

# 1996 FINAL LEGISLATIVE REPORT



FIFTY-FOURTH WASHINGTON STATE LEGISLATURE

1995 Third Special Session • 1996 Regular Session

## 1996 FINAL LEGISLATIVE REPORT

The final edition of the 1996 Legislative Report is available from:

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There are several Washington State legislative pages now available on the Internet:



<http://leginfo.leg.wa.gov>

The Washington State Legislature's homepage, LEGInfo, is a starting point to find legislative information. From this Internet site, you can access information from the state Senate, House of Representatives, legislative agencies, boards and committees, as well as legislative bill reports, documents and schedules.

## FIFTY-FOURTH WASHINGTON STATE LEGISLATURE

1995 Third Special Session

1996 Regular Session



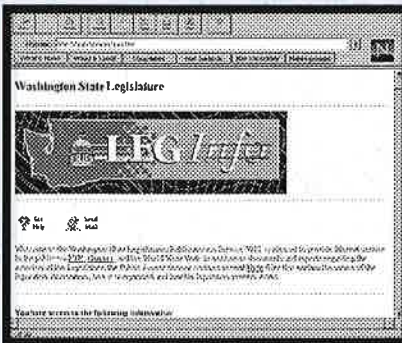
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From LEGInfo, you can go to the legislative information page to access documents regarding the activities of the Legislature. This page includes help files explaining the organization of the legislative information and how the legislative process works.

Information includes:

**Bill Information** - Bills, initiatives, referenda, bill reports, amendments, digests, roll calls, daily bill status, and topical index.

**Bill Search Tools** - Search bill text by entering key words.



**Calendars** - Legislative calendars, a session calendar, daily and weekly committee schedules, and a campus events calendar.

**Reports/Rosters** - Sponsor reports for members of the Legislature and rosters for the House and Senate.

**Revised Code of Washington (RCW)** and an RCW search engine.



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## Statistical Summary

*1995 Third Special Session and 1996 Regular Session of the 54<sup>th</sup> Legislature*

<b>Bills Before Legislature</b>	<b>Introduced</b>	<b>Passed Legislature</b>	<b>Vetoed</b>	<b>Partially Vetoed</b>	<b>Enacted</b>
<i>1995 Third Special Session (October 12 – October 14)</i>					
House	1	1	0	0	1
Senate	1	0	0	0	0
<i>1996 Regular Session (January 8 - March 7)</i>					
House	840	192	10	16	182
Senate	698	155*	12	11	143
<b>TOTALS</b>	<b>1,540</b>	<b>347</b>	<b>22</b>	<b>27</b>	<b>325</b>

<b>Initiatives, Joint Memorials, Joint Resolutions and Concurrent Resolutions Before Legislature</b>	<b>Introduced</b>	<b>Filed with the Secretary of State</b>
<i>1995 Third Special Session (October 12 – October 14)</i>		
House	0	0
Senate	0	0
<i>1996 Regular Session (January 8 - March 7)</i>		
House	17	5
Senate	19	6
<b>TOTALS</b>	<b>36</b>	<b>11</b>
<b>Initiatives</b>	<b>2</b>	<b>0</b>

<b>Gubernatorial Appointments</b>	<b>Referred</b>	<b>Confirmed</b>
<i>1996 Regular Session (January 8 - March 7)</i>	130	132

\* Includes override of SB 6117

Drop in to the Washington State Senate Internet homepage and you'll find three main categories of information: Senate members; Senate committees; and Senate administration.

The Senate homepage offers a brief biography of each senator including a photo and a link to a map of the legislative district each represents. You can also send electronic mail messages directly to a senator from their biography page.

There is a list of Senate committees, committee members, and an



informative page on the procedures for testifying before a Senate committee.

The Senate administration page provides a list of Senate rules, member seating chart, Senate organization diagram, and information about the Senate page program.

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House Bill Reports and Veto Messages

House Memorials and Resolutions

Senate Bill Reports and Veto Messages

Senate Memorials and Resolutions

Sunset Legislation



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**SHB 1008**

C 75 L 96

Providing wine and beer educator's licenses.

By House Committee on Commerce & Labor (originally sponsored by Representatives Carlson, Ogden and Boldt).

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** Certain liquor licensees may conduct samplings and educational activities under specific circumstances.

A Class E and Class F retailer liquor licensee whose business is primarily selling beer or wine to be consumed off premises may provide single serving samples to customers as sales promotion. Each sample must be less than two ounces and may be provided free or for a charge.

A brewery, winery, or wholesale licensee may instruct other licensees and their employees on the subject of beer or wine and may provide beer or wine as required for use during instruction. Such licensees may also conduct educational activities for consumers on the premises of a retail licensee, however, they may not receive compensation or financial benefit from the activity.

There is no authority for anyone not licensed under the Liquor Control Board to conduct educational activities, for a charge, using liquor.

**Summary:** A person or corporation, not otherwise eligible to be licensed under the Liquor Control Board, may obtain an educator's license that permits the holder to sell wine or beer by the glass for educational wine or beer tastings at one-day events. The licensee may purchase wine or beer from a licensed wholesaler and must maintain records of use, including all wine or beer diverted for personal use following an event.

The annual license fee is \$200 and the fee for each event is an additional \$10. An extended event license for no more than five consecutive days is \$50.

Along with the application for an event license, a licensee must obtain a letter of approval from the local law enforcement administrator having jurisdiction in the area where the event is held. Any restrictions on the use of the license must appear in the letter of approval.

Application for an annual license must be made 45 days before the applicant's first event. For each specific event, application must be made 30 days before the event.

**Votes on Final Passage:**

House	94	0
Senate	48	0

**Effective:** June 6, 1996

**SHB 1018**

C 76 L 96

Amending the Washington uniform limited partnership act.

By House Committee on Law & Justice (originally sponsored by Representatives Padden and Appelwick).

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** A limited partnership is a form of business organization that consists of limited partners and at least one general partner. General partners run the business and are personally liable for the debts and obligations of the limited partnership. Limited partners are liable for the partnership's debts and obligations only to the extent of their contributions, as long as they do not participate in control of the business.

A limited partner may withdraw from a limited partnership as specified in the partnership agreement. If the partnership agreement does not specify conditions for withdrawal of a limited partner, a limited partner may withdraw from the limited partnership by giving six months' written notice to each general partner.

A limited partnership is dissolved and its affairs wound up upon the first to occur of (1) the time specified in the certificate of limited partnership; (2) events specified in the partnership agreement; (3) the written consent of all partners; (4) withdrawal of a general partner; (5) judicial dissolution; or (6) administrative dissolution.

**Summary:** A limited partner may not withdraw from a limited partnership prior to the time for the dissolution and winding up of the limited partnership, unless the partnership agreement provides otherwise.

A limited partnership is dissolved and its affairs wound up on the date 30 years from the filing of the certificate of limited partnership or at the date specified in the certificate of limited partnership.

A clarifying amendment specifies that the name of a limited partnership must be distinguishable from the name of any limited liability company reserved or registered under Washington law.

**Votes on Final Passage:**

House	94	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**E2SHB 1078**

C 135 L 96

Changing provisions relating to instruction in Braille.

By House Committee on Appropriations (originally sponsored by Representatives Ogden, Carlson, Casada,

## 2SHB 1182

Cole, Quall, Benton, Pennington, Thibaudeau, Cooke, Boldt and Huff).

House Committee on Education  
House Committee on Appropriations  
Senate Committee on Education  
Senate Committee on Ways & Means

**Background:** The federal Individuals with Disabilities Education Act requires states accepting federal funds to provide a free and appropriate public education for all handicapped children in the least restrictive environment. The federal law requires related services to be provided if the services are needed to help a handicapped child benefit from special education. Handicapped children in Washington must have the opportunity for an appropriate education under state law, federal law, and the Washington State Constitution.

An individual education program must be developed for each special education student. Instruction in Braille is provided for a visually impaired or blind student only if the instruction is required in the student's individual education program.

**Summary:** The Legislature finds that literacy in Braille is essential for persons who are blind or visually impaired.

Blind and visually impaired students in the public schools are to be assessed to determine the appropriate learning media for each student. If a student's assessment indicates that Braille is the appropriate learning medium, instruction in Braille must be provided as a part of the student's educational curriculum. If Braille will not be provided, the reason for not providing it is to be documented.

A student may not be denied the opportunity for instruction in Braille solely because the student has some remaining vision.

Teachers of visually impaired students are to be qualified as determined by the State Board of Education.

**Votes on Final Passage:**

House	93	0
Senate	49	0

**Effective:** June 6, 1996

## 2SHB 1182

C 77 L 96

Modifying the uniform commercial code.

By House Committee on Law & Justice (originally sponsored by Representatives Hickel and Appelwick).

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** The Uniform Commercial Code (UCC) governs commercial transactions. The UCC is divided into 11 articles. Several provisions in various articles contain cross-references to other provisions in other articles. In

1993, the Legislature substantially revised Articles 3 and 4 in accordance with recommendations of the National Conference of Commissioners on Uniform State Laws. The 1993 act did not amend some provisions of the UCC that contain cross-references to sections that were amended or repealed by the 1993 act.

Two conflicting provisions of law govern imposition and calculation of interest on commercial instruments. The long-standing rule in Washington is that a loan bears interest at 12 percent per annum unless the parties agree in writing to another rate. However, a provision in the UCC that governs negotiable instruments provides that, unless otherwise provided in the instrument, an instrument is not payable with interest. The provision further provides that if the instrument allows for interest but does not specify the rate, the rate will be set at the judgment rate in effect at the place of payment and at the time interest first accrues.

**Summary:** Technical changes to the Uniform Commercial Code are made to update cross-references, delete references to repealed sections, and reflect name changes.

The two conflicting provisions of law governing imposition and calculation of interest are reconciled by including a reference in the UCC provision governing interest on instruments to the Washington rule regarding imposition and calculation of interest on loans.

**Votes on Final Passage:**

House	96	0
Senate	46	0

**Effective:** June 6, 1996

## 2SHB 1229

C 175 L 96

Modifying options for payment of retirement allowances.

By House Committee on Law & Justice (originally sponsored by Representatives Sheahan and Appelwick).

House Committee on Law & Justice  
Senate Committee on Ways & Means

**Background:** General Background on Payment of Retirement Benefits. Upon retirement, a member of the state retirement system must choose among various options for payment of the member's retirement allowance.

A member may select a "standard allowance," which is payable throughout the member's life. If the member dies before the member's accumulated contributions are exhausted, the balance is paid to a person who has an insurable interest in the retiree's life. The member nominates that person. If the member does not nominate a person, then the residue goes to the surviving spouse if the member is married. If the member is not married, the residue goes to the member's estate.

A member may elect to receive a "reduced benefit," which pays the member less money during the member's

life but provides that the reduced benefit will continue to be paid after the member's death to a person who has an insurable interest in the member's life. That person is referred to as the "survivor beneficiary." The member must nominate the survivor beneficiary in writing. The nomination must be filed with the Department of Retirement Systems when the member retires.

If a member is married, the spouse must provide written consent to the member's selected option. If the member's spouse does not consent, the department must pay the member a reduced benefit and name the spouse as the survivor beneficiary.

**Impact of Divorce on Payment of Retirement Benefits.** If retirement benefits have accumulated during a member's marriage, those benefits are considered community property under Washington's community property laws, and they are subject to the court's power to divide the couple's property equitably upon divorce. A court may order the department to pay an ex-spouse part of the member's retirement benefits to satisfy a property division obligation. The court may also order the department to designate the ex-spouse as a survivor beneficiary.

The member's selected option and named beneficiary may conflict with a court order directing the member to select a reduced benefit with survivor benefits nominating the member's ex-spouse as the beneficiary. There is a question whether, absent legislation directing the department to comply with a court order, a court order overrides the statutory language that allows a member to select a payment option and name a beneficiary.

**Complications of Subsequent Marriages and Divorces on Payment of Retirement Benefits.** If a member remarries following divorce, further complications arise concerning the new spouse's right of consent to designation of a survivor beneficiary.

If a member is divorced a second or subsequent time, the department may receive conflicting dissolution orders regarding distribution of the member's retirement benefits.

**Summary: Designation of a Survivor Beneficiary Upon Divorce.** If the department is served with a dissolution order that requires the department to designate an ex-spouse as a survivor beneficiary entitled to a particular survivor option, the department must comply with the court order.

The order must be served on the department by registered or certified mail at least 30 days before the member's retirement. The order must clearly name the survivor and the designated survivor benefit. The department will not be liable for failure to comply with the court order if it is not served on the department at least 30 days before the member's retirement.

An ex-spouse's right to a survivor benefit ceases upon death of the ex-spouse.

If a member remarries, spousal consent is not required for the department to comply with the court order.

**Impact of Subsequent Dissolution Orders.** If a subsequent dissolution order is filed that directs the department to divide a survivor benefit between the first ex-spouse and a second or subsequent spouse or ex-spouse (alternate payee), the department must honor the subsequent dissolution order under certain circumstances. First, the survivor beneficiary must receive notice before the order is entered. Second, the dissolution order must specify the proportional division of the benefit to the survivor beneficiary and alternate payee. Third, the order must specifically amend or supersede the dissolution order already on file with the department. Fourth, the order must be filed with the department at least 30 days prior to the member's retirement.

The department will calculate the actuarial adjustment for the survivor benefit based on the life of the survivor beneficiary. If the survivor beneficiary dies, the benefit terminates. If the alternate payee predeceases the survivor beneficiary, the alternate payee's benefit will revert to the survivor beneficiary.

State retirement programs affected by the change include the following: Judges, law enforcement and firefighters, teachers, and public employees.

**Votes on Final Passage:**

House	96	0
Senate	48	0

**Effective:** June 6, 1996

**ESHB 1231**

C 198 L 96

Promoting the recycled content of products and buildings.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Rust, Chandler, Valle, Cole, Mastin and Chopp).

House Committee on Agriculture & Ecology  
Senate Committee on Ecology & Parks

**Background:** In 1991, the Legislature enacted a measure to increase state and local government procurement of products made from recycled material.

**State Agency Requirements.** The 1991 legislation directed the Department of General Administration to adopt recycled content standards for several types of products in order to stimulate markets for products with recycled content and to establish a leadership role for state agencies. The department was also required to prepare a mandatory plan for state agencies to increase their recycled content product purchases. The plan was to achieve a graduated increase in purchases of paper and compost. Other specified product categories were to be included in the plan.

The department was also required to develop a data base of product vendors and report to the Legislature on the cost of making the data base accessible to local governments and the private sector. The department was directed

## 2SHB 1289

to provide technical assistance to state and local procurement officers, and to make available to local governments model procurement guidelines for recycled content products.

The State Printer was given specific percentage purchase requirements for paper, as was the Department of Transportation for compost.

**Local Government Requirements.** Local governments having supply expenditures greater than \$500,000 in 1989 were directed to review their existing procurement policies and specifications with a goal of including recycled products. By 1994, these local governments were required to adopt a minimum purchasing goal for recycled products and to adopt a strategy to reach the goal.

Cities and counties that were required to plan were also required to purchase specified percentages of compost products.

**Vendor Requirements.** Vendors were required to certify the percentage of recycled content in products sold to the state and to local governments, pursuant to the department rules adopted by May 1, 1992.

**Implementation of 1991 Legislation.** Implementation of this legislation has not been well documented but is thought to be low. According to the department, two factors in particular have contributed to the less than expected implementation.

First, the biennial budget adopted in 1991 provided funding to the Department of General Administration for implementation of the legislation. The 1992 supplemental budget deleted the majority of the funding, and the department has been unable to provide technical assistance to local governments or to monitor local government implementation of the legislation.

Second, legislation enacted in 1993 allows state agencies to purchase materials, supplies, services, and equipment directly from vendors when the department is notified that an item may be purchased at lower cost than through the Department of General Administration. The Department of General Administration is unable to control the recycled content of materials purchased by state agencies.

**EPA Recycled Content Standards.** Federal law and a presidential executive order require the Environmental Protection Agency (EPA) to establish recycled content standards which recommend that governmental agencies purchase goods containing recycled materials.

**Summary:** EPA recycled content standards are adopted by reference as the state standard for certain recycled content products. Panelboard and compost products are added to the list of recycled content products to which the standards apply. Compliance dates established in the 1991 legislation are extended one to five years, depending on the requirement. The recycled content goals for state agency paper and compost purchases are increased. The State

Printer's recycled content paper purchases are to be 90 percent of paper purchases by 1999.

The mandatory state plan to be developed by the Department of General Administration is changed to a strategy. The sections of law requiring vendors to certify the recycled content of their products and the department to increase compost product purchases are repealed.

Specifications in state construction projects must include the use of recycled content products, whenever practicable. Material from demolition projects must be recycled or reused whenever practicable.

### Votes on Final Passage:

House	93	3	
Senate	47	0	(Senate amended)
House	91	3	(House concurred)

**Effective:** June 6, 1996

## 2SHB 1289

C 36 L 96

Specifying the duties of an operator of a vessel involved in an accident.

By House Committee on Law & Justice (originally sponsored by Representatives Ballasiotes, Costa, Sheahan, Van Luven, Lambert, Mason, Mielke, Reams, Delvin, Foreman and Scott).

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** Certain regulations apply to the operation of vessels on Washington waters. "Vessels" include all watercraft, other than seaplanes, used for transportation on the water. The term "vessel" does not include inner tubes, air mattresses, and small rafts or flotation devices, or toys customarily used by swimmers.

The operator of a vessel involved in an accident must render all practical and necessary assistance to anyone affected by the accident to save him or her from danger. The operator is relieved of that obligation if the operator's own vessel or passengers would be placed in serious danger. The operator must also provide all pertinent accident information to the law enforcement agency having jurisdiction.

A violation of the requirement to stop and assist is a civil infraction unless the operator commits three violations within one year, in which case a violation is a misdemeanor. The civil infraction penalty is \$110. A comparable federal law imposes criminal liability on an operator of a vessel who fails to stop and render assistance and provide identification.

There are no additional penalties if a vessel operator involved in an accident leaves the scene of the accident. In contrast, if a person leaves the scene of a car accident, the person is subject to various penalties depending upon whether the accident resulted in property damage or injury or death to another person involved in the accident. If a

person leaves the scene of a car accident which has resulted in injury or death to another person, the person is guilty of a class C felony. That crime is ranked at seriousness level IV on the Sentencing Reform Act grid. The standard range for a first-time offender convicted of a level IV offense is 3 to 9 months. First-time offenders are eligible for the first-time offender waiver, which carries a possible jail sentence of 0 to 90 days, other conditions, and supervision.

**Summary:** An operator of a vessel is guilty of a class C felony if the operator is involved in a collision that results in injury to a person, the operator knew or should have known that a person was injured, and the operator leaves the scene of the collision without rendering all practical and necessary assistance to the injured person as required under current law. The bill does not apply to vessels involved in commerce, such as tugs, barges, cargo, commercial passenger, fishing, and processing vessels.

A violation is ranked at seriousness level IV on the Sentencing Reform Act grid.

**Votes on Final Passage:**

House	96	0	
Senate	46	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** June 6, 1996

**HB 1302**

C 78 L 96

Revising provisions relating to food stamp crimes.

By Representatives Delvin, Costa, Appelwick, Hickel, Robertson, Sheahan, Padden, L. Thomas and Mastin.

House Committee on Law & Justice

Senate Committee on Law & Justice

**Background:** The federal food stamp program provides eligible households with food coupons that may be used for the purchase of food products. In Washington, the food stamp program is administered by the Department of Social and Health Services (DSHS) according to the federal statute and regulations. The federal government pays for 100 percent of the services provided and 50 percent of the administrative costs incurred by DSHS.

Eligibility for the program is determined on the basis of the size of the household and the household's resources and income. Households that receive food coupons may use them only to purchase food from retail food stores approved for participation in the food stamp program.

State law establishes criminal penalties for persons who sell food coupons and purchase or traffic in food coupons. A person who purchases or traffics in food coupons is guilty of a class C felony if the coupon's value exceeds \$100 and a gross misdemeanor if the coupon's value is \$100 or less.

The crime of purchasing food coupons requires that the person purchase coupons issued to another person under the state implemented food stamp program. This language could preclude prosecution of a person who purchases food coupons from an undercover police officer because the officer is not issued the coupons under the state program.

**Summary:** The crimes relating to unlawful purchase or redemption of food coupons are amended to provide that it is illegal to purchase food stamps as defined by the federal food stamp act or redeem food stamps as defined by the federal food stamp act in violation of the provisions of that act.

References to food "coupons" are replaced with references to food "stamps."

**Votes on Final Passage:**

House	94	0
Senate	48	0

**Effective:** June 6, 1996

**HB 1339**

C 284 L 96

Revising provisions relating to juvenile probation and detention services.

By Representatives Ballasiotes, Morris, Costa, Carlson and Conway.

House Committee on Corrections

Senate Committee on Human Services & Corrections

**Background:** Each county superior court has initial responsibility for administering the county's juvenile court, juvenile probation services, and juvenile detention services.

The law provides a procedure for transferring administration of these services to the county's legislative authority (usually called the board of county commissioners). This transfer can occur only if the superior court adopts a court rule and enters an agreement with the county's legislative authority.

**Summary:** Initial responsibility for administering county juvenile court, probation, and detention services remains with the local superior courts. One change, however, is made to the provisions addressing the transfer of these responsibilities. When a consortium of three or more counties, located in eastern Washington and having a combined population in excess of 530,000, jointly operates a juvenile correctional facility, the county legislative authorities may adopt ordinances prescribing alternative administration of the facility. Under these specific circumstances, the agreement of the local superior courts is not required for the transfer to occur.

### 3SHB 1381

**Votes on Final Passage:**

House	84	14	
Senate	48	1	(Senate amended)
House			(House refused to concur)
Senate			(Senate refused to recede)
House	96	0	(House concurred)

**Effective:** June 6, 1996

### 3SHB 1381

C 176 L 96

Sharing leave and personal holiday time.

By House Committee on Government Operations (originally sponsored by Representatives Dyer, Brumsickle, Patterson, Campbell, Brown, Hankins, Chopp, Schoesler, Romero, Chandler, Robertson, Mitchell, G. Fisher, Sheahan, Poulsen, Thibaudeau, H. Sommers, Kessler, Mielke, Honeyford, Kremen, Wolfe, Boldt and Conway).

House Committee on Government Operations  
Senate Committee on Labor, Commerce & Trade  
Senate Committee on Ways & Means

**Background:** Original Shared Leave Program. The Washington State leave-sharing program was established in 1989 for state employees, including employees of school districts, education service districts, and institutions of higher education.

Under this program, an employee may transfer a portion of his or her accrued annual leave to another employee who suffers from, or has a relative or household member suffering from, illness, impairment or conditions that are of an extraordinary or severe nature and which has caused, or is likely to cause, the employee to go on leave without pay status or to terminate state employment.

An employee may transfer annual leave only if, after the transfer, the transferring employee retains at least 10 days of annual leave.

The transfer of leave may be made to another employee in the same agency, or, with the approval of the heads of both agencies, to an employee of another state agency. Provisions are made for the transfer of moneys between agencies to take cognizance of the transfers. However, transfers of leave to or from an employee of a school district or education service district are allowed only with other employees of the same school district or education service district.

1990 Changes. In 1990, the Washington State shared-leave program was altered so that an employee of a community college, school district, or education service district who does not accrue annual leave may transfer sick leave to another employee under the same conditions that state employees are authorized to transfer accrued annual leave. Such an employee of a community college may transfer sick leave to any state employee who is eligible to

receive leave transfers, but an employee of a school district or education service district may transfer sick leave only to another employee of the same school district or education service district.

An employee may transfer sick leave only if, after the transfer, the employee retains at least 60 days of sick leave.

**Summary:** The Washington State shared-leave program is altered to allow a state employee to transfer unused sick leave to another state employee, if after the transfer, the employee retains at least 480 hours of unused sick leave, and to allow a state employee to transfer his or her personal holiday.

Employees of institutions of higher education who do not accumulate annual leave are authorized to transfer sick leave to other employees of the same institution on the same basis as employees of community colleges who do not accumulate annual leave.

The Legislative Budget Committee will study leave transfers authorized under this legislation and report to the Legislature on or before December 31, 1997.

**Votes on Final Passage:**

House	91	5
Senate	43	5

**Effective:** June 6, 1996

### ESHB 1556

C 177 L 96

Creating a presumption that visitation by relatives such as grandparents is in a child's best interests.

By House Committee on Law & Justice (originally sponsored by Representatives Wolfe, Boldt, Scott, Romero, B. Thomas, Johnson, Talcott, Delvin, Carrell, Campbell, Van Luven, Cooke, Dickerson, Kessler, Basich, Conway, Smith and Costa).

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** When a married couple with children obtain a divorce, the court may order visitation rights for a person other than a parent when visitation is in the child's best interest. The third party may petition the court for visitation rights at any time. The court may modify an order granting or denying visitation rights whenever modification would be in the child's best interest.

Grandparents or other relatives are not granted special rights or consideration under the statute.

**Summary:** A person other than a parent may petition the court for visitation. The petition must be dismissed if the petitioner fails to prove by clear and convincing evidence that the petitioner has a significant relationship with the child. If the court dismisses the petition, the court must order the petitioner to pay reasonable attorneys' fees and costs to the parent, parents, or other custodian who contests

the petition. Visitation may be granted if the court finds that visitation is in the child's best interests. The court may consider a variety of factors when determining whether a petitioner's visitation is in the child's best interest.

Visitation with a grandparent is presumed to be in the child's best interests when a significant relationship exists between the child and the grandparent. This presumption may be rebutted by the evidence. If the court finds that reasonable visitation would be in the child's best interests except for hostilities that exist between the parent and the grandparent, the court may refer the parties to mediation.

