

State of Washington

Joint Legislative Audit and Review Committee (JLARC)

Status Report: Implementation of State Auditor I-900 Recommendations to the Legislature

As required by Initiative 900

July 2017

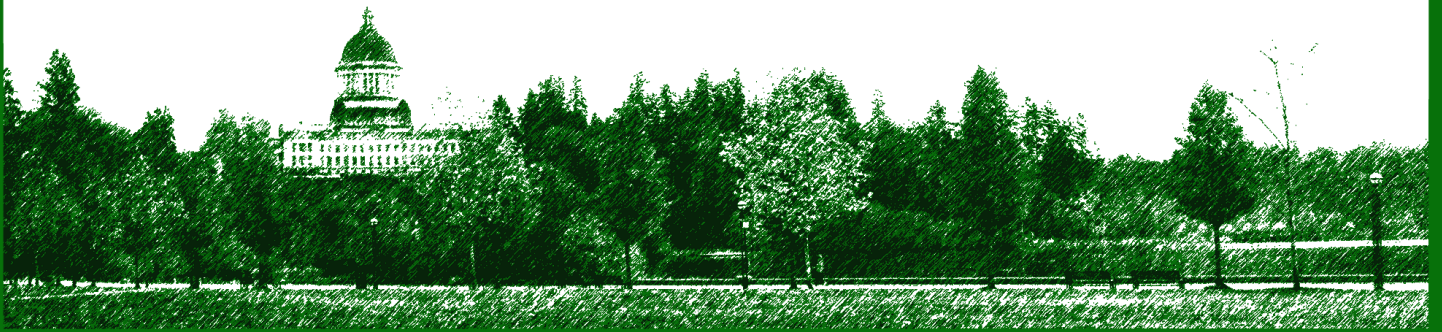


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Initiative 900 requires JLARC report

In November 2005, the people of the State of Washington approved Initiative 900 (I-900). The initiative directs the State Auditor’s Office (SAO) to conduct performance audits of state and local government agencies.

The initiative also directs the Joint Legislative Audit and Review Committee (JLARC) to submit an annual report by July 1st of each year on the status of recommendations made by the State Auditor to the Legislature.

This report represents JLARC’s compliance with this requirement for 2017. This is the 11th annual report that JLARC staff have released on the State Auditor’s recommendations to the Legislature.

Four SAO audits in 2016 included recommendations to the Legislature

The State Auditor released 15 new performance audit reports in 2016. Four of these audits included recommendations to the Legislature. JLARC held public hearings on all of the State Auditor’s 2016 performance audits.

This JLARC staff report describes the status of the most recent 10 recommendations made to the Legislature from four of SAO’s 2016 audits. It also provides updates on 14 unresolved recommendations to the Legislature in SAO’s 2013-2015 audits. This report does not provide information on SAO’s recommendations to state or local governments.

JLARC staff track unresolved recommendations for a total of four years. This means that if SAO made a recommendation to the Legislature in 2013, JLARC staff reviewed legislative activity in the 2014, 2015, 2016, and 2017 legislative sessions.

Initiative 900 also states that “justification must be provided for recommendations not implemented.” Since no individual or entity can singularly speak to the reason for legislative action or inaction, JLARC’s auditors could not identify sufficient and appropriate evidence to make definitive conclusions about why recommendations have not been implemented to date. In some cases, the information included in the comment sections provides context for the Legislature’s actions.

Implementation status of the SAO recommendations to the Legislature

Table 1 summarizes implementation of the recommendations to the Legislature in the SAO’s performance audits issued in 2013 through 2016. The table uses the following reporting categories:

- **Implemented – Adopted As Presented:** Legislative action implementing an SAO recommendation in the manner that it was presented in the audit;
- **Implemented – Addressed with Different Approach:** Legislative action where the Legislature addressed the issue raised in the recommendation, but via a different approach;
- **Legislature Made Different Policy Choice:** Legislative action where the Legislature was aware of the recommendation and made a different policy choice than what the SAO recommended;
- **Bills Introduced on Topic But Not Adopted:** Individual legislator(s) introduced bills on the topic covered in the recommendation, but the Legislature did not adopt the proposed legislation;

- **Other Circumstances:** This category denotes recommendations where a recommendation is partially implemented or other relevant circumstances apply (e.g., the recommendation is no longer applicable because of a change in federal law); and
- **Related or No Information:** This category is used when there is no information available, or other legislative action may have occurred besides introduction of a bill (e.g., a work session was held).

