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**ENGROSSED SUBSTITUTE SENATE BILL 5311**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senate State Government, Tribal Relations & Elections (originally sponsored by Senator Hunt; by request of Office of Financial Management)

READ FIRST TIME 02/18/19.

1       AN ACT Relating to government efficiency by eliminating,  
2 revising, or decodifying obsolete or inactive statutory provisions  
3 that concern the office of financial management; amending RCW  
4 38.40.030, 43.03.049, 43.08.015, and 43.320.090; and repealing RCW  
5 28B.15.101, 39.80.070, 43.41.220, 43.41.230, 43.41.240, 43.41.250,  
6 43.41.905, and 43.132.800.

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

8       **Sec. 1.** RCW 38.40.030 and 1989 c 19 s 47 are each amended to  
9 read as follows:

10       If any member of the organized militia is injured, incapacitated,  
11 or otherwise disabled while in active state service or inactive duty  
12 as a member of the organized militia, he or she shall receive from  
13 the state of Washington just and reasonable relief in the amount to  
14 be determined as provided in this section, including necessary  
15 medical care. If the member dies from disease contracted or injury  
16 received or is killed while in active state service or inactive duty  
17 under order of the governor, then the dependents of the deceased  
18 shall receive such compensation as may be allowed as provided in this  
19 section. If the United States or any agent thereof, in accordance  
20 with any federal statute or regulation, furnishes monetary  
21 assistance, benefits, or other temporary or permanent relief to

1 militia members or to their dependents for injuries arising out of  
2 and occurring in the course of their activities as militia members,  
3 but not including Social Security benefits, then the amount of  
4 compensation which any militia member or his or her dependents are  
5 otherwise entitled to receive from the state of Washington as  
6 provided in this section shall be reduced by the amount of monetary  
7 assistance, benefits, or other temporary or permanent relief the  
8 militia member or his or her dependents have received and will  
9 receive from the United States or any agent thereof as a result of  
10 his or her injury. All claims arising under this section shall be  
11 inquired into by a board of three officers, at least one being a  
12 medical officer, to be appointed by the adjutant general. The board  
13 has the same power to take evidence, administer oaths, issue  
14 subpoenas, compel witnesses to attend and testify and produce books  
15 and papers, and punish their failure to do so as is possessed by a  
16 general court martial. The amount of compensation or benefits payable  
17 shall conform as nearly as possible to the general schedule of  
18 payments and awards provided under the workers' compensation law in  
19 effect in the state of Washington at the time the disability or death  
20 occurred. The findings of the board shall be reviewed by the adjutant  
21 general (~~and submitted to the governor~~) for final approval. The  
22 (~~reviewing officer or the governor~~) adjutant general may return the  
23 proceedings for revision or for the taking of further testimony. The  
24 action of the board when finally approved by the (~~governor~~)  
25 adjutant general is final and conclusive and constitutes the fixed  
26 award for the injury or loss and is a debt of the state of  
27 Washington.

28 **Sec. 2.** RCW 43.03.049 and 2011 1st sp.s. c 21 s 63 are each  
29 amended to read as follows:

30 Exceptions to restrictions on subsistence, lodging, or travel  
31 expenses under this chapter may be granted for the critically  
32 necessary work of an agency. For boards, commissions, councils,  
33 committees, or similar groups in agencies of the executive branch,  
34 the exceptions (~~shall be~~) are subject to approval by the (~~director~~  
35 ~~of financial management or the director's designee~~) agency head or  
36 authorized designee. For boards, commissions, councils, committees,  
37 or similar groups in the executive branch under the purview of a  
38 separately elected official, president of an institution of higher  
39 education, chair, or executive director, the exceptions are subject

1 to approval of the separately elected official, president of the  
2 institution of higher education, chair, or executive director. For  
3 agencies of the judicial branch, the exceptions shall be subject to  
4 approval of the chief justice of the supreme court. For the house of  
5 representatives and the senate, the exceptions shall be subject to  
6 the approval of the chief clerk of the house of representatives and  
7 the secretary of the senate, respectively, under the direction of the  
8 senate committee on facilities and operations and the executive rules  
9 committee of the house of representatives. For other legislative  
10 agencies, the exceptions shall be subject to approval of both the  
11 chief clerk of the house of representatives and the secretary of the  
12 senate under the direction of the senate committee on facilities and  
13 operations and the executive rules committee of the house of  
14 representatives.

15 **Sec. 3.** RCW 43.08.015 and 1993 c 500 s 3 are each amended to  
16 read as follows:

17 Within the policies and procedures established pursuant to RCW  
18 43.41.110(13) and 43.88.160(1), the state treasurer shall take such  
19 actions as are necessary to ensure the effective cash management of  
20 public funds. This cash management shall include the authority to  
21 represent the state in all contractual relationships with financial  
22 institutions. The state treasurer may delegate cash management  
23 responsibilities to the affected agencies (~~with the concurrence of~~  
24 ~~the office of financial management~~)).

25 **Sec. 4.** RCW 43.320.090 and 1993 c 472 s 23 are each amended to  
26 read as follows:

27 (1) It shall be unlawful for the director of financial  
28 institutions, any deputized assistant of the director, or any  
29 employee of the department of financial institutions to borrow money  
30 from any bank, consumer loan company, credit union, foreign bank  
31 branch, savings bank, savings and loan association, or trust company  
32 or department, securities broker-dealer or investment advisor, or  
33 similar lending institution under the department's direct  
34 jurisdiction unless the extension of credit:

35 (a) Is made on substantially the same terms (including interest  
36 rates and collateral) as, and following credit underwriting  
37 procedures that are not less stringent than, those prevailing at the  
38 time for comparable transactions by the financial institution with

1 other persons that are not employed by either the department or the  
2 institution; and

3 (b) Does not involve more than the normal risk of repayment or  
4 present other unfavorable features.

5 (2) (~~The director of the office of financial management shall  
6 adopt rules, policies, and procedures interpreting and implementing  
7 this section.~~

8 ~~(3))~~ Every person who knowingly violates this section shall  
9 forfeit his or her office or employment and be guilty of a gross  
10 misdemeanor.

11 NEW SECTION. **Sec. 5.** The following acts or parts of acts are  
12 each repealed:

13 (1) RCW 28B.15.101 (Authority to modify tuition rates—  
14 Performance-based measures and goals—Institutional performance plans)  
15 and 2011 1st sp.s. c 10 s 5;

16 (2) RCW 39.80.070 (Contracts, modifications reported to the  
17 office of financial management) and 1993 c 433 s 9;

18 (3) RCW 43.41.220 (Review of boards and commissions by governor—  
19 Report—Termination—Transfers) and 1994 sp.s. c 9 s 873;

20 (4) RCW 43.41.230 (Boards and commissions reviewed—Exceptions)  
21 and 1994 sp.s. c 9 s 874;

22 (5) RCW 43.41.240 (Approval of board or commission not  
23 established or required by statute) and 1998 c 245 s 64 & 1994 sp.s.  
24 c 9 s 875;

25 (6) RCW 43.41.250 (Criteria for new board or commission not  
26 established or required by statute) and 1994 sp.s. c 9 s 876;

27 (7) RCW 43.41.905 (Interagency task force on unintended  
28 pregnancy) and 1997 c 58 s 1001; and

29 (8) RCW 43.132.800 (Fiscal impact on local governments of  
30 selected laws enacted over five-year period—Annual report) and 2000 c  
31 182 s 5.

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