Any visitation granted must be incorporated into the parenting plan.

**Votes on Final Passage:**

House	93	0	
Senate	48	0	(Senate amended)
House			(Ruled beyond scope)
Senate	41	1	(Senate receded)

**Effective:** June 6, 1996

**HB 1601**

C 6 L 96

Providing tuition and fee waivers for members of the Washington national guard.

By Representatives D. Schmidt, Carlson, Mulliken, Jacobsen, Koster, Sheldon, Costa, Radcliff, Lambert, Robertson, Carrell, Backlund, Ballasiotes, Skinner, Huff, Johnson, Thompson, Elliot, Wolfe, Talcott, Conway, Kremen, Campbell, Benton, Mason, Cooke and Kessler.

House Committee on Higher Education  
Senate Committee on Higher Education

**Background:** In 1994, the Legislature created, but did not fund, the Washington State National Guard Conditional Scholarship program. Through the program, members of the National Guard below the rank of major may receive conditional scholarships to attend institutions of higher education in Washington. Participants must repay the scholarships, with interest, unless they serve in the National Guard for one additional year for each year of scholarship received. Funding for the scholarships may come from state or federal funds, private donations, or repayments from participants who do not meet their service obligations.

Some members of the National Guard are eligible to participate in the Montgomery GI Bill Program. Eligibility criteria and educational benefits vary depending on the type and date of enlistment, and on the nature of the educational program.

A state-supported institution of higher education may waive a student's tuition and fees under about 35 different waiver programs. Four of the programs permit students to attend a class if space is available. The space-available waivers are limited to institutional employees, senior

citizens, classified state employees, and, at community colleges only, unemployed and underemployed persons. The institutions do not receive any state funds for students who are enrolled in these space-available waiver programs.

**Summary:** Public baccalaureate institutions and community colleges may waive tuition and service and activities fees for members of the Washington National Guard enrolled on a space-available basis. These students will not be included in official enrollment reports, and the institutions will not receive any state funding for them.

A member of the National Guard or an institutional employee who enrolls on a space-available basis will be charged a fee that will fully cover any administrative costs of enrolling the student.

**Votes on Final Passage:**

House	80	11
Senate	48	0

**Effective:** June 6, 1996

**HB 1627**

C 178 L 96

Modernizing osteopathic physician and surgeon terminology.

By Representatives Dyer, Backlund and Thibaudeau.

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** Osteopathic physicians and surgeons are licensed to practice osteopathic medicine and surgery in this state. The tenets of osteopathic medicine and surgery emphasize the musculo-skeletal structure of the body, and include the use of medical treatment as well as osteopathic manipulative therapy.

Practitioners are referenced in the code as osteopathic physicians and surgeons, but some sections of the code retain their former designations as osteopaths. Outdated references to the practice of osteopathic medicine and surgery as osteopathy also exist.

**Summary:** The code is purged of obsolete references to osteopathic physicians and surgeons as osteopaths, as well as the practice of osteopathic medicine and surgery as osteopathy.

**Votes on Final Passage:**

House	94	0	
Senate	47	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** July 1, 1996

**EHB 1647**

C 79 L 96

Expanding the authority of the employment security department to share data.

By Representatives Goldsmith, Romero and Lisk; by request of Employment Security Department.

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** With certain exceptions, the Employment Security Department must keep its records regarding individuals and employers confidential. One exception permits disclosure of confidential information to private individuals and organizations who contract with the department to assist with the operation and management of department functions. When information is disclosed under this exception, the contracting party is bound by the same rules of privacy and confidentiality as Employment Security Department employees. Misuse or unauthorized release of confidential information subjects the contracting party to a civil penalty of \$500.

A government agency also had access to this confidential information when the information is needed by the agency for official purposes. Except for emergencies and other limited situations, the agency requesting information, other than the Legislature, must submit an application to the Employment Security Department specifically identifying the records sought, must verify the need for the specific information in writing, and must serve a copy of the application on the individual or employer whose records are sought. The person served has five days to object to release of the records, and the Employment Security Department must consider any objections raised in deciding whether the agency needs the information for official purposes. No civil penalties are specified for violations of these provisions.

**Summary:** The civil penalty for misuse or unauthorized release of confidential information received by private parties who contract with the Employment Security Department is increased from \$500 to \$5,000.

Government agencies are permitted to obtain employer information that the Employment Security Department holds for the purposes of its labor market and economic analysis functions. Access to the information is only for those individuals who are conducting authorized statistical analysis, research, and evaluation studies. To obtain access, the government entity must apply for access and verify the need for the information, but is exempt from the requirement to serve a copy of the application on the individual or employing unit whose records are sought. Misuse or unauthorized release of the information is subject to the same civil penalty and other sanctions that apply to private parties who misuse confidential information or release it without authority.

**Votes on Final Passage:**

House	96	0	
Senate	49	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** July 1, 1996

**2EHB 1659**

C 179 L 96

Regulating real estate brokerage relationships.

By Representatives Mielke, Quall, Crouse, Costa, Kremen and Cooke.

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** The duties owed by a real estate broker or sales agent to a buyer, seller, landlord, or tenant are based on the common law of agency. Agency is a consensual relationship between two persons where one (the principal) empowers the other (the agent) to act, and the agent acts based on that authority. Agency relationships can be created expressly in writing or by words or conduct. Conduct that determines an agency relationship in real estate sales and leasing includes paying a commission to the agent.

Duties owed by an agent to a principal in a real estate transaction include loyalty, obedience, disclosure, confidentiality, reasonable care and diligence, and accounting. The scope of these duties has evolved through the courts. In any given transaction, the duties owed may be unclear.

In the purchase and sale of real estate, the issue of who an agent represents may also be unclear. Licensed real estate brokers, affiliated brokers, and sales people may be involved in a firm that deals with both buyers and sellers or landlords and tenants. It may not be clear to the buyers or sellers who is representing their interests.

**Summary:** The duties and the relationship of an agent to the principal (buyer or seller, landlord or tenant) are established in statute. The statute supersedes the common law rules applied to real estate licensees to the extent that they are inconsistent with the statute.

An agent may represent only the buyer or the seller unless otherwise agreed in writing. Absent an agreement, the agent represents the buyer. A pamphlet describing the statutory duties must be provided to all parties by the real estate agent before any agency agreements or real estate offers are signed, before a party consents to dual agency, or before a party waives any rights designated as waivable.

**General Duties of a Licensee.** Certain duties apply to real estate licensees generally when performing real estate brokerage services, including the duty to

- (1) exercise reasonable skill and care;
- (2) deal honestly and in good faith;
- (3) present all written offers, notices, and other communications in a timely manner;



- (4) disclose all material facts known by the licensee and not easily ascertainable to a party;
- (5) account for all money and property received in a timely manner;
- (6) provide a pamphlet on the law of real estate agency to all parties; and
- (7) disclose what party a licensee represents, if any, in a real estate transaction.

These duties cannot be waived.

The agent need not conduct an independent investigation of the property or of either party's financial condition. The agent has no duty to verify any information the agent reasonably believes to be reliable.

Duties of an Agent to the Seller or Buyer and Duties of a Dual Agent. Certain duties apply between a licensee agent and the seller, or a licensee agent and the buyer, or in a dual-agency relationship, including the duty to

- (1) be loyal by taking no action that would be adverse to the client;
- (2) disclose timely any conflicts of interest;
- (3) advise the client to get expert advice on matters relating to the transaction that are beyond the agent's expertise; and
- (4) refrain from disclosing confidential information about the client except under subpoena or court order.

These duties cannot be waived. The only duty that can be waived is the duty to make a good faith and continuous effort to seek a buyer for a seller or a seller for a buyer.

It is not a breach of duty to the principal for the agent, in the case of a seller, to show or list competing properties, or, in the case of a buyer, to show properties to competing buyers.

A real estate licensee may represent both the buyer and the seller if all parties agree in writing. The consent to this dual agency must include the terms of compensation.

Duration of the Agency Relationship. The agency relationship begins when the licensee performs brokerage services. The relationship continues until the licensee completes the services, the agreed upon period of service is ended, or the parties agree to termination. Once the brokerage relationship is terminated, an agent is obligated to account for all moneys and property received and to keep appropriate information confidential.

Compensation. Payment of compensation is not a factor in determining the existence of an agency relationship. A broker may be paid by any party to the transaction and may be paid by more than one party if the parties agree. A buyer's agent may be paid based on the purchase price without breaching any duty owed to the buyer.

Vicarious Liability. A principal (buyer or seller) is liable for the actions of the agent (real estate licensee) only if the principal participated in or authorized the act, or the principal benefitted from the act and a court determines that no judgment could be enforced against the agent or a subagent. A licensee agent is not liable for the acts of a

subagent unless the licensee participated in or authorized the act.

Imputed Knowledge. There is no presumption of knowledge on the part of the principal (buyer or seller) of facts known by the agent or subagent of the principal.

Miscellaneous Provisions. The Director of the Department of Licensing may impose sanctions on a licensee for violation of the laws governing real estate brokerage relationships.

The provisions of this act apply when an real estate licensee represents a landlord or a tenant in a lease arrangement.

Only those agency relationships entered into after January 1, 1997, are subject to this law. If the parties agree in writing, agency relationships entered into before January 1, 1997, may also be subject to this law.

**Votes on Final Passage:**

House	94	0
Senate	48	0

**Effective:** January 1, 1997

**ESHB 1704**

C 180 L 96

Eliminating registration requirements for sellers of travel.

By House Committee on Commerce & Labor (originally sponsored by Representatives Lisk, L. Thomas, Ballasiotes, Kremen, Chappell, Cooke, Goldsmith, Padden, Radcliff, Mulliken, Pennington, McMorris, Smith, Delvin, Hickel, Mastin, Sehlin, Beeksma, Robertson, Cairnes, Koster, Brumsickle, D. Schmidt, Horn, Reams, Campbell, Chandler, Backlund, McMahan and Elliot).

House Committee on Commerce & Labor  
House Committee on Appropriations  
Senate Committee on Labor, Commerce & Trade

**Background:** Beginning January 1, 1996, the statute regulating travel charter or tour operators is expanded to apply to sellers of travel. A "seller of travel" includes those who transact business with Washington consumers for travel services. Sellers of travel must register with the Department of Licensing.

A seller of travel must comply with the following practices: (1) deposit all sums received for travel services in a trust account maintained in a federally-insured financial institution in Washington; (2) include the registration number in all advertisements; and (3) disclose information to the customer, including conditions for cancellation and the customer's right to refunds.

The Director of the Department of Licensing has the following powers and duties: (1) to adopt, amend, and repeal rules; (2) to issue, renew, and deny registrations; (3) to suspend or revoke registrations; (4) to establish fees; (5) to inspect and audit books and records relating to the trust

account and bond requirements; and (6) to do all things necessary to carry out the purposes of the act.

**Summary:** Several changes and clarifications are made to the travel agent registration program under the Department of Licensing.

“Transacting business with Washington consumers” is defined. Merely placing advertising through national media does not constitute transacting business with Washington consumers. Those who wholesale travel services are not considered to be transacting business with Washington consumers.

Sellers of travel, independent contractors, or outside agents working for or under contract with a registered agent need not also be registered if the employees or contract agents are working under the name of the registered agent and money received is collected in the name of the registered agent and is deposited into the registered agent’s trust account.

Certain information is required for purposes of registration. The name, business address, and phone number for each employee, independent contractor, and outside agent are required. Social security numbers are not required.

A seller of travel must furnish a written disclosure statement to the consumer. If the sale is by telephone or other electronic media and payment is made by credit or debit card, the disclosure statement must be furnished within three business days.

Trust account reports can be verified by bank officers or licensed or certified public accountants. Reimbursement to the seller of travel for agency operating funds that are advanced for a customer’s travel services may be withdrawn from a trust account.

The Director of the Department of Licensing may revoke or suspend a registration; however, the director may no longer base a revocation or suspension on the fact that a person knowingly aided a unregistered seller of travel.

A joint legislative task force is established to consider options for improving the implementation of the sellers of travel registration program. Ten members serve on the task force: two Senate members, two House members, one representative from the Attorney General’s office, one representative from the Department of Licensing, and four members from the industry. The task force may meet up to three times and must submit recommendations to the Legislature by December 1, 1996.

**Votes on Final Passage:**

House	82	14	
Senate	47	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** March 28, 1996

Prescribing procedures for pretrial release.

By Representatives Lambert, Cooke, Padden, Crouse, Hargrove and Elliot.

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** When a person is arrested or charged with a crime, the court determines whether to release the defendant on his or her personal recognizance, impose conditions of release, require the defendant to be supervised by a county pretrial release agency, or post bail. The Washington Constitution, Article 1, Section 20, provides that a person charged with a crime must be bailable by sufficient sureties except in capital cases.

Washington courts have held that the purpose of pretrial bail, in recognition of the presumption of innocence, is to (1) secure the defendant’s presence before court at a designated time, and (2) relieve the defendant from imprisonment prior to trial.

The courts have held that the decision whether to set bail or to release an accused is a judicial function.

Superior Court Criminal Rule 3.2 provides the grounds for release and the types of pretrial release. The rule provides that an accused should be released pending trial on personal recognizance unless the court determines that the accused will not appear as required, or is likely to commit a violent crime, intimidate witnesses, or interfere with the administration of justice. The court must evaluate a number of factors when determining whether to release an accused on personal recognizance.

**Summary:** A court that releases a defendant arrested for a violent offense on the defendant’s personal recognizance or on personal recognizance with conditions must state on the record the reasons why the court did not require the defendant to post bail.

**Votes on Final Passage:**

House	95	0	
Senate	47	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** June 6, 1996

## 2SHB 1860

C 182 L 96

Regulating real estate appraisers.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives L. Thomas, Goldsmith and Robertson).

House Committee on Financial Institutions & Insurance  
Senate Committee on Financial Institutions & Housing

**Background:** In 1988, the federal Office of Management and Budget issued a directive to federal agencies to require state-certified appraisals for certain federally-related transactions by July 1, 1991. In 1989, a state certification program was enacted by the Legislature to allow Washington appraisers to perform appraisals for these transactions.

There are three levels of real estate appraiser certification. A state-certified general real estate appraiser may appraise all types of property. A state-certified residential real estate appraiser may appraise residential property of one to four units without regard to transaction value or complexity and nonresidential property as specified in rules adopted by the director. A state-licensed real estate appraiser may appraise noncomplex property of one to four residential units, complex property of one to four residential units, and nonresidential property having a transaction value as specified in rules adopted by the director.

A person who is not certified or licensed may appraise real estate in this state for compensation, except in federally-related transactions requiring licensure or certification.

**Summary:** A person may conduct a real estate appraisal for compensation only if the person is licensed or certified by the state. This does not apply to a government employee acting within the scope of his or her employment, a real estate broker or agent when dealing with a client, an appraisal done through a financial institution or mortgage broker that is not for a federally regulated transaction, and attorneys and certified public accountants acting in the scope of their professions.

The Department of Licensing may establish an expert review appraiser roster to assist the director in reviewing appraisals. The department's enforcement powers are enhanced.

The requirement that appraisers be licensed or certified in order to receive compensation for performing real estate appraisals in Washington, not just those federally-related, takes effect July 1, 1997.

**Votes on Final Passage:**

House	97	0	
Senate	44	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** July 1, 1996

July 1, 1997 (Section 3)

## SHB 1964

C 183 L 96

Simplifying accident report record-keeping.

By House Committee on Transportation (originally sponsored by Representatives K. Schmidt, R. Fisher, Robertson, Cairnes, Ogden, Hankins, Elliot, Johnson, Chandler, Scott, Tokuda, Quall, Backlund, Chopp, Horn, Koster, McMahan, Mitchell, Skinner, Benton, D. Schmidt and Stevens).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** A person who is involved in a motor vehicle accident resulting in death or injury to another, or resulting in damage to property in excess of \$500, is required to file an accident report within 24 hours of the accident. The accident report is sent to the chief of police of the city or town in which the accident occurred, or to the county sheriff or Washington State Patrol (WSP) if the accident occurred outside the city or town. The police chief or sheriff is required to send the original report to the WSP and a copy to the Department of Licensing (DOL).

The Information Technology in Transportation Committee, composed of the chief information officers and a key business executive from the WSP, DOL, and Department of Transportation, meet quarterly to address areas of mutual concern. One of the goals of this committee has been to identify duplicate systems and processes within the transportation agencies. The committee has determined that simplifying traffic accident reporting would streamline business, improve the accuracy of the data, and improve the time frame in which the information is available. This project will reduce the time it takes to access accident information from seven months to seven days.

The new system will cost \$750,000 to develop and implement, with the costs being shared equally by all three agencies. The project development will occur during Fiscal Year (FY) 96 and be available for implementation on July 1, 1996. In FY 97, nine full-time equivalents (FTEs) will be eliminated from the WSP and five FTEs from the DOL.

Upon payment of \$4.50, a driving record abstract covering the last three years may be obtained from the DOL.

Currently, drivers' abstracts may be furnished only to the following individuals or entities: (1) the individual named in the abstract; (2) an employer; (3) insurance carriers that cover the employer or a prospective employer; (4) insurance carriers that cover the named individual; (5) insurance carriers to which the named individual has applied; (6) alcohol/drug assessment or treatment agencies approved by the Department of Social and Health Services to which the named individual has applied or been assigned for evaluation or treatment; or (7) city or county prosecuting attorneys.

## 2ESHB 1967

Current law does allow agents, acting on behalf of insurance carriers, to obtain drivers' abstracts. However, agents acting on behalf of employers or prospective employers, such as employment screening agencies, are not permitted to obtain drivers' abstracts.

**Summary:** The statutory requirement that a copy of the accident report that is sent to the Washington State Patrol be sent to the Department of Licensing is deleted. Agents acting on behalf of employers or prospective employers may procure certified abstracts of driving records from the DOL. Release of a certified abstract of the driving record of an employee or prospective employee requires a statement signed by (1) the employee or prospective employee that authorizes the release of the record; and (2) the employer attesting that the information is necessary to determine whether the licensee should be employed to operate a commercial vehicle or school bus. If the employer or prospective employer authorizes an agent to obtain this information on his or her behalf, the authorization must be noted in the statement.

**Votes on Final Passage:**

House	91	1	
Senate	49	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** July 1, 1996

## 2ESHB 1967

C 184 L 96

Increasing penalties for repeat violations of vehicle licensing requirements.

By House Committee on Transportation (originally sponsored by Representatives Romero, Robertson, R.Fisher, K.Schmidt, Tokuda, Chopp, Patterson, Regala, Hatfield, Wolfe, Cole, Dellwo, Valle and Ogden).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** Currently, trucks that are not licensed in this state may obtain trip permits from the Department of Licensing (DOL). A trip permit allows a vehicle to travel within the state for three consecutive days. The vehicle must be within the legal weight limits. Current law restricts the use of trip permits to three per vehicle per month.

For the first offense of misusing a trip permit, the penalty is twice the amount of excise tax that is legally owed, plus up to one year in the county jail. For second and subsequent offenses, the penalty is three times the amount of the excise tax, plus up to one year in jail.

**Summary:** The fines for vehicle licensing fraud are raised from three times the taxes and fees owed to four times the taxes and fees owed. The excise taxes and registration fees are deposited in the same manner as if the taxes and fees were properly paid. The incremental increase in fines for

evading proper payment of vehicle and vessel taxes and fees is deposited in the vehicle licensing fraud account.

Trip permits for recreational vehicles are limited to two per year. DOL is directed to explore the feasibility of a system allowing persons to apply for and receive trip permits electronically.

**Votes on Final Passage:**

House	96	0	
Senate	48	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

January 1, 1997 (Sections 1-6)

## SHB 1990

C 185 L 96

Providing minimum retirement benefits.

By House Committee on Appropriations (originally sponsored by Representatives Robertson, Chappell and Delvin).

House Committee on Appropriations  
Senate Committee on Ways & Means

**Background:** For the State Patrol Retirement System, the minimum monthly retirement benefit is \$13 per year of service for members and surviving spouses receiving social security. The minimum monthly retirement benefit for surviving spouses not receiving social security is \$23 per year of service.

**Summary:** A minimum monthly retirement benefit of \$500 is established for retired members with 25 years of service.

The minimum monthly benefit for surviving spouses of members who had 25 years of service cannot be less than \$500.

The Joint Committee on Pension Policy is to study the level of benefits provided to surviving spouses of Washington State troopers. The study findings are to be reported to the fiscal committees of the Legislature by January 1997.

**Votes on Final Passage:**

House	98	0	
Senate	49	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** June 6, 1996

## 4SHB 2009

C 186 L 96

Eliminating the state energy office.

By House Committee on Appropriations (originally sponsored by Representatives Casada, Huff, Campbell,

Clements, Goldsmith, Elliot, Pelesky, Backlund, Reams, Smith, Delvin, Blanton and Beeksmas).

House Committee on Energy & Utilities

House Committee on Appropriations

Senate Committee on Energy, Telecommunications & Utilities

Senate Committee on Ways & Means

**Background:** The Washington State Energy Office (WSEO) was created statutorily in 1976. Currently, WSEO performs functions related to energy policy analysis, implementation of the state energy strategy, nuclear safety and environmental monitoring, energy emergencies, renewable energy development, energy efficiency, energy codes, energy efficient transportation, and public sector energy conservation. In addition, WSEO serves as a central repository and clearinghouse for energy data and other information, including information about petroleum consumption in the state.

In fulfilling these functions, WSEO provides technical assistance to people, businesses, industries, and governmental institutions to help reduce energy costs. WSEO has the authority to obtain information that is necessary to carry out its duties from energy producers, suppliers, and consumers doing business in the state.

WSEO also provides assistance, space, and other necessary support for the activities of the state's two representatives to the Pacific Northwest Electric Power and Conservation Planning Council (the regional power planning council created by federal statute) and for the Energy Facility Site Evaluation Council (EFSEC), which is responsible for coordinating the evaluation, siting, and licensing of major non-hydroelectric energy facilities. (EFSEC also monitors the construction, operation, and eventual decommissioning of those energy facilities and enforces compliance with site certification conditions. Current EFSEC membership includes WSEO, the Office of Financial Management, and the Parks and Recreation Commission. The Military Department is not a member. The chair of EFSEC receives \$50 per day.)

In passing the Clean Air Act of 1991, the Legislature established the Commute Trip Reduction Program requiring employers of 100 employees or more to reduce the number of commute trips made by their employees, and created a statewide task force to organize the implementation of the program. WSEO coordinates the Commute Trip Reduction Task Force and provides technical assistance to local jurisdictions and employers in meeting commute trip reduction goals.

WSEO also has lead responsibility in the areas of alternative fuels and clean vehicle technologies and, along with other agencies, assists the Department of Ecology in preparing a biennial report to the Legislature on clean-fuel issues.

State law requires energy conservation practices and renewable energy systems to be employed in the design of major publicly owned or leased facilities, and at least one

renewable energy system to be considered. WSEO is responsible for developing guidelines for fulfilling this requirement, including approving or disapproving life-cycle cost analyses. (A "life-cycle cost analysis" is an analysis of the initial cost and cost of operation of a major facility over its economic life.)

In addition, state law imposes a variety of requirements on WSEO regarding conservation and cogeneration in governmental facilities, including schools. In fulfilling its obligations, WSEO may use appropriated moneys to make loans to school districts to finance conservation projects. State agencies may use financing contracts to fund conservation projects, but WSEO determines project eligibility. WSEO is also responsible for establishing criteria for approving projects to be financed from the state energy efficiency construction account and for using moneys from the energy efficiency services account to provide energy efficiency services to state agencies and school districts.

Finally, the State Building Code Council consults with WSEO in establishing requirements for indoor air quality, reviews insulation values for windows, and proposes rules. WSEO reviews the rules and makes recommendations to the council.

**Department of Community, Trade and Economic Development.** In 1993, the Legislature created the Department of Community, Trade and Economic Development (CTED) by merging the Department of Community Development and the Department of Trade and Economic Development. CTED is responsible, among other things, for promoting community and economic development within the state, coordinating and administering energy assistance and residential energy conservation programs, and serving as central coordinator for state government in implementing the Growth Management Act.

**Washington State University Cooperative Extension.** Although it apparently does not do so currently, several years ago WSEO contracted with Washington State University to provide energy extension services. Cooperative extension programs in several other states, including Oregon, provide a range of energy-related services to the general public, businesses, industry, and government. Washington State University's Cooperative Extension Program (WSU) has a non-profit orientation but can receive funds from the state and other sources.

**Department of Transportation.** The Department of Transportation (DOT) is responsible for managing, financing, and constructing the state's highway and road system. In recent years, increased population and increased use of single-occupancy vehicles have resulted in traffic congestion and the need for increased highway capacity. As an alternative to more highways, new programs have been initiated to reduce the demand for highway usage. Such programs are referred to as "transportation demand management." DOT is implementing a number of transportation demand management programs and

currently participates on the Commute Trip Reduction Task Force.

**General Administration.** In 1980, the Legislature determined that state government should undertake an aggressive program designed to reduce energy use in state buildings, facilities, equipment, and vehicles. Much of the responsibility for doing so was placed with the Department of General Administration (GA).

**Summary:** The statute establishing the Washington State Energy Office is repealed. WSEO duties are transferred to the Department of Community, Trade and Economic Development; Washington State University; the Department of Transportation; and the Department of General Administration.

**Duties Transferred to CTED.** Energy policy functions are transferred to CTED. Energy policy staff positions remain exempt from state civil service laws, and current WSEO policy employees are not expressly transferred. An assistant director for energy policy is to be appointed, and energy policy staff are to have no additional responsibilities.