Table 1 – Status of SAO’s I-900 Recommendations to the Legislature Following the 2017 Regular Legislative Session

| Current Implementation Status | Recommendations | | |
|---|-----------------|-----------|-----------|
| | 2016 | 2013-15 | Total |
| Implemented: | | | |
| Adopted as Presented | 3 | - | 3 |
| Addressed with Different Approach | 3 | 6 | 9 |
| Legislature Made Different Policy Choice | 1 | - | 1 |
| Bills Introduced on Topic But Not Adopted | - | 1 | 1 |
| Other Circumstances | - | - | - |
| Related or No Information | 3 | 7 | 10 |
| Total | 10 | 14 | 24 |

Newly Issued 2016 Recommendations

Administrative Appeals

Released May 11, 2016

About the Audit

More than 100,000 administrative appeals are conducted by 28 Washington state agencies every year. Administrative appeals processes are working as intended in Washington, and the state agencies SAO evaluated are managing appeals effectively. However, processes differ among agencies and can be intimidating for some participants. SAO makes three recommendations that the Legislature amend parts of the Administrative Procedure Act.

SAO Recommendation to the Legislature

The Legislature should amend RCW 34.05.455 regarding ex parte communications with hearing officers by clarifying: a) what types of communication between management and hearing officers are allowed, and b) when and in what capacity managers may provide direction regarding a hearing officer's performance.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| SB 5211 | ✓ | ✓ | | | |
| SB 5374 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

JLARC staff determined that the Legislature changed a different area of statute to partially implement the recommendation, so the implementation status is classified as "addressed with a different approach."

Administrative Appeals

Released May 11, 2016

SAO Recommendation to the Legislature

The Legislature should amend Chapter RCW 51.52 regarding ex parte communications with hearing officers by clarifying: a) what types of communication between management and hearing officers are allowed, and b) when and in what capacity managers may provide direction regarding a hearing officer's performance.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| SB 5374 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

The Legislature amended a different part of statute to achieve a similar change as the recommendation.

SAO Recommendation to the Legislature

The Legislature should add a new section to either Part II or Part IV of Chapter RCW 34.05 regarding the role of informal guidance by clarifying: a) in what circumstances hearing officers may apply informal guidance in developing administrative decisions, b) whether managers may require hearing officers to apply informal guidance, c) if hearing officers may apply informal guidance, clarify whether the hearing officers may apply written guidance, unwritten guidance, or both.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|------------------------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| No Related Legislation | | | | | |

Costs and Sustainability at the Washington Health Benefit Exchange

Released June 30, 2016

About the Audit

Washington's Health Benefit Exchange helps customers purchase health insurance plans, and determines whether they are eligible for subsidies that help pay for them. In part due to concerns about whether the Exchange was self-sustainable, the Legislature required the Washington State Auditor's Office to examine the Exchange's operating costs. The review included one recommendation to the Legislature.

SAO Recommendation to the Legislature

The Legislature should consider the following as part of the appropriation process: a) eliminating any requirement that the Exchange spend minimum amounts on navigators and outreach, b) The Exchange's need to obtain full reimbursement for all Medicaid-related costs, c) the Exchange's long-term financial plan, its planned list of IT investments, its need for both working and capital reserves and how sweeping those reserves adversely affects planning.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

Comments

Both the House and the Senate budgets under consideration at the end of the 2017 regular session included funding requests for infrastructure replacement and security upgrades, and operation improvements to maintain updates that maintain eligibility rules and improve the customer experience. The House budget also included funding for outreach and marketing.

Medical Discipline

Released November 7, 2016

About the Audit

In Washington, medical doctors and physician assistants (PAs) are licensed and regulated by the Medical Quality Assurance Commission (MQAC), while osteopathic doctors and PAs are licensed and regulated by the Board of Osteopathic Medicine and Surgery (BOMS). This performance audit examined the process by which MQAC and BOMS assess and investigate complaints; how they communicate with the people who have filed complaints, those accused of misconduct, and the general public; and how they ensure sanctions are completed. SAO identified areas of improvement for both boards, including three recommendations to the Legislature for statutory changes.

