SENATE BILL 6078

State of Washington 68th Legislature 2024 Regular Session

By Senators Mullet and L. Wilson

Read first time 01/09/24. Referred to Committee on State Government & Elections.

AN ACT Relating to legislative oversight of moneys received from enforcement actions; amending RCW 43.10.220; adding a new section to chapter 43.79 RCW; creating a new section; and providing an effective date.

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

6 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 43.79 7 RCW to read as follows:

8 (1) A state agency may not expend moneys except pursuant to an 9 appropriation by law if the moneys are received in an administrative 10 or judicial regulatory or civil enforcement action, or settlement 11 thereof, brought by the state.

12 (2) In any regulatory or civil enforcement action brought by the 13 attorney general under the authority of the attorney general or 14 another state agency where moneys are to be paid to the state or to a 15 state-administered account, the attorney general shall seek a court 16 order or settlement that includes a requirement that the moneys 17 received by the state may not be expended except pursuant to an 18 appropriation by law.

19 (3) This section does not apply to:

20 (a) Moneys received by the state for payment by the state to 21 individually identified injured parties or a specifically identified

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1 class of parties as damages, restitution, or refunds. However, if 2 such payments to a class of parties include a payment to a state 3 agency, instead of damages, restitution, or refunds, such as payments 4 under the doctrine of cy pres, the expenditure of the payment by the 5 state agency is subject to this section;

6 (b) Fees or enforcement actions to collect fees, including 7 investigation or examination fees, that are established by 8 administrative rule or statute;

9 (c) Expenditures from accounts outside the state treasury, 10 including court registries, exclusively for purposes of remedial 11 action or natural resource damages under chapters 70A.305, 90.48, and 12 90.56 RCW, 33 U.S.C. Sec. 2701 et seq., or 42 U.S.C. Sec. 9601 et 13 seq., or for purposes of financial assurance under chapter 70A.205 or 14 70A.300 RCW;

15 (d) Moneys recovered by the department of social and health 16 services for client services, benefits, or vendor overpayments or 17 moneys collected by the division of child support;

(e) Expenditures from nonappropriated funds and accounts that are specifically established by statute if the statute does not incorporate a reference to this section; or

(f) Moneys specifically awarded by a court to the state or allocated in a settlement of any action as court costs or attorneys' fees incurred by the state in pursuing the action.

24 Sec. 2. RCW 43.10.220 and 2016 sp.s. c 36 s 926 are each amended 25 to read as follows:

26 ((The)) Except as provided in section 1 of this act, the attorney 27 general is authorized to expend from the antitrust revolving fund, created by RCW 43.10.210 through 43.10.220, such funds as are 28 necessary for the payment of costs, expenses and charges incurred in 29 30 the preparation, institution and maintenance of antitrust actions under the state and federal antitrust acts. ((During the 2015-2017 31 fiscal biennium, the attorney general may expend from the antitrust 32 revolving fund for the purposes of the consumer protection activities 33 34 of the office.))

35 <u>NEW SECTION.</u> Sec. 3. If any part of this act is found to be in 36 conflict with federal requirements that are a prescribed condition to 37 the allocation of federal funds to the state, the conflicting part of 38 this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

6 <u>NEW SECTION.</u> Sec. 4. If any provision of this act or its 7 application to any person or circumstance is held invalid, the 8 remainder of the act or the application of the provision to other 9 persons or circumstances is not affected.

10 <u>NEW SECTION.</u> Sec. 5. This act takes effect July 1, 2024.

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