WSEO duties regarding the state's two representatives to the Pacific Northwest Electric Power and Conservation Planning Council and regarding EFSEC are transferred to CTED. EFSEC membership is changed by eliminating WSEO, the Office of Financial Management, and the Parks and Recreation Commission, and by adding the Military Department. The compensation of the chair of EFSEC is increased to \$100 per day.

WSEO duties and authority regarding energy emergencies and shortages are transferred to CTED, but the authority to obtain information from energy producers, suppliers, and consumers doing business in the state is limited to energy supply emergencies or alerts.

CTED replaces WSEO in working with the State Building Code Council regarding indoor air quality, window insulation values, and proposed rules.

WSEO's duties in connection with nuclear waste storage and disposal facilities are repealed.

**Duties Transferred to WSU.** Duties regarding alternative fuels and clean-vehicle technologies and assisting in preparation of a biennial report to the Legislature on clean fuel issues are transferred to WSU.

In addition, the following duties concerning energy education, applied research, and technology transfer programs are transferred to WSU: renewable energy, energy software, industrial energy efficiency, education and information, energy ideas clearinghouse, and telecommunications.

WSU is to select initial staff from current WSEO staff. Staff hired by WSU are exempt from state civil service laws unless otherwise designated by the university.

**Duties Transferred to DOT.** The role of WSEO in the Commute Trip Reduction Program and Task Force is transferred to DOT. By December 1, 1996, DOT must report to the Legislature on the effects of the transfer of the

duties concerning the Commute Trip Reduction Program to DOT.

**Duties Transferred to GA.** WSEO duties regarding life-cycle cost analyses and regarding conservation and cogeneration in governmental facilities are transferred to GA, as are WSEO duties regarding expenditures from the energy efficiency service account.

"Public agencies" is defined and replaces the reference to "state agencies and school districts" in the energy efficiency services account statute.

Statutory provisions regarding loans to school districts to finance conservation projects and provisions regarding WSEO responsibilities concerning the energy efficiency construction account are repealed. GA is to determine project eligibility for state agency use of financing contracts to fund conservation projects.

**Miscellaneous Employee Provisions.** The state must offer specified services to state employees affected by the elimination of WSEO. Those services include (a) placement in the reduction-in-force transition pool; (b) placement in the Washington management services clearinghouse register for employees in the Washington management service; (c) career transition services through the Department of Personnel; (d) dislocated-worker training for employees in positions unique to the energy industry; (e) up to 30 weeks of unemployment benefits for qualifying employees; and (f) payment of \$150 per month per employee for health benefits for up to one year.

**Technical Corrections.** "Hydroelectric power" is added to the definition of "renewable energy systems."

References to WSEO are stricken, and statutes are otherwise updated.

**Votes on Final Passage:**

House	80	17	
Senate	43	6	(Senate amended)
House	89	0	(House concurred)

**Effective:** July 1, 1996

**2SHB 2031**

C 285 L 96

Eliminating the authority to impose storm water facility charges for highway rights of way.

By House Committee on Transportation (originally sponsored by Representative K. Schmidt).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** Local government storm water utilities may charge the Department of Transportation (DOT) for the construction, operation, and maintenance of storm water control facilities. The rate local utilities may charge the DOT is limited to 30 percent of the rate for comparable real property. The rate charged may not, however, exceed

the rate charged for comparable city street or county road right-of-way within the same jurisdiction.

For all new construction the DOT provides for the conveyance and treatment of storm water. For existing construction the department is undertaking a storm water retrofit program to address those facilities and associated rights of way that have storm water-related problems.

**Summary:** Beginning January 1, 1997, local storm water utilities may use assessment charges collected from the Department of Transportation (DOT) only for capital projects that address state highway storm water impacts or for implementation of best management practices that reduce the need for such facilities. Each jurisdiction must develop an annual plan for expenditure of the fees in coordination with the DOT. The plan must be consistent with the objectives of the storm water management funding and implementation program created in the bill. Starting with the 1998 plan, a progress report on the prior year's plan must be submitted. The DOT may not pay any fees until the plan and progress report have been received.

The storm water management funding and implementation program provides for statewide coordination in the implementation of storm water facility projects and authorizes the DOT to provide grants, on a matching basis, to fund selected storm water projects. The DOT shall develop the program in cooperation with the Department of Ecology, cities, counties, ports, business and environmental organizations, and Indian tribes. Cities, towns, counties, port districts, Indian tribes and the DOT are eligible for grants. A committee to oversee the grant process, comprised of two members each from the DOT, the Department of Ecology, and cities and counties, and one member each from an environmental organization and a business organization, is created. Other members may be added at the discretion of the committee. A report on implementation of the program shall be submitted to the Legislative Transportation Committee and the Office of Financial Management by December 1, 1996. The program sunsets on July 1, 2003.

In developing highway improvement projects, the DOT shall coordinate with adjacent jurisdictions and organizations to determine opportunities for cost-effective joint storm water treatment facilities.

**Votes on Final Passage:**

House	96	1	
Senate	48	0	(Senate amended)
House	98	0	(House concurred)

**Effective:** June 6, 1996

**SHB 2075**

C 121 L 96

Making the commission of an offense against a pregnant woman an aggravating circumstance.

By House Committee on Law & Justice (originally sponsored by Representatives Costa, Lambert, Veloria, Ballasiotes, Scott, Chappell, Patterson, Kessler, H. Sommers, Appelwick, Romero, Morris and Tokuda).

House Committee on Law & Justice  
House Committee on Appropriations  
Senate Committee on Law & Justice

**Background:** When an adult defendant is convicted of a felony, the court generally sentences the defendant to a determinate term within the standard range established for the offense. The standard range of confinement is established based on the seriousness of the crime and the defendant's criminal history. The court may sentence the defendant to a term of confinement below or above the standard range if the court finds that mitigating or aggravating circumstances exist that warrant imposition of an exceptional sentence. Some aggravating and mitigating factors are listed in statute and the courts have developed others in case law.

**Summary:** An additional aggravating factor is added to the list of aggravating factors upon which an exceptional sentence above the standard range may be imposed on an adult defendant convicted of a violent crime. That factor is that the defendant knew that the victim of the offense was pregnant.

**Votes on Final Passage:**

House	97	0	
Senate	48	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** March 21, 1996

**EHB 2115**

C 1 L 95 E3

Financing public sports facilities.

By Representatives Van Luven and Appelwick; by request of Governor Lowry.

**Background:** In 1995, the Legislature authorized counties with population greater than 1 million to impose a 0.1 percent sales and use tax after voter approval. The tax revenue is dedicated to financing a professional baseball stadium. The King County Council placed before the King County voters a sales and use tax proposal on September 19, 1995. The proposal failed to receive a majority vote.

The state sales tax is imposed on each retail sale of most articles of tangible personal property and certain services. The use tax is imposed on the use of articles of

tangible personal property when the sale or acquisition has not been subject to the sales tax. The use tax commonly applies to purchases made from out-of-state firms.

The state tax rate is 6.5 percent of the selling price. Local governments may levy additional sales taxes. The average local sales tax rate is 1.5 percent. The sales tax is paid by the purchaser and collected by the seller.

A sales and use tax deferral program is available for the construction of a baseball stadium with a retractable roof or canopy and natural turf. Taxes are deferred for five years from the date the facility is operationally complete and are repaid over the following 10 years.

The State Lottery Commission administers several games of chance that are collectively called the State Lottery. The commission is directed by statute to operate the lottery to "produce the maximum amount of net revenues for the state consonant with the dignity of the state and the general welfare of the people."

The Department of Licensing is authorized to issue special license plates. The department also has authority to set the fee for special issuances, but does not have the ability to earmark the fees for specific, nonlicensing purposes.

A public facilities district may be created in any county by the county legislative authority and must be coextensive with the county. A public facilities district is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, and operate sports facilities, entertainment facilities, and convention facilities. If the largest city in a county has a population less than 40 percent of the total county population (which is currently true in King County), the county legislative authority can decide whether the board of directors of the public facility district has five or seven members.

With voter approval, a public facilities district may impose a 0.1 percent sales and use tax and both single-year excess property tax levies and multiple-year excess levies to retire general obligation bonds issued for capital purposes. A hotel/motel tax of up to 2 percent may also be imposed, as long as the total state and local hotel/motel taxes do not exceed 11.5 percent. Currently, a district created in King County would be precluded from imposing the tax due to this restriction.

In addition, a county with a population of one million or more may impose a sales and use tax of 0.1 percent by resolution adopted by December 31, 1995, following approval by a majority of the voters in the county. Revenue from this tax revenue must be used to finance a baseball stadium with a retractable roof or canopy and natural turf. Tax revenue in excess of the amount needed for bond payments on the baseball stadium must be used for early retirement of the bonds or to pay costs to repair, remodel, or reequip a multipurpose stadium that seats in excess of 45,000 people. Before the tax can be collected, the county executive must certify that: (1) a professional baseball team will occupy the stadium for a period equal to or greater than the term of the bonds; (2) the baseball team

will contribute \$45 million toward the cost of stadium construction, with interest paid on amounts deferred after the bonds are issued; and (3) the baseball team will share a portion of the profits from its operations, for a period not to exceed the term of the bonds, to retire the initial bonds on stadium construction. If the bonds are retired early, then the shared profits are paid to the public facilities district.

Cities and counties may impose a tax of up to 5 percent on admissions to events except elementary and secondary school events. The county tax may not apply within cities that impose the tax, except a county may impose an admission tax on events in a stadium with a seating capacity over 45,000, built after January 1, 1995, and owned by a public facility district. The city may not also impose an admission tax on such a facility.

Rather than following traditional public works bidding procedures, state agencies and large municipalities can use alternatives commonly known as "design-build" or "general contractor/construction manager" procedures. Authority to use these procedures is limited to contracts signed before July 1, 1997.

Property owned by federal, state, or local governments is exempt from the property tax. However, private lessees of government property are subject to the leasehold excise tax. The purpose of the leasehold excise tax is to impose a tax burden on persons using publicly-owned, tax-exempt property similar to the property tax that they would pay if they owned the property. The tax is collected by public entities that lease property to private parties. The tax rate of 12.84 percent is imposed on the amount paid in rent for the public property.

**Summary:** State and local financing is provided for a baseball stadium with natural turf and a retractable roof, to be constructed in the largest city in a county with a population of one million or more. Based on current population estimates, this stadium would be built in Seattle, King County.

**State contribution.** The additional 0.1 local sales and use tax option for a baseball stadium is eliminated. The legislative authority of a county with a population of 1 million or more may impose a sales and use tax at a rate of .017 percent. This tax is credited against the state sales and use tax. Therefore, consumers will not see an increase in tax. The tax and credit expire when the bonds are retired, but not later than 20 years after the bonds are issued.

The State Lottery Commission is directed to conduct at least two but not more than four games with sports themes per year. During 1996, \$3 million of lottery revenue is dedicated to baseball stadium bond retirement. This amount will increase by 4 percent each year.

Special stadium license plates are authorized, with revenue dedicated to baseball stadium bond retirement. The special license plate fee is \$30.

**Local funding.** Before issuing bonds or collecting special local taxes for a baseball stadium, the county must create a public facilities district. The district will determine



the amount of bonds necessary for the stadium. The county must pay the proceeds of the bonds to the district.

The county legislative authority may impose the following taxes: (1) a special sales and use tax on food and beverage sales in restaurants, taverns, and bars, at a rate not exceeding 0.5 percent and (2) a special sales and use tax on car rentals at a rate not exceeding 2 percent. Revenue from these taxes must be used to repay baseball stadium bonds. Excess revenue must be used for early retirement of the baseball stadium bonds or placed in a contingency fund which may only be used to pay unanticipated capital costs on the baseball stadium. These taxes cannot be collected until the current law requirements are met regarding the team commitment to occupy the stadium for the term of the bonds, financial contribution by the team, and profit-sharing by the team. These taxes expire when the baseball stadium bonds are retired, but not later than 20 years after the taxes are first collected.

The \$45 million contribution required under current law from the baseball team may be used for pre-construction costs as well as bond retirement. Consent of the public facilities district is required before the team may make any contributions.

The county may impose admissions taxes on events in the baseball stadium as follows. A 5 percent tax may be imposed for the purpose of baseball stadium bond retirement. If the revenue from this tax exceeds the amount needed for that purpose, the excess must be placed in a contingency fund which may only be used to pay unanticipated capital costs on the baseball stadium. An additional 5 percent tax may be imposed for the sole purpose of baseball bond retirement. This additional tax expires when the baseball stadium bonds are retired, but not later than 20 years after the tax is first collected.

Miscellaneous provisions. County and city property can be transferred to a public facilities district, either at creation of the district or later. Property encumbered by debt must be accompanied by adequate revenue to retire the debt.

In counties with a population of 1 million or more, three members of a public facilities board of directors will be appointed by the Governor, and the remaining members shall be appointed by the county executive subject to confirmation by the county legislative authority. Of the members appointed by the Governor, the Speaker of the House of Representatives and the Majority Leader of the Senate shall each recommend to the Governor a person to be appointed.

A public facilities district that constructs a baseball stadium has, in consultation with the team that will use the stadium, the power to: determine the stadium site, determine the overall scope of the stadium project, make the final determination of stadium design, obtain professional services for the stadium design, establish stadium budget and bidding specifications, and structure the stadium financing. The district must consult with the House of

Representatives Executive Rules Committee and the Senate Facilities and Operations Committee before selecting a name for the stadium. The district may accept donations for the stadium.

The public facilities district, the county, and the city with the largest population in the county shall enter into an agreement regarding the construction and operation of a baseball stadium. The agreement shall address, but not be limited to expedited permit processing for the design and construction of the project; expedited environmental review processing; expedited processing of requests for street, right-of-way, or easement vacations necessary for the construction of the project; and other items deemed necessary for the design and construction of the project.

The expiration date for the alternative public works contracting procedure known as "design-build" is extended to include baseball stadium contracts signed before December 31, 1997.

A leasehold excise tax exemption is provided for public or entertainment areas of a baseball stadium with natural turf and a retractable roof, if constructed in a county with a population of 1 million or more.

**Votes on Final Passage:**

House	62	29	
Senate	25	16	(Senate amended)
House	66	24	(House concurred)

**Effective:** October 17, 1995

**SHB 2119**

C 115 L 96

Providing for the excise taxation of preserved fruit and vegetables.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Honeyford, Lisk, Morris, Chandler, Mastin, Grant, Delvin, Clements, Basich, Mulliken, Skinner, Kremen, Koster, Boldt, Goldsmith, McMorris, Johnson, Hymes, Thompson, Foreman, Hankins, Sheldon, Schoesler, Campbell, L. Thomas, Sheahan and Stevens).

House Committee on Agriculture & Ecology  
Senate Committee on Agriculture & Agricultural Trade & Development  
Senate Committee on Ways & Means

**Background:** The primary business and occupation (B&O) tax rate on manufacturing and on wholesale sales is 0.484 percent. For manufacturing, the rate is applied to the value of the products manufactured. For wholesale sales, the rate is applied to the gross proceeds of the sales.

There are a number of statutory exceptions to the primary rate. The B&O tax rate for persons engaged in manufacturing by canning, preserving, freezing, or dehydrating fresh fruits and vegetables is established at 0.33 percent. A person who sells these same products at whole-

## SHB 2125

sale to a purchaser who transports the products outside the state, however, is not taxed at this lower rate.

**Summary:** The B&O tax rate for persons selling at wholesale fresh fruits and vegetables that are canned, preserved, frozen, or dehydrated by the seller and sold to purchasers who transport the products out-of-state in the ordinary course of business is reduced to 0.33 percent.

The seller must provide a statement annually as proof of sale to a person who transfers the products out-of-state and must retain the statement as a business record.

### Votes on Final Passage:

House	95	0
Senate	49	0

**Effective:** July 1, 1996

## SHB 2125

### PARTIAL VETO

C 2 L 96

Authorizing and implementing interstate banking.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives L. Thomas, Wolfe, Beeksma, Sterk, Robertson, Honeyford, Chandler, Smith, Pelesky, Kessler, Dyer, D. Sommers, Huff, Radcliff, Dellwo, Scheuerman and Cooke).

House Committee on Financial Institutions & Insurance  
Senate Committee on Financial Institutions & Housing

**Background:** In 1994, the federal Riegle-Neal Interstate Banking and Branching Efficiency Act (Riegle-Neal) was adopted. This act significantly changes federal banking law regarding interstate banking and branching.

Federal law distinguishes between a "bank" and a "bank holding company" (BHC). Generally, a bank is an institution that takes deposits and makes commercial loans. A BHC is an organization that owns one or more banks.

Prior to Riegle-Neal, a state-chartered bank could branch only to the extent allowed by state law; with a few exceptions, a state-chartered bank could not branch into another state. A federally-chartered bank could branch intrastate only to the extent allowed by state law; it could not branch into another state. Federal law allowed a BHC to own one or more banks in its home state and, to the extent allowed by state law, to own banks in states other than its home state. The banks that are owned by a BHC and are located in different states were required to maintain much of their individuality, including separate boards and operations, separate capitalization, and state-specific accounts. (Some exceptions allowed interstate banking when a failed institution was involved or when the headquarters was moved up to 30 miles and into another state.)

Prior to Riegle-Neal, interstate banking generally was accomplished through BHCs. All states except Hawaii

allowed out-of-state BHCs to acquire banks in their states, often provided that the BHC's home state reciprocated. Although most states, including Washington, allowed acquisition of banks in their states by BHCs based in any other state, 15 states limited acquisition to BHCs from specific regional states.

Riegle-Neal allows the following: (1) BHCs may acquire existing banks in any state, provided the BHCs are adequately capitalized and managed, and subject to concentration limits and existing state "age of institutions" limits; (2) banks affiliated with (owned by) the same BHC may take deposits, close loans, and conduct other activity for each other's customers, even though the banks are located in different states; and (3) effective, June 1, 1997, a bank may acquire a bank or a branch in another state and consolidate both into branches of one bank (rather than keep them separate legal entities), and existing bank networks with banks in more than one state may be converted into branches of one bank.

States can opt out of interstate branching if done by June 1, 1997. A state cannot opt out of interstate banking through BHCs. A state can prohibit all out-of-state banks from acquiring branches in that state by opting out, or it can limit the method of branching into that state. However, banks in a state that opts out are then barred from branching interstate.

States can opt into interstate branching earlier than June 1, 1997.

State laws on consumer protection, intrastate branching, fair lending, anti-trust, and community reinvestment apply to in-state branches of out-of-state banks (including national banks). A state cannot discriminate against out-of-state banks.

**Summary:** The state of Washington authorizes interstate branching beginning June 6, 1996.

Out-of-state banks may enter Washington by acquiring an existing bank; out-of-state banks cannot enter Washington by acquiring a single branch of a Washington bank or by establishing a new branch of the out-of-state bank in Washington (de novo). Any Washington bank acquired by an out-of-state bank must be at least five years old (this applies to commercial banks, but does not apply to savings banks).

Any acquisition of a Washington bank by an out-of-state bank cannot result in control of more than 30 percent of total deposits in this state, unless the concentration limit is waived by the Director of the Department of Financial Institutions (this applies to commercial banks, but does not apply to savings banks). State laws concerning community reinvestment, consumer protection, fair lending, intrastate branching, and anti-trust apply to all branches in Washington, including those of out-of-state banks.

The powers of Washington banks may be increased by allowing out-of-state banks to bring home state powers into Washington that exceed Washington law, and by allowing Washington banks to have those additional powers,

provided the Director of the Department of Financial Institutions does not consider the imported powers a threat to the safety and soundness of banks.

Washington bank branches located in other states are granted the powers allowed by the host state to bank branches in that state, unless a particular power is prohibited by Washington law; however, the Director of the Department of Financial Institutions can waive the Washington prohibition if the Director finds the particular power does not threaten the safety and soundness of the bank.

The Director of the Department of Financial Institutions is authorized to enter into supervision and examination agreements with other states to streamline and coordinate regulation of interstate banks.

**Partial Veto Summary:** The partial veto removes the emergency clause.

**Votes on Final Passage:**

House	96	0
Senate	37	0

**Effective:** June 6, 1996

**VETO MESSAGE ON HB 2125-S**

February 27, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 30, Substitute House Bill No. 2125 entitled:

“AN ACT Relating to interstate banking;”

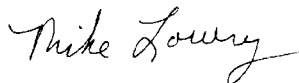
This legislation modernizes state banking laws and authorizes interstate branching.

This legislation includes an emergency clause in section 30. Although the authorization of interstate branching is important, it is not a matter necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions. Preventing this bill from being subject to a referendum under Article II, section 1(b) of the state Constitution unnecessarily denies the people of this state their power, at their own option, to approve or reject this bill at the polls.

For this reason, I have vetoed section 30 of Substitute House Bill No. 2125.

With the exception of section 30, Substitute House Bill No. 2125 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**HB 2126**

C 187 L 96

Allowing a dentist to obtain an inactive license.

By Representatives Dyer, Cody, Sheldon, Smith, Van Luven, Thompson and Murray.

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** The Dental Quality Assurance Commission governs the practice of dentistry by examining applicants for licensure and acting as the dental disciplinary authority.

A person may not practice dentistry without obtaining a license, which is renewable annually, and paying the license fee, currently set at \$220.

There is no inactive license status for dentists who retire from the practice or move out of state or otherwise cease practicing in this state. Such a license would require a lower fee because of fewer costs.

**Summary:** The Dental Quality Assurance Commission is authorized to adopt rules establishing an inactive license status. A dentist who places his or her license on inactive status may not practice without first activating the license.

**Votes on Final Passage:**

House	94	0	
Senate	48	0	(Senate amended)
House	93	0	(House concurred)

**Effective:** June 6, 1996

**EHB 2132**

C 188 L 96

Rule making by the department of agriculture.

By Representatives Chandler, Chappell, Grant, Mastin, Regala and Johnson; by request of Department of Agriculture.

House Committee on Agriculture & Ecology  
Senate Committee on Agriculture & Agricultural Trade & Development

**Background:** The Legislature enacted regulatory reform during the 1995 legislative session. This measure restricts agencies from adopting rules based solely on enabling provisions and/or statements of intent when implementing future statutes, but the enabling/intent provisions may be used to interpret ambiguities in a statute's other provisions. Several major agencies were also prohibited from relying solely upon enabling/intent provisions to adopt rules when implementing current statutes. The Department of Agriculture is one of the major agencies prohibited from relying solely upon enabling/intent provisions when adopting rules to implement current statutes.

The Department of Agriculture has identified three areas in which a general grant of authority was used as the

## EHB 2133

basis to adopt rules. These three areas pertain to requirements for farm storage tanks and bulk milk tankers, designating crops to be nonfood and/or nonfeed sites of pesticide application when these crops are grown to produce seed for crop reproduction purposes, and the issuance of permits allowing the import and movement of certain pet animals.

The Department of Agriculture does not have specific rule-making authority to establish different grades of ginseng or to regulate ginseng dealers.

**Summary:** The Department of Agriculture is granted specific authority to adopt rules pertaining to (1) farm storage tanks and bulk milk containers, (2) the designation of crops to be nonfood and/or nonfeed sites of pesticide application when these crops are grown to produce seed for crop reproduction purposes, and (3) the issuance of permits allowing the import and movement of certain pet animals.

The Department of Agriculture is required to adopt either grades or classifications for American ginseng. The director may require ginseng dealers who purchase ginseng for export to register. Information provided by American ginseng dealers to the Department of Agriculture regarding the purchases, sales, or production of an individual dealer is exempt from public disclosure.

### Votes on Final Passage:

House	96	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

## EHB 2133

C 80 L 96

Disclosing agriculture business records.

By Representatives Chandler, Chappell, Mastin, Schoesler, Grant, Regala, Honeyford, Johnson and Boldt; by request of Department of Agriculture.

House Committee on Agriculture & Ecology  
Senate Committee on Agriculture & Agricultural Trade & Development

**Background:** Public Records. A part of the state's public disclosure laws regulates the indexing, maintenance, and disclosure to the public of records in the custody of state and local governmental entities. Each agency must make available for public inspection and copying all public records, unless the record falls within specific exemptions codified in the public disclosure laws or in other statutes.

Among the records the disclosure laws exempt from disclosure are the financial and commercial information and records supplied by private persons pertaining to export services provided under state laws creating the state's Economic Development Finance Authority and authorizing export trading companies created by public ports.

Agricultural Marketing Programs. State law designates the Department of Agriculture as the agency responsible for administering state agricultural market development programs, domestic and foreign. A number of agricultural commodity commissions have been created directly by statute or indirectly under the Agricultural Enabling Acts of 1955 and 1961. Marketing promotion is a principal activity of many of the commodity commissions. The activities of many of the commissions are funded by assessments levied on the sale of the products that fall within their jurisdictions. Certain exports of agricultural commodities to other states or nations must be accompanied by phytosanitary certificates attesting to compliance with quarantine or similar requirements of the receiving state or nation.

**Summary:** The following records are exempted from the public disclosure requirements of the state's public disclosure law:

(1) Production or sales records required to determine assessment levels and actual assessment payments to commodity commissions, or required by the Department of Agriculture regarding agricultural and vegetable seeds under the Seed Act, or regarding the wholesale marketing of fruit trees, fruit tree-related ornamental trees, and fruit tree rootstock.

(2) Consignment information contained on phytosanitary certificates or on applications for phytosanitary certification required by the department.

(3) Financial and commercial information and records supplied by persons to agricultural commodity commissions with respect to domestic or export marketing activities or individual producer's production information.

(4) Financial and commercial information and records supplied by persons to the department with respect to export market development projects.

The latter exemption does not apply if the information is statistical information not descriptive of any readily identifiable person or persons, or if confidentiality is waived by the party supplying the information.

### Votes on Final Passage:

House	96	0
Senate	46	0

**Effective:** June 6, 1996

## HB 2134

C 189 L 96

Degrading certain dairy licenses.