SAO Recommendation to the Legislature

The Legislature should merge BOMS and MQAC into one board by adding three osteopathic physicians to the commission.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

Medical Discipline

Released November 7, 2016

SAO Recommendation to the Legislature

The Legislature should ensure a minimum of 25 percent public members on the state medical boards, whether this is two separate entities or one merged board.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1431 | ✓ | ✓ | ✓ | ✓ | ✓ |
| SB 5354 | ✓ | | | | |

Comments

HB 1431-SE increases BOMS members from 7 to 11. It also increases the number from 1 to 2 members of who must be consumers who have neither a financial nor a fiduciary relationship to the health care delivery system. The current statutory ratio of 7:1 makes public membership 14% and the proposed ratio of 11:2 in HB 1431-SE raises it to 18%.

SAO Recommendation to the Legislature

The Legislature should modify the Uniform Disciplinary Act so all healthcare professionals must post information in a prominent location about where to file complaints.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|------------------------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| No Related Legislation | | | | | |

Assessing Implementation of the Regulatory Fairness Act

Released December 27, 2016

About the Audit

Washington's Legislature enacted the Regulatory Fairness Act (19.85 RCW) in 1982 to reduce the disproportionate impact of state administrative rules on small business. SAO examined 331 rules affecting businesses proposed by regulatory agencies during 2014 and 2015, and found they did not always fully meet every requirement of the law. The report made three recommendations to the Legislature to ensure agencies meet all requirements of the Regulatory Fairness Act.

SAO Recommendation to the Legislature

The Legislature should make the following clarifications in the Act: a) a proposed rule is exempt from the Act if the proposing agency can demonstrate that it affects only businesses with more than 50 employees, b) a proposed rule that affects only small businesses inherently imposes disproportionate costs, and the proposing agent must consider all cost mitigation options defined in the Act, c) in the absence of sufficient data to calculate the disproportionate impacts, an agency whose rule imposes more-than-minor cost must mitigate the costs to small businesses, where legal and feasible, as defined in the Act.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1120 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

As of the end of the 2017 Regular Session, the House Budget (HB 1067-S) included an appropriation for \$84,000 in FY2018 and \$75,000 in FY2019 for implementing HB1120.

HB 1120 includes a null and void clause if it is not funded by June 30, 2017.

SAO Recommendation to the Legislature

The Legislature should require the Code Reviser to: a) modify the proposed rule from (CR-102) to include a checklist of allowable exemptions, b) provide access to an SBEIS template that includes all required information.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|------------------------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| No Related Legislation | | | | | |

Comments

The Code Reviser has the authority to make these changes under existing statute and is working to implement these changes.

Assessing Implementation of the Regulatory Fairness Act

Released December 27, 2016

SAO Recommendation to the Legislature

The Legislature should assign a central entity to:

- Collaborate with and provide support to state agency employees to help them meet the requirements of the law. Such support could include:
 - Providing online guidance and tools to help agency staff understand and complete the requirements
 - Providing access to available cost data
 - Facilitating sharing of information among agencies and between agencies and business associations
- Hold agencies accountable for ensuring all proposed rules meet the requirements of the law

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1120 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

As of the end of the 2017 Regular Session, the House Budget (HB 1067-S) included an appropriation for \$84,000 in FY2018 and \$75,000 in FY2019 for implementing HB1120.

HB 1120 includes a null and void clause if it is not funded by June 30, 2017.

Previously Unresolved 2015 Recommendations

Regulatory Reform: Enhancing Regulatory Agency Coordination

Released July 20, 2015

About the Audit

This audit examined whether state agencies are currently coordinating their processes to minimize resources needed for business' regulatory approvals and whether opportunities exist for expanded coordination among Washington's regulatory agencies. The audit included six recommendations to the Legislature.

