

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE SENATE BILL 5405**

Chapter 310, Laws of 2021  
(partial veto)

67th Legislature  
2021 Regular Session

JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE—RACIAL EQUITY ANALYSES

EFFECTIVE DATE: July 25, 2021

Passed by the Senate March 5, 2021  
Yeas 47 Nays 2

DENNY HECK

**President of the Senate**

Passed by the House April 7, 2021  
Yeas 56 Nays 41

LAURIE JINKINS

**Speaker of the House of  
Representatives**

Approved May 13, 2021 11:57 AM with  
the exception of section 2, which is  
vetoed.

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Brad Hendrickson, Secretary of  
the Senate of the State of  
Washington, do hereby certify that  
the attached is **ENGROSSED  
SUBSTITUTE SENATE BILL 5405** as  
passed by the Senate and the House  
of Representatives on the dates  
hereon set forth.

BRAD HENDRICKSON

**Secretary**

FILED

May 13, 2021

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE SENATE BILL 5405**

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Passed Legislature - 2021 Regular Session

**State of Washington**

**67th Legislature**

**2021 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Hasegawa, Conway, Lias, Nguyen, Saldaña, and Wilson, C.)

READ FIRST TIME 02/22/21.

1       AN ACT Relating to racial equity analysis for the joint  
2 legislative audit and review committee work; amending RCW 44.28.005;  
3 adding a new section to chapter 44.28 RCW; creating a new section;  
4 and providing an expiration date.

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

6       NEW SECTION.   **Sec. 1.** A new section is added to chapter 44.28  
7 RCW to read as follows:

8       The joint committee shall incorporate a racial equity analysis  
9 into performance audits, sunset reviews, and other audits or reports  
10 conducted by the joint committee. The joint committee shall note in  
11 its audits, reviews, and reports if a racial equity analysis is not  
12 necessary or appropriate. The joint committee may work with the  
13 office of equity, the governor's office of Indian affairs, the LGBTQ  
14 commission, the Washington state women's commission, and the ethnic  
15 commissions to design the racial equity analysis required under this  
16 section.

17       \*NEW SECTION.   **Sec. 2. (1) The joint legislative audit and**  
18 **review committee must complete a racial equity analysis by December**  
19 **31, 2021, on the impact of the restrictions on in-person K-12**

1 **education put in place since the state of emergency declared on**  
2 **February 29, 2020, for all counties in Washington due to COVID-19.**

3 **(2) This section expires July 1, 2022.**

**\*Sec. 2 was vetoed. See message at end of chapter.**

4 **Sec. 3.** RCW 44.28.005 and 1996 c 288 s 2 are each amended to  
5 read as follows:

6 Unless the context clearly requires otherwise, the definitions in  
7 this section apply throughout this chapter.

8 (1) "Legislative auditor" means the executive officer of the  
9 joint legislative audit and review committee.

10 (2) "Economy and efficiency audits" means performance audits that  
11 establish: (a) Whether a state agency or unit of local government  
12 receiving state funds is acquiring, protecting, and using its  
13 resources such as personnel, property, and space economically and  
14 efficiently; (b) the causes of inefficiencies or uneconomical  
15 practices; and (c) whether the state agency or local government has  
16 complied with significant laws and rules in acquiring, protecting,  
17 and using its resources.

18 (3) "Ethnic commissions" means the Washington state commission on  
19 African American affairs established in chapter 43.113 RCW, the  
20 Washington state commission on Asian Pacific American affairs  
21 established in chapter 43.117 RCW, and the Washington state  
22 commission on Hispanic affairs established in chapter 43.115 RCW.

23 (4) "Final compliance report" means a written document, as  
24 approved by the joint committee, that states the specific actions a  
25 state agency or unit of local government receiving state funds has  
26 taken to implement recommendations contained in the final performance  
27 audit report and the preliminary compliance report. Any  
28 recommendations, including proposed legislation and changes in the  
29 agency's rules and practices or the local government's practices,  
30 based on testimony received, must be included in the final compliance  
31 report.

32 ~~((4))~~ (5) "Final performance audit report" means a written  
33 document adopted by the joint legislative audit and review committee  
34 that contains the findings and proposed recommendations made in the  
35 preliminary performance audit report, the final recommendations  
36 adopted by the joint committee, any comments to the preliminary  
37 performance audit report by the joint committee, and any comments to

1 the preliminary performance audit report by the state agency or local  
2 government that was audited.

3 ~~((+5))~~ (6) "Joint committee" means the joint legislative audit  
4 and review committee.

5 ~~((+6))~~ (7) "Local government" means a city, town, county,  
6 special purpose district, political subdivision, municipal  
7 corporation, or quasi-municipal corporation, including a public  
8 corporation created by such an entity.

9 ~~((+7))~~ (8) "Performance audit" means an objective and systematic  
10 assessment of a state agency or any of its programs, functions, or  
11 activities, or a unit of local government receiving state funds, by  
12 an independent evaluator in order to help public officials improve  
13 efficiency, effectiveness, and accountability. Performance audits  
14 include economy and efficiency audits and program audits. A  
15 performance audit of a local government may only be made to determine  
16 whether the local government is using state funds for their intended  
17 purpose in an efficient and effective manner.

18 ~~((+8))~~ (9) "Performance measures" are a composite of key  
19 indicators of a program's or activity's inputs, outputs, outcomes,  
20 productivity, timeliness, and/or quality. They are means of  
21 evaluating policies and programs by measuring results against agreed  
22 upon program goals or standards.

23 ~~((+9))~~ (10) "Preliminary compliance report" means a written  
24 document that states the specific actions a state agency or unit of  
25 local government receiving state funds has taken to implement any  
26 recommendations contained in the final performance audit report.

27 ~~((+10))~~ (11) "Preliminary performance audit report" means a  
28 written document prepared for review and comment by the joint  
29 legislative audit and review committee after the completion of a  
30 performance audit. The preliminary performance audit report must  
31 contain the audit findings and any proposed recommendations to  
32 improve the efficiency, effectiveness, or accountability of the state  
33 agency or local government audited.

34 ~~((+11))~~ (12) "Program audits" means performance audits that  
35 determine: (a) The extent to which desired outcomes or results are  
36 being achieved; (b) the causes for not achieving intended outcomes or  
37 results; and (c) compliance with significant laws and rules  
38 applicable to the program.

39 ~~((+12))~~ (13) "State agency" or "agency" means a state agency,  
40 department, office, officer, board, commission, bureau, division,

1 institution, or institution of higher education. "State agency"  
2 includes all elective offices in the executive branch of state  
3 government.

Passed by the Senate March 5, 2021.

Passed by the House April 7, 2021.

Approved by the Governor May 13, 2021, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 13, 2021.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 2, Engrossed Substitute Senate Bill No. 5405 entitled:

"AN ACT Relating to racial equity analysis for the joint legislative audit and review committee work."

Section 2 directs the Joint Legislative Audit and Review Committee (JLARC) to complete a racial equity analysis on the impact of the restrictions on in-person K-12 education put in place since the COVID-19 state of emergency was declared on February 29, 2020, for all counties in Washington. Racial equity in education is a longstanding issue that was made worse by the COVID pandemic. Beyond the necessary school restrictions imposed, COVID impacts on education also included, but are not limited to, public health, economic disruption, teacher safety and loss of child care. I believe a broader review of racial inequities in K-12 is needed, and I will ask the Washington Student Achievement Council to conduct this review.

For these reasons I have vetoed Section 2 of Engrossed Substitute Senate Bill No. 5405.

With the exception of Section 2, Engrossed Substitute Senate Bill No. 5405 is approved."

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