By Representatives Robertson, Chappell, Koster, Mastin, Regala, Chandler, Honeyford, Campbell, L. Thomas, Johnson, Stevens, Boldt and Goldsmith; by request of Department of Agriculture.

House Committee on Agriculture & Ecology  
Senate Committee on Agriculture & Agricultural Trade & Development

**Background:** The Department of Agriculture is required by the state's fluid milk laws to inspect dairy farms and milk plants before they are licensed, and periodically thereafter. If an inspection reveals a violation that is a grade requirement (such as, for Grade A milk), a second inspection is to be conducted. If the same requirement is found to be violated in the second inspection, the license must be immediately degraded or summarily suspended.

**Summary:** The provision of the fluid milk laws requiring that a license be degraded or summarily suspended following a repeat of an inspection violation no longer requires that the license be immediately degraded or summarily suspended.

**Votes on Final Passage:**

House	96	0	
Senate	48	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** March 28, 1996

**HB 2136**

C 190 L 96

Authorizing freshwater aquatic weeds account moneys to be used for hydrilla eradication.

By Representatives Chandler, Chappell, Horn, Rust, Mastin, Dickerson, Honeyford, Robertson, Smith and Murray; by request of Department of Ecology.

House Committee on Agriculture & Ecology  
Senate Committee on Natural Resources

**Background:** The State Noxious Weed Control Board is required to adopt a state noxious weed list at least once a year. The list of noxious weeds is divided into three classes: A, B, and C. The class A list consists of those noxious weeds that are not native to the state that are of limited distribution or are unrecorded, and that pose a serious threat to the state.

The State Noxious Weed Control Board is proposing to add hydrilla (*Hydrilla verticillata*) to the class A list. Hydrilla is an aquatic weed that can form dense canopies. These canopies often shade out native vegetation, decrease oxygen in the water, raise the pH of the water, and increase the temperature of the water. Hydrilla can adversely affect fish and wildlife habitat, recreation, power generation, and irrigation. Hydrilla has been located in one lake system in Washington.

Moneys contained in the freshwater aquatic weeds account may be appropriated to the Department of Ecology to develop a freshwater aquatic weeds management program to (1) issue grants to cities, counties, and state agencies to prevent, remove, reduce, or manage excessive

freshwater aquatic weeds; (2) develop public education programs relating to preventing the propagation and spread of freshwater aquatic weeds; (3) provide technical assistance to local governments and citizen groups; and (4) fund demonstration or pilot programs pertaining to management of freshwater aquatic weeds.

The grants to cities, counties, and state agencies may be used only in lakes, rivers, and streams with a public boat-launching ramp. There is no authority to use funds in this account for hydrilla eradication in state waters without a public boat-launching ramp.

**Summary:** Funds in the freshwater aquatic weeds account may be appropriated to the Department of Ecology to fund hydrilla eradication activities in waters of the state.

**Votes on Final Passage:**

House	95	0
Senate	48	0

**Effective:** June 6, 1996

**HB 2137**

C 37 L 96

Requiring biennial progress reports from the department of ecology.

By Representatives Chandler, Chappell, Horn, Rust, Regala, Thompson and Murray; by request of Department of Ecology.

House Committee on Agriculture & Ecology  
Senate Committee on Ways & Means

**Background:** The Department of Ecology is required to submit a number of reports to the Legislature. These reports include information on how the department spends (a) Referendum 39 funds (bond money for wastewater and solid waste facilities); (b) clean water account funds (cigarette tax dollars for publicly owned sewage treatment plants and a variety of water quality projects); (c) wastewater discharge permit fees (fees assessed to dischargers to pay for the administrative costs of regulating the dischargers); and (d) water pollution control revolving funds (federal funds requiring a 20 percent state match for local water quality projects).

**Summary:** The reporting frequency is changed from a one-year to a two-year cycle for the reports addressing Referendum 39 funds, wastewater discharge permit fees, and the water pollution control revolving funds.

The Department of Ecology's report on the water quality account is to be issued on December 31 of each odd-numbered year.

**Votes on Final Passage:**

House	97	0
Senate	49	0

**Effective:** June 6, 1996

SHB 2140

C 286 L 96

Revising election laws and procedures for cities and towns.

By House Committee on Government Operations (originally sponsored by Representatives L. Thomas, Chopp and Murray).

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** Administration requirements for elections within cities and towns are established in statute.

**Summary:** Statutes prescribe city and town election procedures.

The responsibility is clarified for the county auditor to transmit the results of an annexation election to the county legislative authority and to the city or town to which annexation is proposed.

The county auditor is required to review signatures on an initiative petition in a code city or in a city with a commission form of government.

A common format for the form of a petition is established for all cities and towns. Petitions must be signed by registered voters, instead of electors.

**Votes on Final Passage:**

House	95	0	
Senate	48	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** June 6, 1996

ESHB 2150

PARTIAL VETO

C 287 L 96

Authorizing investigation of documents submitted with a driver's license application.

By House Committee on Transportation (originally sponsored by Representatives K. Schmidt, Skinner, R. Fisher, Sterk, Romero, Conway, Smith, Lambert, D. Schmidt, Mitchell, Robertson, Backlund, Ballasiotes, Kremen, Pennington, Hymes, Crouse, Delvin, Buck, Chappell, Ogden, Brown, Scott, Blanton, Lisk, Mulliken, Sheldon, Grant, Chandler, Radcliff, Honeyford, Koster, Huff, L. Thomas, Quall, Johnson, Hickel, Thompson, Cooke, Patterson, Costa and McMahan).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** In order to obtain a Washington driver's license or identification (ID) card, an applicant must be able to prove his or her identity to the Department of Licensing (DOL). Banks, businesses and law enforcement

agencies rely upon the license or ID card in transacting business with the cardholder.

In 1993 the Legislature established procedures for screening and determining the authenticity of documents submitted by driver's license applicants. DOL field offices now rely upon a list of acceptable documents, called "primary identification documents," in determining the identity of an applicant. When primary documents are not available, the department will consider secondary identification documents to establish identity.

The Department of Licensing convened a Document Advisory Committee to enhance procedures for determining the authenticity and reliability of identification documents. The advisory committee has recommended increased scrutiny for secondary identification documents.

**Summary:** An application for a driver's license or ID card must contain a statement of implied consent, notifying the applicant that information contained in his or her application (and any supporting documents) can be made available to law enforcement agencies and governments.

Photocopies of identifying documents will be accepted only if certified by the issuing authority. Faxed documents will be accepted only if transmitted to DOL directly from the issuing authority.

DOL may retain original documents for a period of time necessary to investigate their validity, unless the document is of foreign origin or issued by the Immigration and Naturalization Service, in which case only photocopies may be retained. DOL may issue a temporary license during the investigatory period.

Any applicant making a false statement is guilty of false swearing, a gross misdemeanor.

The Legislative Transportation Committee is authorized to conduct a feasibility study for phase three of the driver's license security effort.

Original green cards may not be retained by DOL.

**Partial Veto Summary:** Provisions allowing DOL to retain documents submitted in support of an application for a driver's license or identification card were vetoed. Provisions authorizing DOL to make driver's license documents available to law enforcement agencies were also vetoed.

**Votes on Final Passage:**

House	85	10	
Senate	43	6	(Senate amended)
House	95	0	(House concurred)

**Effective:** June 6, 1996

VETO MESSAGE ON HB 2150-S

March 30, 1996

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 1, 2, 3, 4, and 6, Engrossed Substitute House Bill No. 2150 entitled:

"AN ACT Relating to identification requirements for driver's licenses and identicards;"

Engrossed Substitute House Bill No. 2150 represents an effort to improve the integrity of the Washington State driver's license as a universally accepted method of identification. Much of the amendatory language included in this bill contemplates using procedures to validate identities that raise serious civil liberty and due process rights concerns. This is especially true of the new policy established in this bill that permits the Department of Licensing to confiscate a person's documents and turn them over to law enforcement agencies for criminal investigations.

Some testimony during legislative hearings raised the possibility that the physical safety of driver's license examiners would be jeopardized if they confiscated identity documents. While this surely is only an extreme possibility, confiscating a person's documents at a government window against the will of the applicant alters significantly the cooperative nature of the licensing process.

The legislature, working with the Department of Licensing, needs to reexamine this approach in the hope that better ways to secure the identity of citizens in this state can be found.

Section 3 of the bill permits the Department of Licensing to retain certain documents that are submitted by applicants who are trying to validate their identities prior to receiving an "ident-card" or a driver's license that can be used for identification purposes. This is the heart of the problem with this bill, and I have vetoed this section. The amendatory language added by section 4 is tied to the confiscation process established in section 3 and is without purpose if section 3 does not become law.

Sections 2 and 6 relate the power to confiscate documents to criminal investigations. Section 2 requires applicants to give "implied consent" that their documents may be made available "to law enforcement agencies, or federal, state, and local government agencies for official purposes." Section 6 requires that the Department of Licensing shall turn over its files to "government enforcement agencies" to assist in criminal investigations. Present law makes such referrals permissive rather than mandatory. Requiring documents confiscated under the provisions of this bill to be made available for other law enforcement purposes raises serious civil liberty issues and may violate a person's right to due process. We do not need to make our citizens fearful of the driver's license office by granting these extraordinary and unusual powers to license examiners.

Section 1, while appearing to be merely an intent section, refers to the implied consent portions of the bill and specifically directs the Department of Licensing to retain documents. I have vetoed this section also.

Accordingly, I cannot approve sections 1, 2, 3, 4, and 6 of Engrossed Substitute House Bill No. 2150.

Sections 5 and 7 make "false swearing" when applying for a driver's license or identicard a gross misdemeanor under the perjury statutes. This is an appropriate penalty for those who provide false information in an attempt to establish their identities, and I am approving these sections of the bill.

I also have approved section 8 which provides for an expert study, under the auspices of the Legislative Transportation Committee, of the scientific and technological methods available for improving the validity of the driver's licenses and identicards issued by the state. In conjunction with this study, I will ask the Department of Licensing to reexamine its procedures associated with the validation of driver's licenses. If there are procedures or administrative changes that can be made to improve the process of identifying those who seek licenses and identicards, we will make reasonable efforts to improve this process using alternatives that are available without having to resort to the extreme of document confiscation.

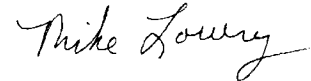
The broad issue of whether or not the driver's license should be made into a universally valid identification card needs substantial public debate. The matter of having the state go to considerable expense and trouble to change the nature of our driver's license may be obviated by federal efforts to utilize the Social Security card for similar purposes. Therefore, while I have not vetoed

section 8 of Engrossed Substitute House Bill No. 2150, I urge both the Legislative Transportation Committee and the general public to be very circumspect regarding excessive grants of power to government bureaus that may become threats to general liberty.

For these reasons, I have vetoed sections 1, 2, 3, 4, and 6 of Engrossed Substitute House Bill No. 2150.

With the exception of sections 1, 2, 3, 4, and 6, Engrossed Substitute House Bill No. 2150 is approved.

Respectfully submitted,



Mike Lowry  
Governor

## SHB 2151

C 191 L 96

Establishing uniform licensing procedures.

By House Committee on Health Care (originally sponsored by Representatives Dyer, Backlund, Cody and Murray; by request of Department of Health).

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** The Department of Health is the licensing and regulatory authority for 16 health professions and the central administrative agency for 15 other regulated health professions.

The Secretary of the Department of Health is responsible for setting all license, certification and registration fees. By law, regulatory program costs are borne by licensees of the respective health professions, and the fees must be set at sufficient levels to defray administrative costs.

Administrative procedures and requirements relating to licensing application forms, renewal periods, late renewal periods and penalties, and scheduling and notice of examinations differ across professional regulatory programs.

Currently, there is no authority for the education or training of health providers in the dynamics of domestic violence.

Residential addresses and phone numbers of health providers will not be disclosed if alternative addresses and phone numbers are provided.

**Summary:** The Secretary of the Department of Health, in consultation with the professional boards and commissions, is required to establish by rule uniform administrative procedures, administrative requirements, and fees for renewal of licenses, certifications, and registrations of the regulated health professions. Administrative procedures and requirements do not include qualifications for licensure, scopes of practice, or the disciplinary authority granted to boards or commissions.

This rule-making authority expires July 1, 1998, unless extended by the Legislature. The secretary must report to the Legislature by December 31, 1997, with recommenda-

## HB 2152

tions regarding the extent to which the secretary's rule-making authority over administrative procedures and requirements should be preserved.

The Department of Health is required to establish, in consultation with the professional health disciplinary authorities and within available funds, an ongoing domestic violence education program. The disciplinary authorities may also provide training, through continuing education, in the dynamics of domestic violence.

The residential addresses and phone numbers of health providers regulated by the state are not disclosable unless the provider authorizes the disclosure. However, professional organizations may still receive lists of providers upon request.

Technical changes are made to conform to existing law.

### Votes on Final Passage:

House	94	0	
Senate	45	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** June 6, 1996

## HB 2152

C 81 L 96

Revising provisions for adult family home licensing and operation.

By Representatives Dyer, Backlund, Cody, Morris, Carlson, Thompson, Costa and Murray; by request of Department of Health.

House Committee on Health Care

Senate Committee on Health & Long-Term Care

**Background:** Adult family homes are licensed by the state to provide residential care for up to six frail and functionally disabled persons in a home-like setting. The residents in adult family homes are physically and developmentally disabled and elderly adults who require supervision or assistance with activities of daily living and/or health related services and are unable to live alone. Adult family home providers are required to meet Department of Social and Health Services minimal qualifications for certification, complete 20 hours of basic training, and successfully undergo a law enforcement background check. In addition, each adult family home residence is required to undergo inspections and meet home safety standards, such as having functioning smoke detectors on every level, a fire extinguisher, first aid supplies, handrails on stairs, and other key safety standards as defined by the department. Adult family homes are licensed by the Department of Social and Health Services. The Department of Social and Health Services regulates adult family homes through rules overseen by the Aging and Adult Services Administration.

The Adult Family Home Program has been in operation in Washington for 25 years. What began as a model

project with a few homes in Seattle, Tacoma, and the Tri-cities now consists of approximately 1,850 licensed adult family homes statewide caring for over 8,000 individuals. Approximately 2,000 of these residents are state-funded. Of these state-funded adult family home clients, approximately 65 percent are either developmentally disabled, or otherwise disabled, persons under 60 years of age. The elderly comprise the remaining 35 percent of adult family home residents.

In 1995 the Legislature modified, expanded, and strengthened adult family home regulations. The Department of Health was given the responsibility to oversee the registration of all adult family home providers under the Uniform Disciplinary Act. This law's use of the term "provider" does not make it clear who is required to register with the Department of Health. The Department of Social and Health Services distinguishes adult family home "providers" who own but do not always operate the adult family home, from adult family home "resident managers" who are employed by a provider to conduct the day-to-day operations of the home. Under the 1995 legislation, the Uniform Disciplinary Act was to cover the individuals who run the day-to-day duties of the adult family home. Those individuals who failed to comply with codes of proper conduct under the Uniform Disciplinary Act were to be prevented from operating another adult family home in the state.

**Summary:** The definitions of "providers" and "resident managers" are made consistent under the Department of Social and Health Services licensing statutes and the Department of Health (DOH) statutes granting the DOH the authority to register adult family homes. The DOH is given the authority to screen multiple facility operators for financial solvency and operating standards, including ways to mitigate vehicle traffic in neighborhoods.

### Votes on Final Passage:

House	94	0	
Senate	31	15	(Senate amended)
House	85	8	(House concurred)

**Effective:** July 1, 1996

## SHB 2167

C 192 L 96

Exempting regular maintenance of marinas from hydraulic project review and approval.

By House Committee on Natural Resources (originally sponsored by Representatives Buck, Goldsmith, Benton, Huff, Blanton, Thompson, Hymes, Koster, Pennington, Beeksma, Sheldon, Fuhrman and McMahan).



House Committee on Natural Resources  
Senate Committee on Ecology & Parks

**Background:** The Hydraulic Project Act (HPA) requires that any person or government agency desiring to construct a project or perform other work that will use, divert, obstruct, or change the natural flow or bed of any of the state's salt or fresh waters must obtain approval from the Department of Fish and Wildlife. The protection of fish life is the only basis upon which approval may be conditioned or denied. Any denial of a permit by the department must specify, in writing, why the project was denied.

An application must include general plans for the overall project and complete plans and specifications for work within the high water line. Ordinarily, a 45-day deadline is set for processing a complete permit application. A permit is valid for up to five years, and substantial progress on construction must occur within two years of permit issuance. Appeals of department decisions may be taken to the Hydraulic Appeals Board, created within the Environmental Hearings Office.

Marinas are required to receive HPA permits prior to undertaking certain maintenance activities, such as dredging.

**Summary:** Upon request, the Department of Fish and Wildlife must issue a five-year renewable permit to a marina for regular maintenance activities. Regular maintenance is defined as those activities necessary to restore the marina to those conditions approved in the original HPA permit. Each permit must include a provision requiring notification to the department 14 days prior to beginning regular maintenance activities at a marina.

**Votes on Final Passage:**

House	94	0	
Senate	45	0	(Senate amended)
House	96	0	(House concurred)

**Effective:** June 6, 1996

**HB 2172**

C 193 L 96

Authorizing actions and penalties against adult residential care providers by the department of social and health services.

By Representatives Dyer, Cody, Dellwo, Dickerson, Horn and Carlson; by request of Department of Social and Health Services.

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** Adult Residential Care (formally referred to as congregate care) is a package of services contracted for by the Aging and Adult Services Administration and provided in a licensed boarding home. Residents receiving adult residential care are physically and developmentally

disabled and elderly adults who require supervision or assistance with activities of daily living and are unable to live alone. There are approximately 1,430 clients receiving adult residential care across the state.

In 1995 the Legislature modified, expanded, and strengthened adult residential care regulations. During the drafting of the final version of the legislation, "adult residential care services" was omitted from the list of aging and adult services contractors that are subject to the department's sanctioning licensing and inspection provisions. As a result of this omission, a remedy such as stop placement may be applied only in assisted living or the enhanced adult residential care part of a boarding home, and not in the part of the boarding home where adult residential care is provided.

**Summary:** The Department of Social and Health Services is given the enforcement authority to sanction "adult residential care services" for violations relating to licensing and inspection.

**Votes on Final Passage:**

House	94	0
Senate	45	4

**Effective:** June 6, 1996

**SHB 2179**

C 194 L 96

Regulating motor vehicle transactions involving buyer's agents.

By House Committee on Transportation (originally sponsored by Representatives Horn, Blanton, Scott, Mitchell, Quall and Thompson).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** A buyer's agent is a person or firm paid by a consumer to negotiate or arrange for the purchase of a new vehicle on the consumer's behalf. A buyer's agent must maintain the same type of surety bond as vehicle dealers, currently a \$15,000 bond.

A typical buyer's agent is hired and paid by a prospective buyer. The buyer's agent then negotiates with several auto dealerships to obtain a discounted price for the consumer. These types of firms are not permitted to accept payment from dealers for their services.

Not all car-buying services operate in this manner. Some companies that perform car-buying services do not specifically represent either the buyer or seller. These companies typically offer discounted prices on new cars to their members. In order to obtain the discounted price, the member must travel to the dealership to fill out the necessary paperwork and deliver the purchase money. These types of companies do not collect fees from their members,

## SHB 2186

but rather receive promotional fees from participating auto dealerships.

There is some question as to whether a firm may represent both car buyers and car sellers (dealerships). This type of service would be similar to a real estate agent, who has a client base consisting of home sellers and has a separate client base of home buyers.

Under current Washington law, it is not clear which types of car-buying services require a vehicle dealer's license and which services are regulated under the buyer's agent statute.

**Summary:** Buyers' agents may not accept purchase moneys unless made payable to the vehicle dealership. Buyer's agents are prohibited from signing any purchase moneys, purchase orders, sales contracts, disclosure documents or other forms on behalf of the customer. Buyers' agents are prohibited from using a power of attorney to conduct these activities, with one exception: a buyers' agent may pick up and deliver license plates to the customer.

A buyer's agent must have written agreements with his or her customers disclosing all fees and compensation paid for the agent's services. The agreements must also include a disclosure that any vehicles purchased outside of Washington are not protected by Washington's "lemon law." The Department of Licensing is directed to develop a standard form contract to be used by buyers' agents and their customers.

### Votes on Final Passage:

House	95	0
Senate	47	0

**Effective:** June 6, 1996

## SHB 2186

C 140 L 96

Establishing long-term care benefits for public employees.

By House Committee on Health Care (originally sponsored by Representatives Dyer, Cody, Dickerson, L. Thomas, Quall, Carlson and Cooke).

House Committee on Health Care  
Senate Committee on Health & Long-Term Care  
Senate Committee on Ways & Means

**Background:** Long-term care refers to a wide range of medical and human services provided to those who are disabled or limited in their functional capacities and require assistance in performing necessary daily activities for a relatively long and indefinite period. These services can be provided in the home, community, or in a formal institutional setting such as a nursing home. The demand for long-term care services is expected to increase significantly

in Washington and nationally for the next 10 years as the baby boomer generation comes of age.

Long-term care is different from the other health care services in that it is not typically covered under most health care policies or by Medicare. Medicare is not designed to help with chronic long-term care. It pays primarily for hospital and physician services. A person who wants long-term care coverage under his or her health care policies must purchase it separately. Most often, people pay for services with their savings until they have exhausted their savings and Medicaid takes over. Historically, Medicaid has been the only insurer for long-term care. However, it is available only to those elderly persons who are impoverished.

Although seniors plan for many aspects of their retirement, financial planning for long-term care has traditionally been ignored. One alternative to spending one's life savings on long-term care is to purchase private long-term care insurance. Long-term care insurance allows some protection against the catastrophic costs associated with long-term care services.

Long-term care insurance is regulated by the Office of the Insurance Commissioner. A number of private long-term care insurance plans are offered to the public. The Legislature recently added a new public/private insurance plan called the Long-term Care Partnership, to the list of plans offered.

Long-term care insurance coverage is not uniformly available to all state employees, their parents, or their dependents through the Public Employees' Benefits Board (PEBB).

**Summary:** The Public Employees' Benefits Board (PEBB) is directed to design and make available one or more long-term care insurance plans to public employees and their dependents, including their parents, by January 1, 1998. An employee is required to pay the entire cost of the insurance premiums, through payroll deductions where administratively possible, should the employee elect to obtain long-term care insurance coverage. Participation is voluntary and the plans are not subject to binding arbitration. A technical advisory committee is established to provide technical assistance to the PEBB and the Health Care Authority. The advisory committee will be made up of representatives from the office of the Insurance Commissioner, long-term care service providers, licensed insurance agents, employees, and others as needed. The Health Care Authority is required to set marketing procedures and work in cooperation with the office of the Insurance Commissioner to develop a consumer education program for eligible employees. A report concerning the marketing and distribution of the long-term care insurance benefits offered under this program must be submitted to

the Legislature by December 1998 by the Health Care Authority in consultation with the PEBB.

**Votes on Final Passage:**

House	97	0	
Senate	29	18	(Senate amended)
House			(House refused to concur)
Senate			(Senate refused to recede)
House	91	3	(House concurred)

**Effective:** June 6, 1996

**HB 2187**

C 7 L 96

Modifying grants for vocational rehabilitation equipment and materials.

By Representatives Casada, Ogden, Dickerson, Mason and Costa; by request of Department of Services for the Blind.

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** The Department of Services for the Blind serves as the state agency that contracts for and disburses state and federal funds for services for the blind. The department is required to provide a program of vocational rehabilitation to assist blind persons to overcome vocational handicaps and to develop skills necessary for self-support. Applicants for these services must reasonably be expected to benefit from the services in terms of employability.

The department may make grants of equipment and materials to participants in the vocational rehabilitation program if the equipment and materials are required by participants' individual written rehabilitation programs. The individual value of the equipment and materials may not exceed \$1,000. It has been suggested that the \$1,000 cap on equipment and materials may be too restrictive.

**Summary:** The Department of Services for the Blind may grant vocational rehabilitation clients equipment and materials that do not exceed the amount allowed by state financial policies and regulations.

**Votes on Final Passage:**

House	95	0
Senate	46	0

**Effective:** June 6, 1996

**SHB 2188**

C 195 L 96

Requiring a majority vote of the medical quality assurance commission to revoke a physician's license.

By House Committee on Health Care (originally sponsored by Representatives Backlund, Hymes, Dyer, Sherstad and Horn).

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** The Medical Quality Assurance Commission is the disciplinary authority for physicians charged with unprofessional conduct under the Uniform Disciplinary Act. The commission is composed of 19 members, including 13 physicians, two physician assistants, and four public members. The commission is authorized to revoke licenses upon a finding of unprofessional conduct.

Because of the number of disciplinary actions, the commission routinely divides into two panels, the first panel to investigate the complaint and the second panel to make a final determination. The quorum for each panel is three members. When the investigatory panel finds that there is sufficient evidence to warrant legal action, the other panel hears the case and issues a final order including sanctions, if appropriate. Panel decisions are taken by majority vote.

Under current procedures, a decision to revoke a physician's license can be made by a panel of less than a majority of the commission.

**Summary:** On a request of a respondent made within 20 days of the effective date of an order issued by a Medical Quality Assurance Commission panel that revokes the respondent's license to practice medicine, the commission must schedule a review hearing. The commission must conduct the hearing of the request within 60 days. The commission's review of a license revocation order is to be conducted by only those members of the commission not involved in the initial investigation of the complaint. The commission must establish by rule procedures for review of revocation orders.

**Votes on Final Passage:**

House	96	0	
Senate	43	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

HB 2190

C 196 L 96

Exempting railroad associations from certain fees.