SAO Recommendation to the Legislature

Legislature assign a lead agency to:
Develop a long-term strategy for identifying and prioritizing multi-agency regulatory processes that can be streamlined through better coordination, based on such things as:

- Industry needs determined in collaboration with businesses;
- Importance to the state;
- Potential for savings to businesses and agencies.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| SB 6033 | ✓ | ✓ | | | |
| SB 6221 | ✓ | ✓ | | | |
| SB 6223 | ✓ | | | | |
| SB 6669 | ✓ | ✓ | | | |

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1120 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

HB 1120 assigns an agency to help project proponents with the regulatory process but does not specify that the agency should develop a long term strategy for identifying and prioritizing multi-agency regulatory processes.

Regulatory Reform: Enhancing Regulatory Agency Coordination

Released July 20, 2015

SAO Recommendation to the Legislature

Legislature assign a lead agency to:
Develop a timetable for prioritized regulatory processes to be streamlined through coordination

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| SB 6223 | ✓ | | | | |

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1120 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

HB 1120 assigns an agency to help project proponents with the regulatory process but does not specify that the agency should develop a timetable for prioritized regulatory processes to be streamlined.

Regulatory Reform: Enhancing Regulatory Agency Coordination

Released July 20, 2015

SAO Recommendation to the Legislature

Legislature assign a lead agency to:
Identify agencies involved in each regulatory process to be streamlined through coordination

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1120 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

HB 1120 assigns an agency to help project proponents with the regulatory process but does not specify that the agency should identify agencies involved in each regulatory process to be streamlined.

Regulatory Reform: Enhancing Regulatory Agency Coordination

Released July 20, 2015

SAO Recommendation to the Legislature

Legislature assign a lead agency to:
Convene agencies involved in those regulatory processes and facilitate ongoing coordination

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| SB 6033 | ✓ | ✓ | | | |
| SB 6221 | ✓ | ✓ | | | |
| SB 6223 | ✓ | | | | |

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1120 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

HB 1120 assigns an agency to help project proponents with the regulatory process but does not specify that the agency should facilitate ongoing coordination among regulatory agencies.

Regulatory Reform: Enhancing Regulatory Agency Coordination

Released July 20, 2015

SAO Recommendation to the Legislature

Legislature assign a lead agency to:

Work with identified agencies on prioritized processes to:

- Scope and understand the problem
- Establish written policies and protocols for coordinating
- Identify structured communication channels between agencies
- Develop methods for sharing of applicant information between agencies to reduce duplication of what businesses need to submit, where possible
- Promote concurrent reviews of applicant materials or comment periods
- Ensure compatible regulatory requirements
- Develop and track performance measures

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| SB 6223 | ✓ | | | | |

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1120 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

HB 1120 assigns an agency to help project proponents with the regulatory process but does not specify that the agency should work with identified agencies to streamline the regulatory process.

Regulatory Reform: Enhancing Regulatory Agency Coordination

Released July 20, 2015

SAO Recommendation to the Legislature

Legislature assign a lead agency to:

Report to the Governor and Legislature annually on:

- Progress of prioritized regulatory processes being streamlined through coordination
- Performance measures for each process

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| SB 6033 | ✓ | ✓ | | | |
| SB 6223 | ✓ | | | | |
| SB 6669 | ✓ | ✓ | | | |

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 1120 | ✓ | ✓ | ✓ | ✓ | ✓ |

Comments

HB 1120 assigns an agency to help project proponents with the regulatory process but does not specify that the agency should streamline the overall regulatory process.

Previously Unresolved 2014 Recommendations

Performance Measures in Economic Development Programs: Opportunity to enhance transparency and improve processes

Released October 2, 2014

About the Audit

The audit assessed the Associate Development Organization (ADO) program, which provides economic development services tailored to meet local needs. Through this program, the Department of Commerce manages \$3 million in annual grant support to 34 county-designated ADOs. The main questions the audit sought to answer was whether it is technically feasible to isolate the ADOs' impact on economic outcomes and whether the performance measurement practices used by Commerce to manage ADO contacts is aligned with statutory intent and leading practices. The audit found that the Legislature should establish clear goals for the ADO program and that the ADOs develop a more robust performance measurement system. The audit included two recommendations to the Legislature.

