maintenance costs;

14 (p) For any capital appropriation requested for a state agency
15 for the acquisition of land or the capital improvement of land in
16 which the primary purpose of the acquisition or improvement is
17 recreation or wildlife habitat conservation, the capital budget
18 document, or an omnibus list of recreation and habitat acquisitions
19 provided with the governor's budget document, shall identify the
20 projected costs of operation and maintenance for at least the two
21 biennia succeeding the next biennium. Omnibus lists of habitat and
22 recreation land acquisitions shall include individual project cost
23 estimates for operation and maintenance as well as a total for all
24 state projects included in the list. The document shall identify the
25 source of funds from which the operation and maintenance costs are
26 proposed to be funded;

27 (q) Such other information bearing upon capital projects as the
28 governor deems to be useful;

29 (r) Standard terms, including a standard and uniform definition
30 of normal maintenance, for all capital projects;

31 (s) Such other information as the legislature may direct by law
32 or concurrent resolution.

33 For purposes of this subsection (5), the term "capital project"
34 shall be defined subsequent to the analysis, findings, and
35 recommendations of a joint committee comprised of representatives
36 from the house capital appropriations committee, senate ways and
37 means committee, legislative evaluation and accountability program
38 committee, and office of financial management.

39 (6) No change affecting the comparability of agency or program
40 information relating to expenditures, revenues, workload, performance

1 and personnel shall be made in the format of any budget document or
2 report presented to the legislature under this section or RCW
3 43.88.160(1) relative to the format of the budget document or report
4 which was presented to the previous regular session of the
5 legislature during an odd-numbered year without prior legislative
6 concurrence. Prior legislative concurrence shall consist of (a) a
7 favorable majority vote on the proposal by the standing committees on
8 ways and means of both houses if the legislature is in session or (b)
9 a favorable majority vote on the proposal by members of the
10 legislative evaluation and accountability program committee if the
11 legislature is not in session.

12 **Sec. 8.** RCW 43.88.110 and 2014 c 162 s 4 are each amended to
13 read as follows:

14 This section sets forth the expenditure programs and the
15 allotment and reserve procedures to be followed by the executive
16 branch for public funds.

17 (1) Allotments of an appropriation for any fiscal period shall
18 conform to the terms, limits, or conditions of the appropriation.

19 (2) The director of financial management shall provide all
20 agencies with a complete set of operating and capital instructions
21 for preparing a statement of proposed expenditures at least thirty
22 days before the beginning of a fiscal period. The set of instructions
23 need not include specific appropriation amounts for the agency.

24 (3) Within forty-five days after the beginning of the fiscal
25 period or within forty-five days after the governor signs the omnibus
26 biennial appropriations act, whichever is later, all agencies shall
27 submit to the governor a statement of proposed expenditures at such
28 times and in such form as may be required by the governor.

29 (4) The office of financial management shall develop a method for
30 monitoring capital appropriations and expenditures that will capture
31 at least the following elements:

32 (a) Appropriations made for capital projects including
33 transportation projects;

34 (b) Estimates of total project costs including past, current,
35 ensuing, and future biennial costs;

36 (c) Comparisons of actual costs to estimated costs;

37 (d) Comparisons of estimated construction start and completion
38 dates with actual dates;

39 (e) Documentation of fund shifts between projects.

1 This data may be incorporated into the existing accounting system
2 or into a separate project management system, as deemed appropriate
3 by the office of financial management.

4 (5) The office of financial management, prior to approving
5 allotments for major capital construction projects valued over five
6 million dollars, with the exception of projects at institutions of
7 higher education as defined in RCW 28B.10.016, which may be valued up
8 to ten million dollars, shall institute procedures for reviewing such
9 projects at the predesign stage that will reduce long-term costs and
10 increase facility efficiency. The procedures shall include, but not
11 be limited to, the following elements:

12 (a) Evaluation of facility program requirements and consistency
13 with long-range plans;

14 (b) Utilization of a system of cost, quality, and performance
15 standards to compare major capital construction projects; and

16 (c) A requirement to incorporate value-engineering analysis and
17 constructability review into the project schedule.

18 (6) No expenditure may be incurred or obligation entered into for
19 such major capital construction projects including, without
20 exception, land acquisition, site development, predesign, design,
21 construction, and equipment acquisition and installation, until the
22 allotment of the funds to be expended has been approved by the office
23 of financial management. This limitation does not prohibit the
24 continuation of expenditures and obligations into the succeeding
25 biennium for projects for which allotments have been approved in the
26 immediate prior biennium.

27 (7) Minor works projects, as defined by the office of financial
28 management, may be valued up to five million dollars for institutions
29 of higher education as defined in RCW 28B.10.016.

30 (8) If at any time during the fiscal period the governor projects
31 a cash deficit in a particular fund or account as defined by RCW
32 43.88.050, the governor shall make across-the-board reductions in
33 allotments for that particular fund or account so as to prevent a
34 cash deficit, unless the legislature has directed the liquidation of
35 the cash deficit over one or more fiscal periods. Except for the
36 legislative and judicial branches and other agencies headed by
37 elective officials, the governor shall review the statement of
38 proposed operating expenditures for reasonableness and conformance
39 with legislative intent. The governor may request corrections of
40 proposed allotments submitted by the legislative and judicial

1 branches and agencies headed by elective officials if those proposed
2 allotments contain significant technical errors. Once the governor
3 approves the proposed allotments, further revisions may at the
4 request of the office of financial management or upon the agency's
5 initiative be made on a quarterly basis and must be accompanied by an
6 explanation of the reasons for significant changes. However, changes
7 in appropriation level authorized by the legislature, changes
8 required by across-the-board reductions mandated by the governor,
9 changes caused by executive increases to spending authority, and
10 changes caused by executive decreases to spending authority for
11 failure to comply with the provisions of chapter 36.70A RCW may
12 require additional revisions. Revisions shall not be made
13 retroactively. However, the governor may assign to a reserve status
14 any portion of an agency appropriation withheld as part of across-
15 the-board reductions made by the governor and any portion of an
16 agency appropriation conditioned on a contingent event by the
17 appropriations act. The governor may remove these amounts from
18 reserve status if the across-the-board reductions are subsequently
19 modified or if the contingent event occurs. The director of financial
20 management shall enter approved statements of proposed expenditures
21 into the state budgeting, accounting, and reporting system within
22 forty-five days after receipt of the proposed statements from the
23 agencies. If an agency or the director of financial management is
24 unable to meet these requirements, the director of financial
25 management shall provide a timely explanation in writing to the
26 legislative fiscal committees.

27 ~~((+8))~~ (9) It is expressly provided that all agencies shall be
28 required to maintain accounting records and to report thereon in the
29 manner prescribed in this chapter and under the regulations issued
30 pursuant to this chapter. Within ninety days of the end of the fiscal
31 year, all agencies shall submit to the director of financial
32 management their final adjustments to close their books for the
33 fiscal year. Prior to submitting fiscal data, written or oral, to
34 committees of the legislature, it is the responsibility of the agency
35 submitting the data to reconcile it with the budget and accounting
36 data reported by the agency to the director of financial management.

37 ~~((+9))~~ (10) The director of financial management may exempt
38 certain public funds from the allotment controls established under
39 this chapter if it is not practical or necessary to allot the funds.
40 Allotment control exemptions expire at the end of the fiscal biennium

1 for which they are granted. The director of financial management
2 shall report any exemptions granted under this subsection to the
3 legislative fiscal committees.

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