By Representatives Dyer and B.Thomas.

House Committee on Finance  
Senate Committee on Transportation

**Background:** Railroad associations pay an annual fee to the Utilities and Transportation Commission (UTC) to cover the cost of regulation. This fee is equal to 1.5 percent of the company's intrastate gross operating revenue.

**Summary:** Railroad associations that qualify as not-for-profit charitable organizations under the federal Internal Revenue Code section 501(c)(3) are exempt from the annual fee paid to the UTC to cover regulation costs.

**Votes on Final Passage:**

House	96	0
Senate	48	0

**Effective:** June 6, 1996

SHB 2191

C 38 L 96

Creating a retirement option for certain fire fighters.

By House Committee on Appropriations (originally sponsored by Representatives Cooke, Ogden, Carlson, Sehlin, H. Sommers, Dickerson, Conway and Kessler; by request of Joint Committee on Pension Policy).

House Committee on Appropriations  
Senate Committee on Ways & Means

**Background:** Membership in the Law Enforcement Officers and Fire Fighters Retirement System Plan II (LEOFF II) consists of law enforcement officers and firefighters. A firefighter must be employed by a city, town, county, or district to be a member of LEOFF II. To be a member of LEOFF II, a law enforcement officer must be employed by a city, town, county, district, or general authority law enforcement agency. The LEOFF II plan, including the original definition of membership, was established in October 1977. In 1993, the Legislature modified the definition of "law enforcement officer" to include police employed by four-year higher education institutions and the ports of Seattle and Pasco.

Firefighters employed by Washington State University (WSU) are members of the Public Employees Retirement System (PERS), some with membership in Plan I, some in Plan II. No other four-year public university currently employs firefighters. Washington State University firefighters complete the same training as other firefighters and have equivalent job duties.

Normal retirement in LEOFF II is at age 55; normal retirement in PERS II is at age 65. Most firefighters

employed by state and local agencies are members of the LEOFF retirement system.

Contributions to LEOFF are made as a percentage of the basic salary of the member. For employer and state contributions to LEOFF II, there are two different contribution frameworks. First, for all law enforcement officers and firefighters, other than higher education police and port police, the employer pays 30 percent and the state pays 20 percent. Second, for higher education police and port police, the employer pays 50 percent. Under both frameworks, the employee pays the remaining 50 percent of the total.

**Summary:** The definition of "employer" for purposes of LEOFF II is amended to include an institution of higher education that has a fully operational fire department on January 1, 1996.

New firefighters hired after the effective date of the act would be members of LEOFF II.

Current WSU firefighters who are members of PERS have three choices regarding their retirement benefits. First, they may remain members of PERS. Second, they may maintain their past PERS membership and make the irrevocable choice to join LEOFF II prospectively only. In this case, the members may use portability and combine service credit from PERS and LEOFF for purposes of determining eligibility for a retirement benefit. Third, the members may make the irrevocable choice to join LEOFF II prospectively and transfer their past PERS service credit to LEOFF II. Past PERS service credit will be transferred after a member pays the difference between the employee contributions actually made to PERS and the employee contributions that would have been made to LEOFF II had the member been a member of LEOFF II, plus interest as determined by the Director of the Department of Retirement Services. The payments must be completed by December 31, 1998, or by retirement, whichever comes first.

When such a member joins LEOFF II, the employer must pay the difference between the employer contributions paid to PERS and the combined state and employer contributions which would have been payable to LEOFF II for that period of service. The employer must also pay the amount necessary to ensure there will be no additional benefit cost to LEOFF II.

An employee choosing to transfer into LEOFF II must inform the Department of Retirement Systems no later than January 1, 1997.

As do employers of higher education and port police, the employer will pay 50 percent of the total contribution rate for members who transfer to LEOFF II.

**Votes on Final Passage:**

House	97	0
Senate	45	1

**Effective:** June 6, 1996

## SHB 2192

C 39 L 96

Correcting the teachers' retirement system plan III.

By House Committee on Appropriations (originally sponsored by Representatives Carlson, Sehlin, H. Sommers, Cooke, Ogden, Dickerson, Dyer and Conway; by request of Joint Committee on Pension Policy).

House Committee on Appropriations  
Senate Committee on Ways & Means

**Background:** State law creates separate retirement systems for different groups of public employees. In many instances, employees of the same group who were initially hired at different dates participate in different plans of the same retirement system. The different plans of the same retirement system have differing retirement benefits and requirements.

A retirement system may generally be classified as either a defined benefit system or a defined contribution system, based upon the nature of the retirement benefit. Under a defined benefit system, a retiree receives a monthly benefit that is based upon the number of years of service in the system and a percentage of his or her averaged highest annual compensation. Under a defined contribution plan, an employee selects from a number of investment programs in which contributions will be invested. The retirement benefits are based upon the amount of contributions and the earnings of the particular investments selected.

Three separate plans for the Teachers Retirement System (TRS) exist. Teachers who were initially hired prior to October 1, 1977 are members of TRS Plan I. Teachers who were initially hired on or after October 1, 1977 are members of TRS Plan II. Both TRS I and TRS II are defined benefit systems.

TRS III was enacted during the 1995 legislative session and is effective July 1, 1996. The purpose of TRS III is to give vested employees more flexibility in determining the form and timing of their retirement benefits and to allow employees to change careers without dramatic loss of retirement benefits. TRS III has two components: 1) a defined benefit component paid by the employer, and 2) a defined contribution component paid by the employee. This two-component approach is different from the Plan II retirement system, in which the employer and employee contributions are both used for the purpose of providing the defined retirement benefit.

After reviewing issues regarding the implementation of TRS III, the Joint Committee on Pension Policy made a number of policy and administrative recommendations regarding TRS III, including the timing of the establishment of the Employee Retirement Benefits Board; the authority for substitute teachers to transfer to TRS III; the period for transfer from TRS II to TRS III; the selection of employee-

defined contribution rates; the restoration of service credit upon return to service; the allocation rules for service credit purchases; the authority for educational aides to transfer to TRS III; the clarification of administrative and investment expense; and technical corrections.

Employee Retirement Benefits Board. The Employee Retirement Benefits Board was created by Plan III to make administrative decisions such as determining benefit distribution options and preselecting self-directed investment vehicles for members. The Employee Retirement Benefits Board will replace the Deferred Compensation Board and continue its duties along with new responsibilities associated with TRS III. Appointments to the board are to be made on TRS III's effective date, July 1, 1996.

Transfers of Substitute Teachers. Substitute teachers cannot transfer from Plan II to Plan III.

Transfer Requests After the Close of the Transfer Incentive Payment Period. TRS II employees may choose to transfer to Plan III between the effective date of the act, July 1, 1996, and January 1, 1998. Employees who transfer during that period will receive a 20 percent increase to their employee contributions accumulated through January 1, 1996. The act does not address how requests to transfer to Plan III will be handled after the transfer incentive payment period closes.

Selection of Employee-Defined Contribution Rates. Plan III requires members to make an irrevocable choice of defined contribution rate structure. The Internal Revenue Service allows members to change defined contribution rates when they change employers within the same retirement plan.

Restoration of Service Credit Upon Return to Service. A member has a right to a benefit at retirement, if the member meets certain age and service requirements. Members who do not meet the benefit eligibility requirements, leave employment, then return to work, must work 12 consecutive months to regain credit for past service. Under the 12-month requirement, members with intermittent employment could work 10 or more years without vesting.

Allocation Rules for Service Credit Purchases. To purchase certain kinds of service credit, such as unpaid leave of absence, or to restore service credit after statutory time limits, members pay more than just employee contributions. Plan III does not determine how these payments should be allocated between the defined benefit trust fund and the defined contribution plan member account.

Transfer to TRS III of Education Staff Associates Who Are Currently PERS II. Education staff associates who are members of PERS II are not permitted to transfer to TRS III.

Administrative and Investment Expenses. For other retirement system plans administered by the Department of Retirement Systems (DRS), administrative expenses are paid from the DRS expense fund, which is funded by employer fees. Employees do not pay for administrative fees.

The responsibility for payment of administrative and investment expenses incurred by the DRS and the State Investment Board (SIB) in the administration of members' defined benefit accounts and defined contribution accounts is unclear.

Structure of Retirement Funds. Under current law, there is a separate account within the state treasury which consists of all TRS III employee contributions and associated investment earnings.

Access to Health Care Benefits Upon Retirement or Separation. Under current law, K-12 retirees can purchase benefits through the Health Care Authority if they receive a retirement benefit immediately upon separation. This means that if an employee terminates employment, but officially retires at a later date, the employee loses his or her opportunity to purchase benefits at a subsidized rate through the Health Care Authority.

**Summary:** Employee Retirement Benefits Board. Appointments to the Employee Retirement Benefits Board may occur upon this bill's effective date.

Transfers of Substitute Teachers. Substitute teachers may transfer from Plan II to Plan III, effective any month for which they purchase service credit. Substitute teachers who establish service credit for January 1998, establish any service credit from July 1996 through December 1997, and transfer on or before March 1, 1999, will have their member contributions increased by 20 percent.

Transfer Requests After the Close of the Transfer Incentive Payment Period. Members who request to transfer to Plan III on or after January 1, 1998, will be able to do so during a month-long open window period each January. They will not receive an incentive payment.

Selection of Employee-Defined Contribution Rates. Members who change employers may change defined contribution rates consistent with Internal Revenue Service standards. Change of employer means change of agency or school district.

Restoration of Service Credit Upon Return to Service. Members who return to work have their previous service credit immediately restored without having to earn additional service credit. Members who leave employment have the right to a normal retirement benefit if they are age 65 and they have 1) 10 years of service; or 2) five years of service, including one year of service after age 54.

Allocation Rules for Service Credit Purchases. Employee payments for service credit purchase or restoration transferred from TRS II service credit will be allocated as follows. Employer contributions paid by members are deposited in the Plan III defined benefit trust fund. Employee payments for restored service credit will be split equally between the defined contribution account and the defined benefit account.

Transfer to TRS III of Education Staff Associates Who Are Currently PERS II. Education staff associates who are members of PERS II have until January 1, 1998, to request transfer to TRS III.

Administrative and Investment Expenses. With the exception of legal and medical expenses provided for under RCW 41.50.255 and expenses associated with the defined contribution accounts that are self-directed, administrative expenses for both the defined benefit and defined contribution parts of TRS III will be paid from the DRS expense fund which is funded by employer fees, as is the practice for other retirement systems administered by DRS.

Members who elect to self-direct investments must pay the investment expenses associated with self-directed investments.

Access to Health Care Benefits Upon Retirement or Separation. TRS III members who separate from employment after age 55 with at least 10 years of service have the opportunity to purchase health care benefits through the Health Care Authority at a subsidized rate immediately upon separation.

**Votes on Final Passage:**

House	84	10	
Senate	46	1	(Senate amended)
House	81	9	(House concurred)

**Effective:** July 1, 1996  
March 13, 1996 (Section 23)

**SHB 2195**

C 197 L 96

Authorizing the department of corrections to intercept, record, and divulge electronically monitored inmate conversations.

By House Committee on Corrections (originally sponsored by Representatives Blanton, Quall, Sheldon and Costa; by request of Department of Corrections).

House Committee on Corrections  
Senate Committee on Human Services & Corrections

**Background:** The Washington State Privacy Act. The Privacy Act generally prohibits any individual or entity from intercepting or recording any private communication or conversation without first obtaining the consent of all participants. Several exceptions to the prohibition are specified, including one granted to the Department of Corrections (DOC).

Exception Allowing DOC to Intercept Inmate Telephone Conversations. Under this exception, the DOC is allowed to intercept, record, and divulge any telephone call that an inmate makes. The department was directed to provide written notification to all inmates before the monitoring system was activated.

The Privacy Act also specifies a number of procedures and conditions that the DOC must follow in implementing the system and using the intercepted information. These include a procedure to inform the recipient of a call that the conversation with the inmate is being recorded. Requirements are also specified for accessing, divulging, and

storing recordings. Conversations between inmates and attorneys are not allowed to be intercepted.

**Penalties and Sanctions for Violation of Act.** Those who violate the provisions of the Privacy Act are guilty of a gross misdemeanor and can be held civilly liable for damages and litigation costs. Information obtained in violation of the Privacy Act is generally inadmissible in any civil or criminal case.

**Summary:** The exception granted to the DOC under the Privacy Act is broadened to include other inmate conversations in addition to telephone conversations. The DOC is authorized to intercept, record, and divulge monitored conversations in inmate cells, living units, rooms, dormitories, and common spaces where inmates may be present.

Conditions governing access to and disclosure of recorded telephone conversations also apply to non-telephonic conversations. In addition, non-telephonic as well as telephonic conversations between inmates and attorneys must not be intercepted. The DOC's policies and procedures implementing the expanded monitoring policy must recognize the privileged nature of a confession made to a member of the clergy.

The provisions authorizing and placing conditions on the expanded monitoring policy go into effect August 1, 1996.

The DOC is required to notify all inmates, residents, and personnel of the expanded monitoring policy. Written notification to current inmates, residents, and personnel must be given by May 1, 1996. The DOC must also post a conspicuous notice by July 1, 1996, to inform visitors of the monitoring policy. An emergency clause is included to enable these deadlines to be met.

An existing statute is repealed that is nearly identical to the statute being amended in this bill.

A subsection related to a past deadline for notification of inmates regarding telephonic monitoring is removed.

**Votes on Final Passage:**

House	91	3	
Senate	48	0	(Senate amended)
House	89	1	(House concurred)

**Effective:** March 28, 1996  
August 1, 1996 (Sections 1 and 3)

**ESHB 2214**

C 141 L 96

Exempting research and development machinery and equipment from sales and use taxes.

By House Committee on Finance (originally sponsored by Representatives Van Luven, B. Thomas, Schoesler, Pennington, Mastin, Sheldon, Radcliff, Koster, Smith,

Huff, Sheahan, Morris, Thompson, Cooke, Goldsmith, Backlund, Benton and Dyer).

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** The sales tax is imposed on retail sales of most items of tangible personal property and some services. The state tax rate is 6.5 percent and is applied to the selling price of the article or service. In addition, local sales taxes apply. The total rate is between 7 percent and 8.2 percent, depending on the location.

Sales tax applies when items are purchased at retail in the state. Sales tax is paid by the purchaser and collected by the seller. Use tax is imposed on the use of an item in this state, when the acquisition of the item has not been subject to sales tax. Use tax applies to items purchased from sellers who do not collect sales tax, items acquired from out of state, and items produced by the person using the item. Use tax is equal to the sales tax rate multiplied by the value of the property used.

**Summary:** Sales and use tax exemptions are provided for human blood, tissue, organs, bodies, or body parts for medical research and quality control testing purposes.

**Votes on Final Passage:**

House	97	0
Senate	48	0

**Effective:** July 1, 1996

**E2SHB 2217**

PARTIAL VETO

C 133 L 96

Changing provisions for at-risk youth.

By House Committee on Appropriations (originally sponsored by Representatives Carrell, Mitchell, Thompson, Cooke, Boldt, Backlund and Johnson).

House Committee on Children & Family Services  
House Committee on Appropriations  
Senate Committee on Human Services & Corrections

**Background:** In 1995, the Legislature enacted the Becca Bill, relating to children who are at risk and in need of government services. The service system was modified to provide for their placement in secure crisis residential center facilities. Court procedures for children in need of supervision were established. Parents were given greater authority over the treatment and supervision of their children. The requirements for notifying a parent of a harbored youth's whereabouts were changed, and the failure to notify parents, law enforcement, or the Department of Social and Health Services (DSHS) was made a misdemeanor. The courts were granted greater authority to

provide treatment and to impose restrictions on habitual runaways.

The Governor vetoed the provisions of the Becca Bill related to crisis residential centers; treatment for habitual runaways; and parental notification requirements for chemical dependency treatment providers, mental health treatment providers, and school personnel.

**Summary:** The court is authorized to place a child who is at risk and in need of services in a staff secure treatment facility, other than a crisis residential center (CRC). Whenever a licensed child-serving agency shelters a minor without parental consent and does not notify the parent, the child-serving agency has committed a licensing violation. Other persons violating the sheltering notification requirement may be charged with a misdemeanor.

School personnel must notify parents within 48 hours of contacting an inpatient treatment facility for the purpose of referring a child for treatment. Mental health care providers must notify parents within seven days of a request for the outpatient treatment of a child 13 years or older. Chemical dependency treatment providers must first obtain a child's consent before providing notice to the child's parents, unless the child does not possess the capacity to give consent.

Police officers are required to pick up those runaway children a court has found to be in violation of dependency orders. If requested by a parent, a police officer shall transport a child to the home of a family member, responsible adult, a CRC, or youth shelter, if the requested location is within a reasonable distance of the parent's home. If the child's parents are unavailable and a CRC is full, and officer shall release the child to the department, or, if the department declines to accept custody, place the child with a family member, responsible adult, or a youth shelter. If these alternatives are unavailable, the officer may release the child.

An officer must take a child to a detention facility if the officer knows the child is subject to a detention order. When a child is taken to a CRC by a police officer, the center must provide DSHS with a copy of the officer's report. The police officer may release an out-of-state child to the department and may no longer release the child to a "responsible adult." Police officers' immunity is clarified.

DSHS must make good-faith attempts to notify parents of reports of unauthorized sheltering of a child. DSHS is required to offer reunification services to the parent. CRC administrators must notify the department when a child is placed at the center. The department or a supervising agency may remove a child from a CRC 24 hours after a child's placement, but only after considering the same criteria used for determining if a child may be transferred from a semi-secure facility to a secure facility.

The CRC administration must inform the parent and child of the right to obtain a mental health or chemical dependency evaluation and of the right to request treatment for behavioral difficulties in a staff secure facility.

The procedures for filing a child in need of services (CHINS) or dependency petition are clarified. A CHINS petition filed by a parent or child must be filed in the county where the parent resides. The court must notify the department of any CHINS petition filed by a child or parent.

CHINS and at-risk youth fact-finding hearings must be held within five calendar days, unless the last day falls on a Saturday, Sunday, or holiday, in which case the hearing is on the preceding judicial day. If the child is at home or in an out-of-home placement, the hearing deadline is extended to 10 days. The court may continue the placement of a child at a CRC if space is available. Notifying parents of their rights is advanced from the disposition hearing to the fact-finding hearing.

In a CHINS proceeding, the court may order the department to submit a dispositional plan addressing the needs of the child. Copies of the plan must be provided to the parents and child. The court is required to provide a written statement of why a CHINS petition is granted or denied. The court's contempt powers for violation of placement orders are clarified.

Tuancy petitions are defined as civil actions.

A minor over the age of 13 who consents to receive chemical dependency inpatient treatment does need parental permission unless the department determines the minor is a CHINS child. Similarly, it is unnecessary for a minor over the age of 13 to obtain parental consent to receive outpatient treatment. Parental permission for treatment of children under 13 is required. The department is allowed access to mental health records of children who are admitted to private facilities upon the application of their parents.

The department must, subject to funding, provide transitional living programs for dependent youth who are becoming emancipated under a department permanency plan.

**Partial Veto Summary:** The Governor vetoed the penalties for agencies and individuals who harbor runaways and fail to notify parents, law enforcement, or the Department of Social and Health Services. An agency that failed to provide notice would have been subject to licensing actions by the department; an individual would have been guilty of a misdemeanor. The Governor vetoed a provision related to truancy that was enacted in ESHB 2640. The Governor also vetoed the requirement that mental health care providers notify parents when a child seeks mental health treatment.

**Votes on Final Passage:**

House	97	0	
Senate	40	7	(Senate amended)
House	88	6	(House concurred)

**Effective:** June 6, 1996



## VETO MESSAGE ON HB 2217-S2

March 22, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 4, 30, and 35, Engrossed Second Substitute House Bill No. 2217 entitled:

“AN ACT Relating to at-risk youth;”

My reasons for vetoing these sections are as follows:

**Section 4 - Violation of Shelter Notification as a Misdemeanor Offense**

Section 4 establishes penalties for violations of the requirement that shelter providers report the location of a known runaway to the youth's parents, local law enforcement, or the Department of Social and Health Services (DSHS) within 8 hours. It provides that a violation by a licensed child-serving agency shall be addressed as a licensing violation under RCW 74.15. It also provides that a violation by any other person is a misdemeanor offense.

I agree that a violation by a licensed child-serving agency should be addressed as a licensing violation. I also agree that it is appropriate to subject those persons who shelter runaway youths for the purpose of exploiting them to criminal sanctions for failure to report a youth's whereabouts. While I applaud the intent of this section to provide law enforcement with an additional tool for prosecuting those who would prey upon our youth, I have strong concerns about its overbreadth. Unwitting family members and friends who, in good faith attempt to provide youths with a safe alternative to the street, are also subject to criminal prosecution under this section. Also subject to criminal prosecution are drop-in day centers which are not required to be licensed because they do not provide overnight shelter. I fear that the effect of this section will be to drive troubled youths underground, out of the reach of help, and into the hands of those who would exploit them.

Existing law provides law enforcement with a number of tools for prosecuting persons who illegally shelter or exploit youths. Under RCW 13.32A.080, it is a gross misdemeanor offense to harbor a minor unlawfully. RCW 9A.44 provides criminal penalties for the rape of a child. An adult responsible for involving a youth in the commission of a criminal offense may be prosecuted under several statutes, including: RCW 69.50.406, distribution of a controlled substance to a minor; RCW 9A.88.070, promoting prostitution of a minor; and RCW 9A.08.020, complicity of an adult in the crime of a minor. These tools afford law enforcement with significant ability to prosecute and punish those adults who exploit or abuse runaway youths.

**Section 30 - Truancy Petitions**

Section 30 adds clarifying language to RCW 28A.225.030. This section was also amended in Engrossed Substitute House Bill No. 2640 which includes fundamentally the same language as well as other substantive changes, which for clarity of code revision, are not properly merged with this section. The language and effect of section 30 are not lost by this technical veto.

**Section 35 - Outpatient Mental Health Treatment: Parental Notification**

Section 35 requires a provider of mental health outpatient treatment to notify the parents of a minor patient, age 13 years or older, of the provision of treatment to the minor upon completion of his or her second visit. A treatment provider may defer notification in two situations. The first situation is where the youth alleges parental abuse or neglect. In that case, the provider must notify DSHS for the purpose of initiating an investigation. If DSHS determines the allegation is not valid, then the provider must immediately notify the parent of the child's treatment. The second situation is if the provider believes the notification will interfere with the provision of treatment. In that case, the provider must notify DSHS, and DSHS must pursue either a

dependency or a Child In Need of Services (CHINS) petition. If the department determines that neither petition is appropriate, then it shall notify the provider who, in turn, must notify the parent of the treatment.

In an attempt to avoid creating a barrier to initial treatment, this section delays the parental notification requirement until the completion of a youth's second visit. In addition, in an effort to provide safety for youths in unsafe homes and to avoid interfering with the provision of treatment, this section allows a treatment provider to defer parental notification in certain situations. While I am pleased that this section acknowledges the need to maintain confidentiality in some situations, I do not believe the confidentiality safeguards set forth are sufficient to ensure that young people will feel safe seeking needed treatment.

First, I am concerned that despite the intent, the second visit notification requirement will have a chilling effect on young people seeking or continuing outpatient treatment. Providers will be compelled by their ethical responsibilities to advise youths at their first visit that the provider must break confidentiality upon completion of their second visit. Young people who, for whatever reason, fear their parents' learning of their participation in treatment are not likely to pursue treatment further. In some cases, a young person's ability to access treatment may mean the difference between life and death. Current clinical practice seeks to involve the family at the earliest appropriate point. The issue here is not whether parents should be notified of their child's treatment, but when and how. Taking this clinical decision out of the hands of the mental health professionals is simply contrary to a young person's best interest.

Second, while this section exempts from notification those youths a court finds have been abused or neglected or who are without a functional parent, it does require notification for all other young people. The need for confidentiality must not be limited to young people who have been abused or neglected or who are lacking a functional parent. The need for confidentiality encompasses all young people who fear their parents' real or anticipated reactions to their participation in mental health treatment. Our goal should be to maintain young people's access to confidential outpatient treatment in order to provide a safe place where they may find help and begin preparing themselves for addressing their problems with their family.

Finally, I believe that our confidentiality rules for substance abuse and mental health outpatient treatment should be mutually consistent. Pursuant to federal law, parental notification for substance abuse outpatient treatment is permissible only upon a youth's written consent or a determination that the youth lacks the capacity to consent. There is no reason to treat parental notification for mental health outpatient treatment any differently.

For these reasons, I have vetoed sections 4, 30, and 35 of Engrossed Second Substitute House Bill No. 2217.

With the exception of sections 4, 30, and 35, Engrossed Second Substitute House Bill No. 2217 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**E2SHB 2222**

**PARTIAL VETO**

C 288 L 96

Strengthening legislative oversight of government programs.

By House Committee on Appropriations (originally sponsored by Representatives Backlund, Huff, Foreman, B. Thomas, Smith, Horn, Hymes, Honeyford, Fuhrman, Lambert, Thompson and McMahan).

House Committee on Government Operations

House Committee on Appropriations

Senate Committee on Ways & Means

**Background:** The Legislative Budget Committee (LBC) is composed of eight members of the Senate and eight members of the House of Representatives. No more than four members from each house may be from the same political party. The members appoint the chair, vice chair, and other officers of the committee.

The LBC is authorized to conduct examinations and make reports concerning the efficiency and effectiveness of state government, to make management surveys and program reviews of state agencies, and to perform other studies. The LBC is also authorized to make management surveys and program reviews of school districts and other units of local government receiving state funds. The LBC may establish a biennial work plan that identifies state agency programs for which formal evaluation appears necessary as part of the program evaluation process.