SAO Recommendation to the Legislature

The Legislature should establish clear goals for the program in consultation with Commerce and ADOs.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2015 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
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No Related Legislation

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

Performance Measures in Economic Development Programs: Opportunity to enhance transparency and improve processes

Released October 2, 2014

SAO Recommendation to the Legislature

The Legislature should reform reporting requirements for both Commerce and the ADO program.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2015 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

Debt-Offset Programs: A tool to help Washington collect delinquent debt

Released December 4, 2014

About the Audit

This audit examined whether implementing a state debt-offset program and participating in the U.S. Treasury's State Reciprocal Program can help Washington collect delinquent business debt. The audit also identified leading practices other states recommend for developing and implementing effective debt-offset programs, and the changes Washington needs to make to put the programs into action. The audit included four recommendations to the Legislature.

SAO Recommendation to the Legislature

The Legislature should authorize state agencies to require federal taxpayer identification numbers (TINs) and share payment and debt data for the purposes of conducting state and federal debt offsets, allowing individual agencies to immediately enhance existing collection efforts.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2015 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

Debt-Offset Programs: A tool to help Washington collect delinquent debt

Released December 4, 2014

SAO Recommendation to the Legislature

The Legislature should authorize state agencies to participate in the U.S. Treasury's State Reciprocal Program.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2015 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
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No Related Legislation

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

Debt-Offset Programs: A tool to help Washington collect delinquent debt

Released December 4, 2014

SAO Recommendation to the Legislature

The Legislature should establish a workgroup with a directive to develop a proposal for the design and implementation of a state and the federal reciprocal debt-offset programs. To efficiently and effectively implement and administer the programs, the workgroup should:

- Design the programs using the leading practices recommended by other states and the U.S. Treasury's State Reciprocal Program requirements;
- Identify ways for agencies to obtain accurate federal TINs;
- Identify necessary process changes and system upgrades;
- Estimate necessary resources;
- Identify statutory changes; and
- Report its progress to the Legislature and the Governor's Office by June 30, 2016.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2015 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

Debt-Offset Programs: A tool to help Washington collect delinquent debt

Released December 4, 2014

SAO Recommendation to the Legislature

Taking into account the workgroup's June 2016 report, the Legislature should authorize a single comprehensive statute to offset debts owed by businesses with payments to those businesses.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2015 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
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No Related Legislation

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
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No Related Legislation

Previously Unresolved 2013 Recommendations

Enhancing Background Checks in Washington

Released May 7, 2013

About the Audit

The audit assessed whether automatic notification of new criminal events, commonly referred to as a rap back service, could enhance Washington's current background check process, and if so, what are potential barriers to its implementation. The audit found that Washington's background check process is falling behind other states because it does not provide an automatic notification if a person commits a criminal offense after passing a background check. This audit included two recommendations to the Legislature.

SAO Recommendation to the Legislature

The Legislature should revise state law to expressly allow the Washington State Patrol and Federal Bureau of Investigation to retain civil fingerprints.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2014 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2015 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 2080 | ✓ | | | | |
| SB 5720 | ✓ | | | | |

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|---------|-----------------|-------------------------|------------------------|--------------------|--------------------|
| HB 2080 | ✓ | | | | |
| SB 5720 | ✓ | | | | |

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
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No Related Legislation

Comments

During 2016 Special Session, HB 2080 and companion SB 5720 were reintroduced but not adopted.

Enhancing Background Checks in Washington

Released May 7, 2013

SAO Recommendation to the Legislature

The Legislature should authorize and appropriate funding for the Washington State Patrol to implement a state and federal rap back service as part of background check processes.

Implementation Status :

- Adopted as presented
- Addressed with different approach
- Made different policy choice
- Bills introduced on topic but not adopted
- Other circumstances
- Related or no information

2014 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|

No Related Legislation

2015 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
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No Related Legislation

2016 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
|--------|-----------------|-------------------------|------------------------|--------------------|--------------------|
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No Related Legislation

2017 Related Legislation

| Bill # | Bill Introduced | Out of Fiscal Committee | Out of House of Origin | Passed Legislature | Signed by Governor |
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No Related Legislation