The LBC hires the Legislative Auditor to act as the executive director of the committee and sets the Legislative Auditor's salary. The LBC hires and sets the salary for the other staff.

The Legislative Auditor is responsible for making recommendations to the LBC concerning revenues and expenditures of the state, as well as the organization and functions of the state; assisting the standing committees in considering legislation affecting state agencies and their efficiency; providing information to the Legislature under the direction of the LBC; and maintaining a record of all worked performed under the direction of the LBC by the Legislative Auditor.

The State Auditor is authorized to conduct performance verifications when expressly authorized by the Legislature in the operating budget. The State Auditor may allocate no more than de minimus resources to performance audits except when expressly authorized in the operating budget.

During the 1996 legislative session, the Legislature authorized the creation of the Legislative Committee on Performance Review to conduct performance reviews of state agencies and programs.

**Summary:**

**Joint Legislative Audit and Review Committee.** The Legislative Budget Committee is renamed the Joint Legislative Audit and Review Committee. The joint committee

is still composed of eight members from the Senate and eight members from the House of Representatives. The members of the joint committee form an executive committee consisting of one member from each of the four caucuses, including a chair and a vice-chair for terms not to exceed two years. The chair and vice-chair must be from different political parties. These two positions must alternate between members of the House and the Senate.

The executive committee is responsible for performing administrative and personnel duties assigned by the joint committee. The joint committee may delegate other duties to the executive committee. The executive committee recommends applicants for the position of Legislative Auditor to the membership of the joint committee. A majority vote of the joint committee's membership is necessary to hire the Legislative Auditor. The executive committee sets the Legislative Auditor's salary.

The Legislative Auditor hires the staff after consulting with and obtaining the approval of the executive committee. The Legislative Auditor sets the salaries of the staff with the approval of the executive committee.

The joint committee is required to develop and approve a performance audit work plan for the subsequent 16 to 24 months during the regular session of each odd-numbered year, beginning with 1997. Performance audits may be conducted on state agencies or on units of local government receiving state funds. A performance audit conducted on a unit of local government is limited to whether the local government is using the state funds for their intended purpose in an efficient and effective manner.

The joint committee must also develop internal tracking procedures that will allow the Legislature to measure the effectiveness of performance audits conducted by the joint committee. The internal tracking procedures must measure, where appropriate, cost-savings and increases in the effectiveness and efficiencies in how state agencies deliver their services. In agencies and programs where effective systems for performance measurement already exist, the measurements incorporated into those systems must be the basis for performance audits conducted.

Subject to the joint committee's approval, the office of the joint committee must undergo a quality control review at least once every three years by an independent organization that has experience in conducting performance audits. The quality control review must include an evaluation of the quality of the audits conducted by the joint committee, an assessment of the audit procedures used, and an assessment of the qualifications of the staff to conduct performance audits.

**Role of the Legislative Auditor.** The Legislative Auditor's duties include establishing and managing the Office of the Joint Legislative Audit and Review Committee and ensuring that all audits are performed in accordance with the government auditing standards prescribed by the Comptroller General.

The Legislative Auditor is required to work closely with the standing committees of the Legislature when conducting performance audits. The Legislative Auditor may consult with the State Auditor, the Director of Financial Management, and the appropriate legislative committees when developing the performance audit work plan for the joint committee. Among the factors to be considered in the development of the work plan is whether a follow-up audit would help ensure that previously identified recommendations for improvements were being implemented.

The Legislative Auditor is required to contract with and consult with public and private independent professional and technical experts as necessary when conducting performance audits, and should involve front-line employees and internal auditors to the highest possible degree.

**Items Included as Part of a Performance Audit.** A performance audit is defined as an objective and systematic assessment of an activity performed by a state agency or a unit of local government receiving state funds, by an independent evaluator in order to help improve efficiency, effectiveness, and accountability. A performance audit includes economy and efficiency audits and program audits.

Performance audits may also include, subject to the requirements of the annual performance audit work plan of the joint committee, an examination of the costs and benefits of agency programs, functions, and activities; identification of viable alternatives for reducing costs or improving service delivery; identification of gaps and overlaps in service delivery and recommendations for corrective action; and comparison with other states whose agencies perform similar functions.

When conducting a performance audit, the Legislative Auditor may review the costs of programs recently implemented by the Legislature to compare actual agency costs with appropriations and the cost estimates contained in fiscal notes.

**Performance Audit Process.** When the Legislative Auditor completes a performance audit, the Legislative Auditor must transmit the preliminary audit report to the affected state agency or local government and the Office of Financial Management for comment. The agency or local government and the Office of Financial Management have 30 days to respond. Any response of the agency or local government or the Office of Financial Management is incorporated into the final performance audit report. The Legislative Auditor must also submit the preliminary performance audit report to the joint committee for its review, comments, and recommendations. Any comments or recommendations by the joint committee are included as a separate addendum to the final performance audit report. After the joint committee adopts the final performance audit report, it is transmitted to the affected agency or local government, the Director of Financial Management, and the leadership and appropriate standing committees of the House and Senate. The results of the final performance

audit report must be published and the report made available to the public.

Within nine months after the final performance audit report has been transmitted to the appropriate standing committees, the joint committee in consultation with the standing committees may produce a preliminary compliance report. This report is based upon the agency's or local government's compliance with the recommendations contained in the final performance audit report. The agency or local government may attach its comments to the joint committee's preliminary compliance report as a separate addendum.

Within three months after the issuance of the preliminary compliance report, the joint committee may hold at least one public hearing in which public testimony is received regarding the findings and recommendations contained in the preliminary compliance report. The joint committee must issue a final compliance report within four weeks after the public hearings. The final compliance report is issued in the same manner as a final performance audit. The results of the final compliance report must be published and the report made available to the public.

The detailed estimates provided by agencies to the Governor for the purpose of developing budget proposals must include consideration of performance audit findings made by the Legislative Auditor.

The performance audit revolving fund is created in the state treasury. The Legislative Auditor must assess agencies all or a portion of the cost of the performance audits; moneys in the fund may be spent only after appropriation. The costs of performance audits may also be paid from appropriations.

**Role of the State Auditor.** The State Auditor may conduct performance audits when expressly authorized by the operating budget or the performance audit work plan of the joint committee. The results of any performance audit conducted by the State Auditor at the request of the joint committee must be transmitted only to the joint committee.

**Performance Reviews.** The Legislative Committee on Performance Reviews may consider alternatives to service delivery, compliance with legislative intent, and results achieved in a program when conducting a performance review.

**Partial Veto Summary:** The Governor vetoed the section that created the performance audit revolving fund, and a section that provided the Legislative Auditor with access to agency records and information. Also vetoed was a section that required agencies to consider performance audit findings when submitting estimates to the Governor for purposes of developing budget proposals.

Votes on Final Passage:

House	66	31	
Senate	48	0	(Senate amended)
House			(House refused to concur)
Senate	45	2	(Senate amended)
House	98	0	(House concurred)

Effective: June 6, 1996

VETO MESSAGE ON HB 2222-S2

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 16, 17, and 24, Engrossed Second Substitute House Bill No. 2222 entitled:

“AN ACT Relating to legislative oversight of state and local government programs;”

Engrossed Second Substitute House Bill No. 2222 changes the name of the Legislative Budget Committee to the Joint Legislative Audit and Review Committee. It also reorients the activities of that legislative oversight body to performance audits and state agency accountability issues, which I strongly support.

However, I do not believe that sections 16, 17, and 24 of the bill are either necessary or appropriate. Section 16 creates a revolving fund and gives the Legislative Auditor unilateral authority to assess an agency for the cost of performance audits without the assurance that the agency has funds set aside for this purpose. It is not clear whether the revolving fund is intended to cover some or all of the costs of operating the committee, and the potential cost to agencies is thus uncertain but potentially significant. The risk is much greater for smaller agencies that may lack the budgetary flexibility to cover costs of an unanticipated audit. It is preferable for the legislature to simply appropriate sufficient funds to the committee to conduct the audits that are planned.

Section 17 provides the Legislative Auditor access to any agency records or information that are related to performance audits and other responsibilities of the legislature. Existing law (RCW 44.28.110) already gives the Legislative Auditor authority to examine all files and records of agencies and provides subpoena power. The powers granted in section 17 are, therefore, redundant and unnecessary.

Section 24 requires performance audit findings to be given consideration in agency budget estimates which are part of the governor's budget proposal. I am not convinced that the governor's budget document is the appropriate vehicle for publishing legislative audit findings.

For these reasons, I have vetoed sections 16, 17, and 24 of Engrossed Second Substitute House Bill No. 2222.

With the exception of sections 16, 17, and 24, Engrossed Second Substitute House Bill No. 2222 is approved.

Respectfully submitted,

Mike Lowry  
Governor

C 199 L 96

Changing provisions relating to felony traffic offenses.

By House Committee on Law & Justice (originally sponsored by Representatives Sterk, Sheahan, L. Thomas, Honeyford, Robertson, Stevens, Koster, Carlson, Thompson and Costa).

House Committee on Law & Justice  
Senate Committee on Law & Justice  
Senate Committee on Ways & Means

**Background:** Vehicular homicide is a class B felony which carries a maximum penalty of 10 years in prison. Vehicular assault is a class C felony which carries a maximum penalty of five years in prison. In contrast, a class A felony carries a maximum penalty of life in prison.

Some offenders are sentenced to “community placement,” which is a technical term for ordering the defendant to be in a form of custody while in the community or under supervision by the Department of Corrections following release from confinement. Offenders convicted of the crimes of vehicular homicide and assault are not subject to community placement.

If more than one victim is killed or injured during the vehicular assault or homicide, each death or assault may be a separate charge of vehicular assault or vehicular homicide, even if the victims occupied the same vehicle. However, for purposes of sentencing, those offenses involving victims in the same vehicle count as one crime. Consequently, the defendant's presumptive term of confinement is lower than if each conviction counted as a separate offense. The judge may impose an exceptional sentence to account for multiple victims.

The Department of Licensing must revoke the license of a person convicted of vehicular homicide or vehicular assault. The revocation period for vehicular homicide is two years. The revocation period for vehicular assault is one year. The revocation period begins when the department receives the record of the driver's conviction. In some cases, the revocation period may be running while the offender is confined in jail or prison.

The Department of Licensing may not destroy records, within 10 years from the date of a conviction, adjudication, or deferred prosecution, of vehicular homicide and vehicular assault.

**Summary:** Vehicular homicide is raised to a class A felony. Vehicular assault is raised to a class B felony.

The court must sentence an offender convicted of vehicular homicide or vehicular assault to community placement for up to two years, or up to the period of earned early release awarded, whichever is longer. All or a portion of that community placement may be spent in community custody in lieu of earned early release.

If more than one victim is killed or injured in the same vehicle, each death or assault will no longer be counted as

one crime for purposes of sentencing. Instead, each conviction will count as a separate crime and will contribute to the offender's presumptive term of confinement.

The license revocation period for vehicular homicide and assault is tolled during the time period in which the defendant is in total confinement. The Department of Licensing must develop procedures to implement this provision.

The Department of Licensing may not destroy records of convictions or adjudications for vehicular homicide and vehicular assault and must keep them on file permanently.

**Votes on Final Passage:**

House	93	0
Senate	48	0

**Effective:** June 6, 1996

**HB 2250**

C 174 L 96

Requiring annual budget review, recommendations, and guidelines for the higher education system.

By Representatives Carlson, Mastin, Mulliken, Sheahan, Jacobsen, Mason, Blanton, Goldsmith and Scheuerman; by request of Higher Education Coordinating Board.

House Committee on Higher Education  
Senate Committee on Higher Education

**Background:** The Higher Education Coordinating Board (HECB) reviews, evaluates, and makes recommendations on the operating and the capital budget requests from four-year institutions and the community and technical college system. The HECB recommendations must be made by October 15 of each even-numbered year. The board does not have statutory authority to review supplemental budget requests.

**Summary:** Institutions of higher education and the State Board for Community and Technical Colleges must submit their supplemental budgets to the Higher Education Coordinating Board. The HECB must submit its supplemental budget recommendations to the Office of Financial Management by November 1 and to the Legislature by January 1.

**Votes on Final Passage:**

House	96	0
Senate	48	0

**Effective:** June 6, 1996

**EHB 2254**

C 139 L 96

Providing special plates and fee exemptions for representatives of foreign organizations.

By Representatives Van Luven, Romero, Backlund, Scott, Foreman, Sheldon, Horn and Benton.

House Committee on Trade & Economic Development  
Senate Committee on Transportation

**Background:** The Department of Licensing (DOL) is authorized to issue special license plates to every honorary consul or official representative of a foreign country, duly licensed and holding an exequatur issued by the U.S. Department of State. The applicant is required to pay the regular license fee and the motor vehicle excise tax before the special license plate is issued by the DOL.

Representatives of the government of Taiwan, through the Taipei Economic and Cultural Office, enjoy most of the privileges afforded to other foreign diplomatic residents. However, there are no provisions allowing the DOL to issue them special license plates.

**Summary:** The Department of Licensing (DOL) is authorized to issue special license plates for passenger vehicles that are owned or leased by officers of the Taipei Economic and Cultural Office. The applicant for a special license plate is exempt from payment of the regular license fees, the state motor vehicle excise tax, and any county vehicle license fees. The license plates must bear the words "Foreign Organization" to distinguish them from diplomatic license plates. The Taipei Economic and Cultural Office is responsible for the entire cost of producing the special license plates.

The special license plates may be transferred to another vehicle, but the DOL must be notified of the transfer. License plates that are removed but not transferred to another vehicle are to be forwarded immediately to the DOL to be destroyed. When the owner or lessee is relieved of his or her duties, the license plates must be returned to the DOL and regular plates issued.

**Votes on Final Passage:**

House	96	0
Senate	46	0

**Effective:** June 6, 1996

**SHB 2256**

C 119 L 96

Authorizing certain public works projects.

By House Committee on Capital Budget (originally sponsored by Representatives Honeyford, Chopp, Keiser, Regala, Dickerson, Mason and Patterson; by request of

Public Works Board and Department of Community, Trade and Economic Development).

House Committee on Capital Budget  
Senate Committee on Ways & Means

**Background:** The public works assistance account, commonly known as the public works trust fund, was created by the Legislature in 1985 as a revolving loan program to assist local governments and special purpose districts with infrastructure projects. The account receives dedicated revenue from a portion of the real estate excise tax, from loan repayments, and from utility and sales taxes on water, sewer service, and garbage collection. The Public Works Board, within the Department of Community, Trade and Economic Development (CTED), is authorized to make low-interest or interest-free loans from the account to finance the repair, replacement, or improvement of the following public works systems: bridges, roads, water systems, and sanitary and storm sewer projects. Neither port districts nor school districts are eligible to receive loans from the account.

Each year, the Public Works Board is required to submit a list of public works projects to the Legislature for approval. The public works assistance account appropriation is made in the capital budget, but the project list is submitted annually in separate legislation. The Legislature may delete projects from the list, but it can neither add projects nor change the order of project priorities.

CTED received an appropriation of \$148.9 million from the public works assistance account in the 1995-97 capital budget. Twenty million dollars of this amount was provided specifically for pre-construction activity loans under Chapter 363, Laws of 1995. The remaining \$128.9 million is available for public works project loans.

**Summary:** As recommended by the Public Works Board for fiscal year 1996, loans for 67 public works projects, totalling \$96,785,915, are authorized to be issued from the public works assistance account using funds previously appropriated in the capital budget. These projects fall into the following categories:

- (1) Thirty-eight water projects, totalling \$43,203,009;
  - (2) Eighteen sewer projects, totalling \$36,150,717;
  - (3) Seven road projects totalling, \$9,629,289;
  - (4) Three storm sewer projects, totalling \$3,802,900;
- and
- (5) One bridge project, totalling \$4,000,000.

**Votes on Final Passage:**

House	97	0
Senate	47	0

**Effective:** March 21, 1996

Revising the procedure for impanelling juries.

By Representatives McMahan, Sheahan, Dellwo and Costa; by request of Administrator for the Courts.

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** To assist in the random selection of jurors, the law requires the court clerk to put the names of summoned jurors on separate ballots and deposit the ballots in a box. The clerk is then to draw the required number of names for voir dire examination.

This procedure is considered unduly burdensome, particularly in large counties such as King County where approximately 250 jurors are called four days a week. Many counties use automated systems to select jurors, in which a computer randomizes the names of jurors and selects a certain number to go to each courtroom.

In 1993, the Washington Supreme Court amended Criminal Rule 6.3, which simply requires juror selection to be random.

**Summary:** Jurors must be selected at random from those summoned and not excused. A voir dire examination of the jury panel must be conducted. Provisions regarding the procedure for randomly selecting jurors are repealed, and no new method for randomly selecting jurors is prescribed.

**Votes on Final Passage:**

House	97	0
Senate	45	1

**Effective:** June 6, 1996

Exempting construction of wind energy and solar electric generating facilities from sales and use tax.

By Representatives Honeyford, Patterson, Lisk, Clements, Hankins, B. Thomas, Mulliken, McMahan, Thompson, Hargrove and Boldt.

House Committee on Finance  
Senate Committee on Energy, Telecommunications & Utilities  
Senate Committee on Ways & Means

**Background:** The state retail sales tax is imposed on retail sales of most items of tangible personal property and some services. Taxable services include construction, repair, telephone, some personal services, and recreation and amusement services. The tax rate is 6.5 percent and is applied to the selling price of the article or service. In addition, local sales taxes apply. The total rate falls

between 7 percent and 8.2 percent, depending on the location.

The use tax is imposed on the use of articles of tangible personal property when the sale or acquisition of the property has not been subject to sales tax. Use tax is equal to the sales tax rate multiplied by the value of the property used. The use tax commonly applies to property acquired from out-of-state.

Businesses pay sales and use tax on machinery, equipment, and construction of industrial facilities. Some sales and use tax exemptions are available for business investments. Generally, investments in electrical generation are not eligible for these exemptions.

**Summary:** Machinery and equipment used directly in generating electricity using wind or sun energy is exempt from sales and use tax. Installation costs are also exempt. Only facilities capable of generating 200 kilowatts of electricity are eligible for the exemption.

The exemption ends June 30, 2005.

**Votes on Final Passage:**

House	95	0	
Senate	49	0	(Senate amended)
House	98	0	(House concurred)

**Effective:** July 1, 1996

**HB 2291**

**PARTIAL VETO**

C 253 L 96

Promoting international educational, cultural, and business exchanges.

By House Committee on Trade & Economic Development (originally sponsored by Representatives Van Luvan, Veloria, Brumsickle, Jacobsen, Radcliff, Hatfield, Mason and Thompson).

House Committee on Trade & Economic Development  
Senate Committee on Labor, Commerce & Trade

**Background:** In 1993, the Legislature established the Washington State Task Force on International Education and Cultural Exchanges. The task force's creation recognized the importance of world trade to the state's economy and the role of international education and trade in furthering the national goals of peaceful and friendly relations with other countries.

The task force issued its report to the Legislature in November 1994. The report emphasized the need to combine the forces of the business and academic communities to forge international education and cultural exchange programs that foster the economic health of Washington State. The task force report also emphasized the benefit of previous educational, cultural, and business exchanges with other countries. These exchanges have become important

aspects of the state's trade development and have contributed to the international education of its citizens.

**Summary:** Cultural Exchange Council. The International Education and Exchange Council is created as a public-private partnership in the Office of the Secretary of State. The council is to help develop the state's efforts in cultural exchanges by means of targeted training and by working with educational and trade organizations from outside the United States.

The council consists of representatives of the Legislature, the Governor's Office of International Relations and Protocol, state agencies, common schools and institutions of higher education, businesses involved in international trade, and organizations involved in international trade and cultural exchanges. The council's duties include (1) advising the Governor and elected officials on the need for international education and cultural exchanges; (2) assisting others to work with countries that comprise the state's targeted trading partners; (3) promoting efforts to enhance educational and cultural exchange opportunities; (4) assisting local governments in maintaining their established sister relationships in other countries; (5) maintaining a data base on cultural exchange opportunities and individuals who have participated in international exchanges; and (6) monitoring the recommendations of the Washington Task Force on International Education and Cultural Exchanges.

The council may establish a private, nonprofit corporation to foster international education and cultural exchange efforts with other countries. The Secretary of State may accept gifts, grants, conveyances, bequests, or real or personal property to further the objectives of the council. The Secretary of State must adopt rules to govern and protect the receipt and expenditure of proceeds.

International Trading Partners Program. The International Trading Partners program is created as a pilot project in the Office of the Secretary of State. The project is designed to train Washington residents who volunteer as international trading partners. The Secretary of State will provide necessary technical assistance and training to volunteers who participate in the project. Volunteers are not employees of the state and are selected because of their skills, expertise, and language proficiency in relation to the needs of the participating country. The terms of volunteer participation as an international trade partner are subject to policies established by the Secretary of State.

The activities of volunteers who participate as international trading partners may be funded through legislative appropriations, federal funds, private support funds, and other appropriate funding sources. Subject to funding, volunteers may be provided money to cover the costs of living in the country of service.

International Contact Data Base. The International Contact Data Base may be established and maintained by the Secretary of State. The data base contains a listing of (1) Washington residents working or studying overseas;

(2) international students who have studied in Washington; (3) exchange opportunities for Washington residents wanting to participate in education, internships, or technical assistance programs in foreign countries; (4) international business contacts of people wanting to do business with Washington businesses; and (5) international government contacts. Information in the data base is available to the public on request for free or at cost. Any person listed in the data base may request removal from the data base.

The Department of Community, Trade and Economic Development, in consultation with the Office of International Relations and Protocol, the Office of the Secretary of State, the Department of Agriculture, and the Employment Security Department shall identify up to 15 countries that are of strategic importance to the development of Washington's international trade relations.

International Student Exchanges and Internships. The Washington International Exchange Scholarship program, subject to available funding through the endowment fund, is created and administered by the Higher Education Coordinating Board (HECB). The program is designed to provide scholarships, up to one academic year, to students from countries that have trading relationships with Washington State.

The HECB may (1) convene an advisory committee, (2) select exchange students to receive scholarships, (3) adopt rules and guidelines to carry out the program, (4) solicit and accept grants and donations from all sources, (5) establish service obligations of exchange students, (6) establish criteria for selecting countries to participate in the program, and (7) negotiate and enter into agreements with countries to allow Washington students to attend international institutions under similar terms and conditions.

The Washington International Exchange Trust Fund is established in the custody of the State Treasurer. The Legislature may appropriate funds to the trust fund to be used only to match private cash contributions.

The Washington International Exchange Scholarship Endowment Fund is established in the custody of the State Treasurer. Private contributions, other funds, and state matching funds from the trust fund are deposited into the endowment fund. Only the earnings from the endowment can be used to provide scholarships to international students. The number of scholarships awarded to international students is limited by the amount of interest received from the endowment fund.

The HECB must establish a separate advisory committee to assist in the program design and selection criteria for the International Student Internship program. The internship program is designed to give Washington students the opportunity to study and earn degree credit in a country identified as a targeted trading partner. Recommendations to the Legislature for program design and selection criteria must be made by December 31, 1997. The advisory committee expires December 1, 1997.

**Partial Veto Summary:** The Governor vetoed the sections creating the international education and exchange council in the Secretary of State's Office; the private, non-profit corporation designed to foster international education, business and cultural exchanges; and the advisory committee, within the Higher Education Coordinating Board, charged to assist in program design and criteria for an international students internship program.

**Votes on Final Passage:**

House	90	7	
Senate	41	7	(Senate amended)
House	81	9	(House concurred)

**Effective:** June 6, 1996

**VETO MESSAGE ON HB 2291**

March 29, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington  
Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 101, 102, 103, 104, and 410, House Bill No. 2291 entitled:

"AN ACT Relating to international, educational, cultural, and business exchanges;"

House Bill No. 2291 establishes a number of initiatives to develop and to support international educational and cultural exchanges with countries that trade with Washington State. These include an international trading partners program, an international contact data base, and an international exchange scholarship program.

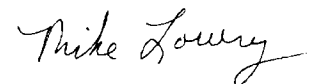
The concept of building better international relationships through increased educational and cultural exchanges is a thoughtful one. It draws on American international experience in building relationships with Europe after World War II and with Eastern Europe at the end of the Cold War. Building better cultural and educational relationships is also a thoughtful way to build stronger trade relationships over time and well worth state time and effort to promote.

Sections 101 through 104, and section 410 of House Bill No. 2291 also establish two new legislatively-mandated councils and committees. A new cultural exchange council is established in the Secretary of State's office, and a new international student internship council is created under the Higher Education Coordinating Board. Both of these agencies possess the independent capacity to establish advisory bodies and, I trust, will work to effectuate the goals of this legislation as they see fit. In line with my commitment to reduce the number of independent boards and commissions as one way to make state government smaller, I am vetoing the establishment of these two new councils in statute.

For this reason, I have vetoed sections 101, 102, 103, 104, and 410 of House Bill No. 2291.

With the exception of sections 101, 102, 103, 104, and 410, House Bill No. 2291 is approved.

Respectfully submitted,



Mike Lowry  
Governor



## 2SHB 2292

C 41 L 96

Establishing the innovation and quality in higher education program.

By House Committee on Appropriations (originally sponsored by Representatives Carlson, Jacobsen and Murray; by request of Higher Education Coordinating Board).

House Committee on Higher Education  
House Committee on Appropriations  
Senate Committee on Higher Education

**Background:** In 1991, the Washington Fund for Excellence in Higher Education program was established in law. The purpose of the program is to encourage institutions of higher education to develop innovative and collaborative solutions to critical, statewide educational challenges facing the state. The Higher Education Coordinating Board is responsible for program administration. When funding is available, the board is to provide grants on a competitive basis to public colleges or consortia of colleges. The grants cannot last more than two years.

The program has never received funding.

**Summary:** The Washington Fund for Excellence in Higher Education program is renamed the Washington Fund for Innovation and Quality program. Through the program, incentive grants will be awarded on a competitive basis to institutions of higher education and their faculties. Guidelines for the program will be developed by the Higher Education Coordinating Board. The guidelines will be consistent with the outcomes of increasing access, improving time to degree, improving student learning, and increasing efficiency and collaboration between higher education institutions and the private sector.

Grants may be available for innovative collaborative programs and individual projects proposed by institutions or faculty. Examples of collaborative programs include developing a three-year degree, reducing the time needed to complete a baccalaureate program, and developing a degree to be offered on the Internet. Examples of individual projects include efforts to improve efficiency by 5 percent each year, improve student retention, and develop competencies and outcomes for general education or university requirements and degree programs. Grants may also be available for initiatives that encourage minority participation and enhance a collaborative approach to training new teachers.

**Votes on Final Passage:**

House	96	0
Senate	45	0

**Effective:** June 6, 1996

## 2SHB 2293

C 142 L 96

Authorizing a technology fee at public institutions of higher education.

By House Committee on Appropriations (originally sponsored by Representatives Carlson, Jacobsen, Murray and Chopp).

House Committee on Higher Education  
House Committee on Appropriations  
Senate Committee on Higher Education  
Senate Committee on Ways & Means

**Background:** In Washington, tuition fees for students attending most public colleges and universities are made up of two components, building fees and operating fees. Building fees provide part of the funding for facility repairs, renovations, and construction. Operating fees are used to provide part of the funding needed for instruction and institutional operations. Tuition rates for the 1995-96 and 1996-97 academic years are mandated in law. After the 1996-97 academic year, there is no statutory mechanism in place to determine tuition rates.

In addition to tuition fees, institutions of higher education charge students a services and activities fee (S & A fee). The fee supports student activities and programs. The fee may also be pledged for the payment of bonds used to construct dormitories, hospitals, infirmaries, dining halls, parking structures, and buildings that house student services, student activities, and the dean of students. The rate of increase in services and activities fees is limited by law. In any year, the fees may increase by a percentage that does not exceed the percentage increase in tuition.

In addition, governing boards may charge other fees. These fees include fees for short and self-supporting courses, deposits, rentals, and fines. The fees also include laboratory, gymnasium, health, and other special fees.

Western Washington University charges students a technology fee. Over the years, the Attorney General's Office has held that the only fees that an institution may charge to all students are tuition and services and activities fees. One recent exception to that ruling has been health fees.

The laws governing tuition and fees do not apply to students attending technical colleges.

**Summary:** With the written consent of its student government association, each of the public baccalaureate institutions may establish a student technology fee. The fee must be used exclusively for technology resources for general student use. Before establishing a technology fee, the institution must provide to the student government association a list of similar fees. The board and the association will ensure that student fees for technology are not duplicative. The student government association must approve an annual plan for expending revenue from the fee.

## SHB 2294

During the 1996-97 academic year, any technology fee charged to a full-time student may not exceed \$120; the fee will be prorated for part-time students. In subsequent years, changes in the amount of the fee must be approved by both the student government association and the institution's governing board. Annually, the student government association may abolish the fee by a majority vote. If the association votes to abolish the fee, it will not be collected during the term following that vote.

The technology fee is defined. It is a fee used to help pay for services to students that include access to the Internet and the World Wide Web, computer and multimedia laboratories and work stations, software, and dial-up telephone services.

Of any revenue raised by the fee 3.5 percent must be deposited in the university's local financial aid fund. Institutions may waive the technology fee for teaching and research assistants working 20 or more hours per week.

### Votes on Final Passage:

House	89	8	
Senate	40	9	(Senate amended)
House	82	8	(House concurred)

**Effective:** March 25, 1996

## SHB 2294

C 107 L 96

Changing provisions relating to the state educational trust fund.

By House Committee on Higher Education (originally sponsored by Representatives Delvin and Carlson; by request of Higher Education Coordinating Board).

House Committee on Higher Education  
House Committee on Appropriations  
Senate Committee on Higher Education

**Background:** The State Educational Grant Account receives repayments from students whose eligibility for a state grant changes after the initial receipt of funds. The Higher Education Coordinating Board administers the account, but the board has no statutory authority to spend any of the funds.

The math and science teachers loan program is no longer operative, but the Higher Education Coordinating Board continues to receive loan repayments from prior students. The funds received by the board are deposited into an account for loan repayment.

**Summary:** The State Educational Grant Account is converted to a trust fund. The purpose of the trust is to provide college student assistance to needy or disadvantaged youth. Through this fund the state will offer "Early Promise" scholarships. The students must be identified as at risk of dropping out of secondary education, participate in early awareness and outreach programs, and enter a Washington

institution of higher education within two years of graduating from high school.

The Higher Education Coordinating Board must deposit state grant repayments received after the biennium into the trust fund. The board will also deposit into the trust fund repayments received from the loan program for math and science teachers. Additionally, the board may deposit money from state, federal, and private sources. The board may expend up to 3 percent of the fund each year for administration of the fund. All earnings on the fund are credited to the fund.

### Votes on Final Passage:

House	96	0
Senate	49	0

**Effective:** June 6, 1996

## SHB 2309

C 200 L 96

Revising regulation of hearing and speech professions.

By House Committee on Health Care (originally sponsored by Representatives Dyer, Conway, Murray, D. Sommers, Dellwo, Cairnes, Ogden, Linville, Cody and Mason).

House Committee on Health Care  
Senate Committee on Health & Long-Term Care  
Senate Committee on Ways & Means

**Background:** Hearing aid fitters/dispensers sell and fit hearing aids to consumers, using nondiagnostic tests and procedures essential to performance.

Hearing aid fitters/dispensers are regulated by the Department of Health, and a license is required before these practitioners may fit and dispense hearing aids to consumers in this state. The Board on Fitting and Dispensing of Hearing Aids governs this practice by establishing minimum standards and procedures, guidelines for training, examinations for licensure, and by acting as the disciplinary authority. The seven members of the board are appointed by the Governor and include two fitters/dispensers, two consumers, two audiologists, and a non-voting physician.

Audiologists perform procedures relating to hearing and related language and speech disorders. Speech pathologists perform procedures related to development and disorders that impede oral, pharyngeal, or laryngeal competencies and the normal process of human communication.

Audiologists and speech pathologists are not regulated and credentialed by the state.

**Summary:** The Board on Fitting and Dispensing of Hearing Aids is changed to the Board of Hearing and Speech. The membership is appointed by the Governor and is expanded to nine members, consisting of two hearing

instrument fitters/dispensers, three consumers, two audiologists, two speech-language pathologists, and a non-voting physician. The powers of the board are expanded to pass on qualifications of applicants, recommend continuing education requirements, and adopt rules relating to standards of care.

The hearing instrument fitters/dispensers practice act is modified in a number of particulars. The minimum age of applicants is raised from 18 to 21. Applicants must have at least six months of apprenticeship training. Permits may be issued for persons who are employees of a fitter/dispenser or audiologist, and such employees must work under direct supervision.

A state certification program for audiologists and speech-language pathologists is established, and audiologists and speech-language pathologists may be certified for practice. No person may represent himself or herself as a certified audiologist or certified speech-language pathologist in this state without being certified by the State Board of Hearing and Speech.

Certified audiologists may fit and dispense hearing instruments without first obtaining licenses as hearing instrument fitters/dispensers.

Minimum qualifications for certification as an audiologist or speech-pathologist include receipt of a master's degree, supervised clinical experience, postgraduate work, and successful completion of an examination. Speech-language pathologists and audiologists in current practice applying before July 1, 1997, may automatically be certified without examination. Audiologists not licensed as fitters/dispensers, graduating prior to January 1, 1993, and who meet commonly accepted professional standards, may be granted a two-year temporary certification if applying before July 1, 1997.

Certification is renewable and may be placed on inactive status.

The board may also authorize interim permit holders to practice if they otherwise qualify for certification, except for meeting the postgraduate experience and examination requirements. Interim permit holders must work under supervision.

Persons certified under this act are subject to the Uniform Disciplinary Act and the disciplinary authority of the board.

Studies on the topic of utilization of audiologist and speech-language pathologist assistants and on the merits of establishing a two-year entry level degree for fitters/dispensers must be conducted by the board. A report to the Legislature is due by January 1, 1998.

**Votes on Final Passage:**

House	97	0	
Senate	46	0	(Senate amended)
House	90	0	(House concurred)

**Effective:** June 6, 1996

**SHB 2310**  
**PARTIAL VETO**  
 C 201 L 96

Changing the date for notification of nonrenewal of a contract for a certificated employee.

By House Committee on Education (originally sponsored by Representatives Brumsickle, Radcliff and Mitchell).

House Committee on Education  
 Senate Committee on Education

**Background:** Certificated employees' contracts, except as otherwise provided by law, are limited to a term of not more than one year. When there is probable cause to believe that a contract for a certificated employee will not be renewed by the district for the next school year, the employee must be notified in writing by May 15. Probable cause determinations are made by the superintendent. Employees are entitled to receive the notice personally or by certified or registered mail, and also are entitled to some form of hearing.

The requirement that school districts send notices of nonrenewal of contracts for certificated employees by May 15 creates uncertainty in years when the state operating budget has not yet been passed by the Legislature by that date. School districts have sent notices to employees that would not have been sent if the school district had known the allocations in the final state budget. In 1995, the budget was passed on May 25 and signed into law on June 15. In 1993, the budget was passed on May 6 and signed on May 28.

**Summary:** Statutes requiring certificated employees to be notified in writing of nonrenewals of their contracts on or before May 15 preceding the commencement of the next school year are amended. Employees are to be notified by May 15 or, if the omnibus appropriations act has not been passed by the Legislature by May 15, then employees shall be notified no later than June 1.

**Partial Veto Summary:** The emergency clause is deleted.

**Votes on Final Passage:**

House	98	0	
Senate	48	0	(Senate amended)
House	89	0	(House concurred)

**Effective:** June 6, 1996

**VETO MESSAGE ON HB 2310-S**

March 28, 1996

To the Honorable Speaker and Members,  
 The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 5, Substitute House Bill No. 2310 entitled:

"AN ACT Relating to notification of nonrenewal of contracts for certificated employees;"

Substitute House Bill No. 2310 contains an emergency clause in section 5. The emergency clause was included in case the legisla-

# SHB 2311

ture failed to adopt a supplemental budget by May 15, 1996. The supplemental budget was adopted on March 7th, leaving the emergency clause unnecessary.

Although this legislation is important, it is not a matter necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions. Preventing this bill from being subject to a referendum under Article II, section 1 (b) of the state Constitution unnecessarily denies the people of this state their power, at their own option, to approve or reject this bill at the polls.

For these reasons, I have vetoed section 5 of Substitute House Bill No. 2310.

With the exception of section 5, Substitute House Bill No. 2310 is approved.

Respectfully submitted,



Mike Lowry  
Governor

# SHB 2311

C 202 L 96

Eliminating six-year terms of office for school board directors.

By House Committee on Education (originally sponsored by Representatives Brumsickle and Regala).

House Committee on Education  
Senate Committee on Education

**Background:** Most school districts elect members of school boards of directors to four-year terms. Spokane, Everett, and Tacoma school districts elect members of boards of directors for six-year terms.

**Summary:** School district boards of directors that currently have six-year terms of office may reduce the length of the terms of office from six to four years. The reduction in the length of the term of office must not affect the term of office of any incumbent director without his or her consent. Future elections of school directors must be appropriately staggered.

### Votes on Final Passage:

House	97	0	
Senate	48	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

# SHB 2320

PARTIAL VETO

C 289 L 96

Making certain sex offenders subject to life imprisonment without parole after two offenses.

By House Committee on Corrections (originally sponsored by Representatives Ballasiotes, Blanton, Radcliff, Backlund, Robertson, Hatfield, Mulliken, Sheldon, Hymes, Kessler, Carlson, Johnson, Thompson, Costa and Boldt).

House Committee on Corrections  
House Committee on Appropriations  
Senate Committee on Law & Justice  
Senate Committee on Ways & Means

**Background:** Under Washington's "Three Strikes and You're Out" law, an offender who commits three offenses that qualify as "strikes," as long as each strike represents a separate trip through the judicial system, is sentenced as a "persistent offender."

The offenses, including attempts, that qualify as "strikes" are as follows:

- (1) all class A felonies;
- (2) assault in the second degree;
- (3) assault of a child in the second degree;
- (4) child molestation in the second degree;
- (5) controlled substance homicide;
- (6) extortion in the first degree;
- (7) incest when committed against a child under 14;
- (8) indecent liberties;
- (9) kidnapping in the second degree;
- (10) leading organized crime;
- (11) manslaughter in the first degree;
- (12) manslaughter in the second degree;
- (13) promoting prostitution in the first degree;
- (14) rape in the third degree;
- (15) robbery in the second degree;
- (16) sexual exploitation;
- (17) vehicular assault;
- (18) vehicular homicide, when caused by a DWI or recklessness;
- (19) any Class B felonies that were sexually motivated;
- (20) any felony committed with a deadly weapon; or
- (21) any federal or out-of-state convictions for offenses similar to those contained in this list.

The sentence for a persistent offender is life imprisonment without possibility of release. A persistent offender is not eligible for community custody, earned early release time, furlough, home detention, partial confinement, work crew, work release or any other form of early release.

The Department of Corrections provides treatment and counseling services to some sex offenders who are confined in the state prison system.

**Summary:** A person will be sentenced as a persistent offender to life imprisonment without possibility of release if the person has been twice convicted, on separate trips

through the judicial system, of any of the following qualifying offenses, including attempts:

- (1) rape in the first degree;
- (2) rape in the second degree;
- (3) indecent liberties by forcible compulsion; or
- (4) any of the following offenses if they were specifically found to have been sexually motivated:
  - (a) murder in the first or second degree;
  - (b) kidnapping in the first or second degree;
  - (c) assault in the first or second degree; or
  - (d) burglary in the first degree.

The first qualifying conviction may have occurred in a jurisdiction other than Washington.

The "Three Strikes and You're Out" law is not sup- planted. Accordingly a person may qualify as a persistent offender either (1) by committing three strikes under cur- rent law, or (2) by committing two of the offenses covered in this bill.

The Department of Corrections is prohibited from pro- viding sex offender treatment or sex offender counseling services to a sex offender sentenced to life imprisonment as a persistent offender.

**Partial Veto Summary:** The Governor vetoed a provision prohibiting the Department of Corrections from providing sex offender counseling and sex offender treatment serv- ices to sex offenders sentenced to life imprisonment.

**Votes on Final Passage:**

House	97	0
Senate	45	3

**Effective:** June 6, 1996

**VETO MESSAGE ON HB 2320-S**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 2, Substitute House Bill No. 2320 entitled:

"AN ACT Relating to persistent offenders;"

Substitute House Bill No. 2320 mandates life imprisonment upon an individual's second conviction for a number of sex of- fenses or for certain other offenses if specifically found to be sexually motivated. This legislation reaffirms our unconditional intolerance of persistent sex offenders and our commitment to keeping public safety paramount in our dealings with those who leave such devastating impacts on their victims — and on all of us.

Substitute House Bill No. 2320 lists the various offenses that are subject to this mandatory sentencing. This roster of offenses prompts my concern and comment. When we make our choices and draw the line on whom we will automatically send to prison for life, we seldom have problems with the top of the list — the most serious and reprehensible crimes — which cry out for harsh penalties. No one disagrees that the sexually motivated murderer, the violent rapist, and even those who attempt such heinous crimes, deserve life-long exile from society. The difficulty arises when we try to decide where to end our list and distinguish those offenses that may not warrant life behind bars.

Substitute House Bill No. 2320 specifies that a second convic- tion of indecent liberties results in a mandatory life sentence. Under current law, an offender convicted of indecent liberties

with one prior sex conviction normally faces a four to five year sentence. This overwhelming increase in punishment for this par- ticular offense may very well be appropriate for each and every offender covered by this new law. I worry that, at least on occa- sion, it will not. Because life imprisonment follows immediately upon the second conviction of the enumerated offenses, there is no opportunity for consideration, no room for judgment, and no mechanism for later review. It is my hope that the legislature will consider the possibility of adding future review by a sentencing court to this model of life imprisonment.

I entreat the legislature, and all who share concern and interest with our system of criminal justice, to look closely at our chang- ing mix of mandatory and discretionary sentencing. We should contemplate the wisdom of moving ever further from letting judges judge.

Section 2 of Substitute House Bill No. 2320 prohibits the De- partment of Corrections (DOC) from providing sex offender treat- ment or sex offender counseling to those individuals convicted under this law. Current DOC policy already bars offenders serv- ing life terms from receiving treatment due to the limited available space in treatment programs. While I agree that the offender who will eventually be released back into society should receive priori- ty in treatment, I am concerned about how this blanket prohibi- tion might impact DOC's population.

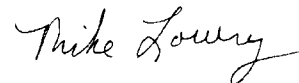
Our sentencing laws, including this legislation, are increasing the number of sex offenders who will spend their lives or most of their lives incarcerated. We should not forget the danger these offenders pose to other inmates, particularly younger offenders who will be released at some point. The influence and effects that these "lifers" may have on the more vulnerable members of the prison population is obvious. While many may argue that we must throw away the key on the former group, none can disagree that we should minimize the chance that the latter group will follow in their path.

Maintaining DOC's flexibility in dealing with lifetime inmates through treatment or counseling is prudent. It stands to be a cost effective tool and recognizes the changing reality we are imposing on the lives of those we incarcerate. I cannot approve a blanket prohibition against counseling or treatment for individuals sen- tenced under this law.

For this reason, I have vetoed section 2 of Substitute House Bill No. 2320.

With the exception of section 2, Substitute House Bill No. 2320 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**HB 2322**

C 8 L 96

Providing exemptions from industrial insurance for persons under age twenty-one employed on family farms.

By Representatives McMorris, Mastin, Chandler, Schoesler, McMahan, Skinner, Goldsmith, L. Thomas, Mulliken, Sheldon, Johnson, Thompson and Hargrove.

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** The state industrial insurance law requires most employers to be self-insured or to purchase industrial

## 2SHB 2323

insurance from the Department of Labor and Industries. This insurance provides benefits to workers who are injured at work or who develop an occupational disease. Employers who are exempt from this requirement may elect coverage for their workers by filing notice with the department.

The industrial insurance statute lists the types of employment that are excluded from mandatory coverage. These exemptions include the employment of a child under age 18 by his or her parents in agricultural activities on the family farm.

**Summary:** The parent of a person at least 18 years of age but under age 21 may elect to exclude the parent's employment of that person from industrial insurance coverage if the person being excluded is employed by the parent in agricultural activities on the family farm and either resides with the parent or resides on the family farm. To elect exclusion from coverage, the parent must file a written notice with the Department of Labor and Industries. The parent may subsequently obtain coverage for the excluded person by filing a notice electing coverage.

### Votes on Final Passage:

House	96	0
Senate	48	0

**Effective:** June 6, 1996

## 2SHB 2323

C 203 L 96

Providing for future law enforcement officers training.

By House Committee on Appropriations (originally sponsored by Representatives Sterk, Chappell, Thompson, Dellwo, Buck, Hymes, Talcott, Cooke and McMahan).

House Committee on Law & Justice  
House Committee on Appropriations  
Senate Committee on Law & Justice

**Background:** The Washington State Criminal Justice Training Commission provides training and education programs for law enforcement personnel, including commissioned officers, corrections officers, fire marshals, and prosecuting attorneys. The commission is funded by appropriations from the public safety and education account and has an annual budget of approximately \$5.5 million.

Basic law enforcement officer training is generally required of all full-time commissioned law enforcement employees of the state. The training consists of a 440-hour program covering a wide variety of subjects, including constitutional and criminal law and procedures, criminal investigation, firearms training, and communication and writing skills. The law enforcement training is available only to persons employed as commissioned law enforce-

ment officers and must be commenced within the first six months of employment as a law enforcement officer.

**Summary:** The Washington Association of Sheriffs and Police Chiefs is directed to assemble a study group to evaluate and make recommendations to the Legislature, by January 1, 1997, regarding the mission, duties, and administration of the Criminal Justice Training Commission. The study group is to be composed of 22 members representing law enforcement agencies, local jurisdictions, community colleges and universities, and the Legislature.

The study group's responsibilities include (1) evaluating the desirability and feasibility of providing law enforcement training to applicants for the position of law enforcement officer; (2) reviewing the adequacy of the basic law enforcement training program; (3) evaluating the status of supervisory, management, and advanced training programs; and (4) making recommendations regarding sources of funding.

The Criminal Justice Training Commission is authorized to provide basic law enforcement training to college students enrolled in criminal justice courses during the summers following the students' junior and senior years, as long as the students bear the full cost of the training.

### Votes on Final Passage:

House	97	0
Senate	48	0 (Senate amended)
House	96	0 (House concurred)

**Effective:** March 28, 1996

## HB 2333

C 42 L 96

Revising provisions relating to judicial retirement.

By Representatives Delvin, Appelwick and Costa; by request of Administrator for the Courts.

House Committee on Appropriations  
Senate Committee on Ways & Means

**Background:** There are three different retirement systems for judges. Membership in the various systems depends on when a member became a judge.

Judges Retirement Fund—membership closed after August 8, 1971

Judicial Retirement Fund—membership closed after June 30, 1988

Public Employees Retirement System Plans I and II and Judicial Retirement Account

The Judicial Retirement Account (JRA) was established in 1988 for appointed or elected judges who are members of PERS II through their service as judges. JRA provides a supplemental retirement benefit to judges who are members of PERS I or PERS II. JRA is a defined contribution plan. Contributions to JRA are split evenly between the employee and the employer. Unlike the other public

retirement systems, which are administered by Department of Retirement Systems (DRS), JRA is administered by the Office of the Administrator for the Courts.

When a member dies, the balance of accumulated employee contributions is refunded to a designated beneficiary, who must have an insurable interest in the member's life. An "insurable interest" requires a close blood or legal relationship or a lawful and substantial economic interest.

In 1995, the Legislature passed the Department of Retirement Systems' agency request legislation that eliminated the "insurable interest" criteria for the retirement systems under DRS administration. Elimination of the "insurable interest" criteria provides additional flexibility in paying members' named beneficiaries. JRA is administered by the Office of the Administrator for the Courts, not DRS, so this change did not apply to JRA.

**Summary:** The insurable interest criteria is eliminated from the JRA. This change allows the Office of the Administrator of the Courts to pay the balance of a deceased member's accumulated contributions to any person or persons, trust, or organization, as designated by the member and filed with the Office of the Administrator of the Courts.

**Votes on Final Passage:**

House	95	0
Senate	49	0

**Effective:** June 6, 1996

**HB 2337**

**PARTIAL VETO**

C 290 L 96

Defining distressed county designation.

By Representatives Schoesler, Sheldon, Foreman, Grant, Sheahan, Mastin, Honeyford, Basich, Johnson and Mulliken.

House Committee on Trade & Economic Development  
Senate Committee on Labor, Commerce & Trade  
Senate Committee on Ways & Means

**Background:** Washington has several financial and technical assistance programs to assist distressed areas in responding to high unemployment rates. The programs provide distressed areas with direct financial and technical assistance to create or retain jobs and to diversify the local economy. The programs include (1) loans or grants under the Community Economic Revitalization Board program; (2) loans under the Development Loan Fund program; (3) a business and occupation tax credit program for job creation; (4) a sales and use tax deferral program; and (5) technical assistance through various state agencies.

A "distressed area" may be either an entire county or specific areas within a county. An entire county may be designated distressed if (1) it has an unemployment rate 20

percent higher than the state unemployment rate for a three-year period or (2) it is designated as a rural natural resources impact area. An area within a county may be designated distressed if (1) it has experienced a sudden and severe or long-term loss of employment; (2) it has a minimum population of 5,000 and at least 70 percent of its households have incomes below 80 percent of the county median income; (3) it is a metropolitan area with an average unemployment rate that exceeds the average state unemployment rate by 20 percent; or (4) it is a designated state-approved community empowerment zone.

A sales tax is imposed on each retail sale of most articles of tangible personal property and certain services. Taxable services include construction, repair, telephone, lodging of less than 30 days, physical fitness, and some recreation and amusement services.

In 1995 the Legislature enacted a sales and use tax exemption for machinery and equipment used directly in a manufacturing operation, including installation labor and services. Machinery and equipment means industrial fixtures, devices, and support facilities, and includes pollution control equipment. The manufacturing operation begins at the point at which raw materials enter the manufacturing site and ends at the point at which the finished product leaves the manufacturing site.

**Summary:** The definition of a distressed area or distressed county is expanded to include counties with a median household income that is less than 75 percent of the state median household income for the previous three years. The time limit for filing applications for loans from the development loan fund is removed for metropolitan distressed areas and is extended from July 1, 1993, to July 1, 1997, for rural natural resources impact areas.

The sales and use tax exemption on machinery and equipment used directly in a manufacturing operation is expanded to include the manufacturing of building trusses. The business must be located in towns with a population of less than 1,200 that are in timber impact areas in counties that are not distressed areas. The end point of the manufacturing operation for building trusses is the point at which the finished product is delivered to the building site. This provision applies to manufacturing machinery and equipment acquired after June 30, 1995.

**Partial Veto Summary:** The Governor vetoed the section that would have extended the sales and use tax exemption to purchases of vehicles used in timber impact areas to deliver trusses to a construction site. The exemption would have applied retroactively to purchases made after June 30, 1995.

**Votes on Final Passage:**

House	95	2	
Senate	48	1	(Senate amended)
House	83	15	(House concurred)

Effective: June 6, 1996  
June 30, 1997 (Section 1)  
March 30, 1996 (Section 6)

VETO MESSAGE ON HB 2337

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 6 and 7, House Bill No. 2337 entitled:

“AN ACT Relating to distressed county designation;”

House Bill No. 2337 changes the definition of “eligible area” for purposes of the distressed area sales and use tax deferral program and other state programs and amends the definition of “manufacturing operation” for purposes of the manufacturer’s sales and use tax exemption for purchases of machinery and equipment.

Section 6 of House Bill No. 2337 changes the definition of “manufacturing operation” so as to extend the manufacturer’s sales and use tax exemption to purchases of vehicles used in timber impact areas to deliver trusses to a construction site. This legislation would establish a disturbing precedent. For purposes of a tax exemption, it would extend the concept of a manufacturing facility beyond the physical plant at which machinery and equipment are used to make a product to include the equipment used to deliver the product to the customer. This is contrary to the aim of the exemption enacted in the 1995 session.

Section 7 indicates that the change in section 6 applies retroactively to purchases made after June 30, 1995. The retroactive nature of this section does not represent sound tax policy. It rewards taxpayers who choose not to pay a lawful tax and encourages others to take similar action and to seek narrow legislative exemptions.

For these reasons, I have vetoed sections 6 and 7 of House Bill No. 2337.

With the exception of sections 6 and 7, House Bill No. 2337 is approved.

Respectfully submitted,

Mike Lowry  
Governor

SHB 2338

PARTIAL VETO

C 204 L 96

Prohibiting the department of ecology from listing anhydrous ammonia as a class B hazardous air pollutant until the federal government does.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Schoesler, Grant, Sheahan, McMorris, Mastin, Fuhrman, Chandler, Honeyford and Thompson).

House Committee on Agriculture & Ecology  
Senate Committee on Ecology & Parks

**Background:** Ammonia is widely used by industry in a number of applications, including the manufacture of fertilizers.

The Department of Ecology has defined, by rule, the chemicals that are subject to toxic air pollutant requirements. These rules distinguish between Class A and Class B toxics. Class A toxics are chemicals known or suspected to be carcinogenic; Class B toxics are not considered carcinogenic.

The department has classified ammonia as a Class B toxic air pollutant and has assigned it a numeric threshold. A facility that exceeds this threshold is required to complete a detailed analysis identifying the risk posed by the toxic air pollutant and measures to control the pollutant. A facility exceeding the threshold may or may not be required to install pollution control technology. Any regulatory action taken by the department is based on the results of the detailed analysis.

**Summary:** The Department of Ecology is prohibited from regulating ammonia emissions that result from any non-production activity related to making or using ammonia as an agricultural or silvicultural fertilizer.

**Partial Veto Summary:** The legislative findings section is vetoed.

Votes on Final Passage:

House	97	0
Senate	47	0

Effective: June 6, 1996

VETO MESSAGE ON HB 2338-S

March 28, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 1, Substitute House Bill No. 2338 entitled:

“AN ACT Relating to anhydrous ammonia;”

Substitute House Bill No. 2338 prohibits the Department of Ecology from regulating ammonia emissions from the storage, distribution, transport, or application of ammonia for use as an agricultural or silvicultural fertilizer.

Section 1 of Substitute House Bill No. 2338 contains some misleading and inaccurate statements which I cannot approve. First, it is misleading to state, as is done in section 1, that the Department of Ecology regulates ammonia as a toxic air pollutant by using a threshold that is “three hundred times more stringent than the standard used to protect workers.” The Department does use a high threshold for the purpose of screening, not regulation. As such, this threshold is used as a tool to determine whether further evaluation is warranted.

Second, section 1 of Substitute House Bill No. 2338 suggests that the Department has no role whatsoever in regulating ammonia and is engaging in regulatory overkill. Clearly, where ammonia is used in large industrial facilities or processes, the Department’s oversight role is essential for protecting public health and safety.

The intent language in section 1 of Substitute House Bill No. 2338 is not relevant to the substance of the bill which is contained in section 2. The Department of Ecology has not, and does not, regulate such use of ammonia. Section 2 of Substitute House Bill



No. 2338 is a reflection of existing Department of Ecology policy which I do support.

For these reasons, I have vetoed section 1 of Substitute House Bill No. 2338.

With the exception of section 1, Substitute House Bill No. 2338 is approved.

Respectfully submitted,



Mike Lowry  
Governor

## SHB 2339

C 205 L 96

Increasing penalties for crimes involving methamphetamine.

By House Committee on Law & Justice (originally sponsored by Representatives Schoesler, Sheldon, Foreman, Sheahan, Grant, Pelesky, Reams, McMorris, L. Thomas, Thompson, D. Schmidt, Fuhrman, Chandler, Sherstad, Hargrove, Smith, McMahan, Benton and Silver).

House Committee on Law & Justice  
House Committee on Appropriations  
Senate Committee on Law & Justice

**Background:** The Uniform Controlled Substances Act (UCSA) classifies drugs and other substances into five schedules based on their potential for abuse versus their medical utility. Schedule I drugs or substances are those that have a high potential for abuse and no currently accepted medical use in treatment in the United States. Schedule II drugs or substances are those that have a high potential for abuse but are currently accepted in the United States for medical treatment.

The UCSA makes it unlawful for a person to manufacture, deliver, or possess with intent to manufacture or deliver any controlled substance. Generally, a violation of this crime with a Schedule I or II drug is punishable by a maximum term of imprisonment of five years, a fine of \$10,000, or both. However, a violation of this crime with a Schedule I or II narcotic drug (opium or cocaine and their derivatives) is punishable by imprisonment for not more than 10 years, a fine of not more than \$25,000 if less than two kilograms, or a fine of \$100,000 or more for two or more kilograms.

Methamphetamine is classified as a Schedule II controlled substance. All substances that are precursors to methamphetamine are also classified as Schedule II substances. Ephedrine is the primary precursor ingredient for the most common method of methamphetamine production. Any manufacturer, retailer, or other person who sells ephedrine to any person must report that sale to the state Board of Pharmacy.

The Sentencing Reform Act provides presumptive sentence ranges for adults convicted of crimes, and the Juvenile Justice Act provides presumptive sentence ranges for juveniles adjudicated of offenses. These presumptive sentences are determined based on the seriousness of the offense and the offender's prior criminal history. The Sentencing Reform Act ranks crimes in 15 categories of seriousness, from level I (the least serious) to level XV (the most serious). The Juvenile Justice Act ranks crimes in 10 levels of seriousness, from level E (least serious) to level A+ (most serious).

The unlawful manufacture, delivery, or possession with intent to manufacture or deliver methamphetamine or a precursor to methamphetamine is punishable by imprisonment for not more than five years, a fine of not more than \$10,000, or both. This crime is ranked at a seriousness level of VIII under the Sentencing Reform Act and a seriousness level of C under the Juvenile Justice Act.

Any person who creates, delivers, or possesses counterfeit methamphetamine is guilty of a crime punishable by imprisonment of not more than five years, or a fine of not more than \$10,000, or both. This crime is not ranked under the Sentencing Reform Act and is ranked at a seriousness level of C under the Juvenile Justice Act.

**Summary:** It is a crime for any person to possess ephedrine or pseudoephedrine with intent to manufacture methamphetamine. This offense is punishable by imprisonment for not more than 10 years, a fine of not more than \$25,000, or both. Possession of ephedrine or pseudoephedrine with intent to manufacture methamphetamine is classified at seriousness level VIII under the Sentencing Reform Act.

Any person who unlawfully manufactures, delivers, or possesses with intent to manufacture or deliver methamphetamine is guilty of a crime punishable by imprisonment for not more than 10 years and a fine of up to \$25,000 if the crime involved less than two kilograms, or a fine of up to \$100,000 for the first two kilograms and \$50 for each gram in excess of two kilograms.

It is a crime to create, deliver, or possess counterfeit methamphetamine, which may be punished by imprisonment for not more than 10 years, a fine of not more than \$25,000, or both.

The unlawful manufacture, delivery, or possession with intent to deliver methamphetamine is added to the definition of "serious drug offense" for which the Department of Corrections must provide notification when a person convicted of a serious drug offense escapes or is released from incarceration.

For the purposes of juvenile dispositions, the offense category for the unlawful manufacture, delivery, or possession with intent to deliver methamphetamine is increased to seriousness level B+. The offense category for the unlawful manufacture, delivery, or possession with intent to deliver counterfeit methamphetamine is increased to seriousness level B.

## HB 2340

Technical changes are made to correct code references to drug crimes.

### Votes on Final Passage:

House	98	0	
Senate	48	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** June 6, 1996

## HB 2340

C 82 L 96

Allowing the association of superior court judges to establish when the annual meeting will be held.

By Representatives Sheahan, Costa, Hickel and Delvin.

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** By statute, all the judges of the superior courts are members of the Association of Superior Court Judges. Also by statute, the annual meeting of the association is to be held in July or August. The association would like to be able to determine when to hold its annual meeting. In 1994, the Legislature amended a similar provision relating to the District Court judges to allow them to set the time for their annual meeting.

**Summary:** The Superior Court Judges Association is given authority to set the time for its annual meeting.

### Votes on Final Passage:

House	96	0
Senate	46	0

**Effective:** June 6, 1996

## HB 2341

C 291 L 96

Relating to the use of credit cards in state liquor stores.

By Representatives Cooke, Appelwick and L. Thomas.

House Committee on Commerce & Labor  
House Committee on Appropriations  
Senate Committee on Labor, Commerce & Trade  
Senate Committee on Ways & Means

**Background:** The only retail outlet for the purchase of spirituous (hard) liquor in its original sealed container to be consumed off the premises is a state liquor store. Under current law, an individual purchasing beer, wine, or spirituous liquor from a state liquor store must pay cash for the alcohol.

Beer and wine may be purchased from a retail liquor licensee using a credit card. Beer, wine, and spirituous liquor may be purchased by credit card when consumed by the drink on the premises of a retail establishment.

**Summary:** The Liquor Control Board is authorized to establish a pilot project that allows individuals to use credit and debit cards to purchase beer, wine, or spirituous (hard) liquor from state liquor stores. The project may include up to 20 stores. The board must complete an 18-month study of the pilot project and report the results to the Legislature by January 1, 1998. The board's project expenses are considered administrative expenses and are appropriated from the Liquor Revolving Fund.

### Votes on Final Passage:

House	55	42	
Senate	36	12	(Senate amended)
House	59	38	(House concurred)
House	54	43	(House reconsidered)

**Effective:** June 6, 1996

## ESHB 2343

PARTIAL VETO

C 165 L 96

Funding transportation.

By House Committee on Transportation (originally sponsored by Representatives K. Schmidt, R. Fisher, D. Schmidt and Thompson; by request of Office of Financial Management).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** Appropriation authority is required for the expenditure of state funds. State government operates on the basis of a fiscal biennium that begins on July 1 of each odd-numbered year. A biennial transportation budget was enacted in the 1995 session to fund transportation agencies and programs from July 1, 1995 to June 30, 1997.

The Governor signed into law the 1995-97 transportation budget totaling just under \$3.117 billion of appropriations from over 30 different funds and accounts.

Two-thirds of the moneys appropriated in the transportation budget are for capital programs, and one-third is for operating programs of the transportation agencies.

The motor vehicle fund is the primary funding source of transportation programs, providing for 45 percent, or \$1.4 billion, of transportation appropriations in the 1995-97 transportation budget.

The Legislature provided fiscal year 1996 only funding for several transportation agencies' programs.

**Summary:** Appropriation authority of the transportation agencies is increased by \$171.2 million for the remainder of the 1995-97 biennium. \$171.2 million is appropriated to eight state agencies: the Department of Transportation (\$87.7 million), the Transportation Improvement Board (\$39.1 million), the County Road Administration Board (\$20.0 million), the Department of Licensing (\$15.6 million), the State Patrol (\$8.3 million), the Legislative

Transportation Committee (\$250,000), the Legislative Evaluation and Accountability Program (\$205,000), and the Transportation Commission (\$87,000).

**Partial Veto Summary:** The Governor vetoed six different items within the budget: 1) the prohibition of the Regional Transit Authority to compete for grants from the Central Puget Sound Transportation Account in fiscal year 97; 2) the prohibition for using an \$800,000 increase in the Public Transportation Systems Account (PTSA) for grants to pay for studies or planning activities by local transit agencies; 3) a study by the Washington State Patrol to develop recommended policies for allowing private entities to access a person's driver license status; 4) a demonstration project between Department of Transportation and the Grant County Noxious Weed Board to examine weed control methods on state road rights of way; 5) the proviso requiring prior notification before the \$2,000,000 reserved for passenger rail service activities could be spent; and 6) the proviso requiring prior notification before the \$2,000,000 reserved for snow and ice removal could be spent.

**Votes on Final Passage:**

House	73	23	
Senate	48	1	(Senate amended)
House	69	21	(House concurred)

**Effective:** March 28, 1996

**VETO MESSAGE ON HB 2343-S**

March 28, 1996

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 202(5); 202(6); 206(2); 215(6); 502(lines 9-16); and 505(lines 3-9), Engrossed Substitute House Bill No. 2343 entitled:

“AN ACT Relating to transportation funding and appropriations;”

This 1996 Transportation Supplemental Budget is similar to the one that I proposed in that it provides funding for several important initiatives in economic development, safety, and mobility. At the same time, however, this budget also assumes an unfortunate shift in policy regarding fund sources. While this funding is necessary to maintain a number of important transportation programs, I cannot approve it without expressing reservations about certain provisions.

My first concern is that this budget continues to move funding away from multimodal transportation solutions and focuses mainly on highway construction. This, I believe, is a short-sighted approach that will only add to problems of traffic congestion in the future. Our local transit agencies are a vital link in any successful long-term solution to mobility and congestion. Yet, the legislature used fund balances from two local transit grant accounts to construct highway projects. Unfortunately, without these transit account appropriations, several high capacity improvement projects will not be constructed as planned. It is important that use of these local transit accounts be considered a one-time shift and not a long-term policy change. It is essential that revenue sources for transit not be eroded further.

I am also concerned that this budget starts several new highway projects even though there are no specific future revenues to finish the work in the next biennium. Using other funds to complete the work could jeopardize the existing programming and prioritiza-

tion process which provides a coordinated approach to long-term system planning.

Finally, I disagree with the legislature's designation of one-third of the federal enhancement grant money for projects outside the citizen project selection process. This competitive process has proved to be a successful tool in funding alternative modes of transportation. While I strongly support the trail development project and the stormwater grants designated by the legislature, I must state my objection to the fund source selected for these projects.

Despite its shortcomings, this budget contains funding critical to the continuation of important agency operations in the second year of the biennium and provides assistance to state and local agencies to repair damage from the February floods. These projects must go forward despite my disagreement with the funding sources used and the policy shift away from multimodal solutions.

In order to protect specific local transit funding sources and clarify legislative direction, I am vetoing six provisos in this budget. My reasons for these vetoes are as follows:

**Section 202(5), lines 31-34, page 3, Regional Transit Authority (Transportation Improvement Board)**

This proviso prohibits the Regional Transit Authority (RTA) from receiving any grants in Fiscal Year 1997 from the Central Puget Sound Public Transportation Account established specifically to provide support for regional transit projects. I am vetoing this proviso because it is overly restrictive. The RTA needs the flexibility to apply for these grant funds should this organization be successful in receiving approval for its multimodal regional transportation plan at the ballot this fall. The RTA should not be singled out as the only regional transit authority prohibited from applying for funds that it may otherwise be qualified to receive.

**Section 202(6), lines 35-38, page 3, Transit Planning Funds (Transportation Improvement Board)**

This proviso specifies that an \$800,000 increase in appropriations for the Public Transportation System Account (PTSA) cannot be used for grants to pay for studies or planning activities by local transit agencies. I am vetoing this proviso because it is overly restrictive and inconsistent with the current policies regarding the use of PTSA funds. Local transit agencies need the flexibility to apply for these grant funds within consistent guidelines set by the project selection committee. Without access to these funds for planning, transit agencies would lose an important source of funding needed to complete system planning efforts in a timely and efficient manner.

**Section 206(2), lines 4-9, page 8, Driver's License Information (Washington State Patrol)**

This proviso language is unclear and could be interpreted to require access to driver's license data by the private sector in addition to requiring the Washington State Patrol (WSP) to conduct a study regarding such access. I have concerns about the issue of privacy and other matters regarding the use of driver's license data that need to be addressed prior to implementation. For this reason, I am vetoing this proviso, but I will direct the WSP and the Department of Licensing to conduct a study regarding the feasibility and privacy implications of providing driver's license data to private entities. I expect this study to be reported to the Office of Financial Management and the Legislative Transportation Committee no later than September 1, 1996.

**Section 215(6), lines 36-38, page 20, Grant County Noxious Weed Demonstration Project (Department of Transportation-Highway Maintenance—Program M)**

This proviso directs the Department of Transportation to participate with the Grant County Noxious Weed Board in a demonstration project to examine weed control methods on state road rights of way. I am not opposed to a demonstration project of this type. However, I am vetoing this proviso because cooperative development of such a pilot project has not yet occurred among all the affected parties. Also, there is confusion regarding how this pilot project is to be undertaken within the parameters of current civil service law.

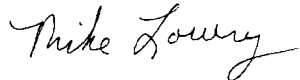
Section 502, lines 9-16, page 47, and section 505, lines 3-9, page 49, Appropriations in Unallotted Reserve (Department of Transportation—Program M)

Section 502 appropriates \$2,000,000 in savings from the passenger rail program and section 505 appropriates \$2,000,000 in the highway maintenance program to provide contingency funds for snow and ice removal. Both sections include provisos requiring that the appropriations be placed in reserve. They also state that the Department of Transportation is not allowed to spend the funds until approval is given from the Legislative Transportation Committee. I am vetoing these provisos because they are not in accordance with established allotment practices. I will direct the Department of Transportation to place these two appropriations in reserve status and if and when expenditure is necessary, seek a recommendation from the Legislative Transportation Committee before bringing the request to the Office of Financial Management for approval of an allotment revision.

For these reasons, I am vetoing sections 202(5); 202(6); 206(2); 215(6); 502 (lines 9-16); and 505 (lines 3-9), Engrossed Substitute House Bill No. 2343.

With the exception of sections 202(5); 202(6); 206(2); 215(6); 502 (lines 9-16); and 505 (lines 3-9), Engrossed Substitute House Bill No. 2343 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**SHB 2358**

C 122 L 96

Increasing penalty assessments to support crime victim and witness programs.

By House Committee on Law & Justice (originally sponsored by Representatives Costa, Ballasiotes, Chopp, Conway, Scott, Linville, Radcliff, Chappell, Dickerson, Hatfield, Quall, Murray, Cooke, Patterson, Cody, Keiser, Veloria and Kessler).

House Committee on Law & Justice  
Senate Committee on Law & Justice  
Senate Committee on Ways & Means

**Background:** The crime victims compensation law requires superior courts to impose a penalty assessment upon persons convicted of crimes, other than some motor vehicle crimes. The penalty assessment is \$100 for persons convicted of felonies or gross misdemeanors and \$75 for persons convicted of misdemeanors. This penalty is imposed in addition to any other penalty or fine imposed by law and is applicable in juvenile offense dispositions.

Thirty-two percent of this penalty assessment is paid to the State Treasurer. The county treasurer must pay at least 1.75 percent of the remaining 68 percent into a local fund maintained exclusively for the support of comprehensive programs to encourage testimony by the victims of crimes and witnesses to crimes.

The state Crime Victims Compensation Program is operated by the Department of Labor and Industries and

provides financial, medical, and mental health benefits to crime victims who suffer bodily injury or death as a result of a crime. The program is funded from a variety of penalties and fees imposed on defendants by municipal, district, and superior courts in both civil and criminal proceedings. In addition, a person convicted of a crime may be required to reimburse the department for any benefits paid to the victim of the crime.

Several conditions are placed on the ability to receive benefits from the Crime Victims Compensation Program. The crime must be reported to law enforcement within one year of its occurrence or within one year from the time a report could reasonably have been made. In addition, the application for crime victims benefits must be made within one year after the crime was reported to law enforcement or the rights of beneficiaries or dependents accrued.

An application for crime victims benefits is denied if the injury for which benefits are being sought was the result of consent, provocation, or incitement by the victim.

The family members of a victim of a crime are entitled to certain benefits, including burial benefits, if the crime results in the death of the victim. The amount of burial benefits may not exceed the amount the Department of Social and Health Services pays for the funeral and burial of a deceased indigent person (approximately \$1,100).

**Summary:** The Legislature finds that funding for county crime victim and witness programs is inadequate and that the state Crime Victims Compensation Program should be enhanced to provide increased benefits to families of victims who are killed as a result of crime. The Legislature intends to increase and enhance these programs by requiring offenders to pay increased penalties.

The penalty assessment imposed by superior courts on persons convicted of a crime is increased to \$500 for felony or gross misdemeanor convictions and \$250 for misdemeanor convictions.

Juvenile offenders must be assessed a penalty of \$100 for any adjudication for a felony or gross misdemeanor and \$75 for any adjudication for a misdemeanor. The judge's authority to modify this penalty assessment is removed.

Thirty-two percent of the penalty assessment is paid to the State Treasurer. Fifty percent of the remaining 68 percent of the assessment is paid to a local fund maintained exclusively for the support of comprehensive programs to encourage testimony by the victims of crimes and witnesses to crimes.

The Office of Crime Victims Advocacy must report to the Legislature in 1999, 2002, and 2005 regarding the collection and use of penalty assessments to provide assistance to victims and witnesses to crimes.

Eligibility for the state Crime Victims Compensation Program benefits is expanded. The time limit for applying for benefits is increased from one year to two years after the date the criminal act was reported to law enforcement. If good cause is shown, the time limit may be extended to five years.

If a victim is killed as a result of a crime, the Department of Labor and Industries may no longer deny benefits to the spouse, child, or dependent of the victim on the basis that the victim's consent, provocation, or incitement was the cause of the injury.

The maximum amount that may be paid by the crime victims compensation fund for burial expenses is increased to the amount paid by the Department of Labor and Industries for a deceased worker under the Industrial Insurance Act (approximately \$4,340).

**Votes on Final Passage:**

House	96	0	
Senate	46	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**HB 2365**

C 292 L 96

Revising provisions for bridge and service districts.

By Representatives Casada and Pelesky.

House Committee on Transportation  
Senate Committee on Government Operations

**Background:** The legislative authority of a county is allowed to establish one or more service districts within the county for the purpose of providing and funding capital and maintenance costs for any bridge or road improvement. Costs for the improvements may be funded by special assessments on all property benefiting from the improvement, as well as an additional property tax levied on all properties within the service district. The county legislative authority is the governing body of the service district.

The bond counsel for Pierce County has stated that it could not recommend the sale of bonds due to possible conflicts with Article 7 of the Washington State Constitution. In the opinion of the bond counsel, the additional property taxes violate the equal taxation rule because the county legislative authority governs properties inside the service district as well as those outside the service district, making it unclear whether the service district is an independent municipal entity.

**Summary:** The governing body of a road and bridge service district is changed to a three-person board of commissioners appointed by the county legislative authority or county executive. The commissioners of the road and bridge service district must reside within the boundaries of the service district. The commissioners first appointed will serve terms of one, two, and three years, respectively, from the date of their appointment. Thereafter, service district commissioners shall be appointed for a

term of office of five years. A referendum can be filed to call an election to retain any and all commissioners.

**Votes on Final Passage:**

House	96	0	
Senate	49	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** June 6, 1996

**SHB 2371**

C 293 L 96

Suspending the professional licenses for failure to repay student loans.

By House Committee on Higher Education (originally sponsored by Representatives Blanton, Elliot, Mastin, Goldsmith, Pelesky, Carlson, Cairnes, Hymes, Hankins, Benton, Tokuda, Mason, Scott, McMahan, Quall, Dickerson, Mitchell, Jacobsen, D. Schmidt, Cooke, Hargrove, Conway, Sheldon, Costa, McMorris, Mulliken and Silver).

House Committee on Higher Education  
Senate Committee on Higher Education

**Background:** The Health Education Assistance Loan (HEAL) program encourages educational loans to students in health professions. The secretary of the federal Department of Health and Human Services insures each lender for the loss of principal and interest in the event of default. Recently, administrators of the HEAL program began publicizing in the federal register the names of defaulters. The default rate of the HEAL program is approximately 4 percent.

The Stafford loan is another example of a federal guaranteed student loan. Graduate, as well as undergraduate, students who attend public institutions, private institutions, and vocational and technical colleges are recipients of the Stafford loan. In Washington State, the default rate varies from 35 percent to 1.3 percent.

In 1994, an American Council on Education (ACE) study found that borrowing under federal loan programs for graduate and professional students at 347 institutions rose 47 percent between 1992 and 1994, increasing from an average \$1.6 million to \$2.4 million.

Several states have adopted statutes revoking the licenses of professionals who are in default on federal or state guaranteed student loans. Oregon provides for the suspension of a license, certification, or registration if an individual is in default on a student loan guaranteed or insured by the State Scholarship Commission. The California Health Code provides for the licensing board to take appropriate disciplinary action if it determines that a medical professional failed to provide service as provided in a federal loan insurance program.

In Florida, health professionals who fail to pay loans are ineligible for professional licenses or renewal of

## SHB 2376

licenses. Similarly, Texas statutes provide that a licensing agency will not renew or issue a license to a person who is in default. Illinois statutes contain provisions for a state agency to revoke, suspend, refuse to renew, or place on probationary status, or take other disciplinary action against nurses who default on educational loans. In Utah, North Dakota, Nevada, Maryland, and New York, it is unprofessional conduct for a physician to fail to repay a loan.

**Summary:** Licensing agencies must suspend the Washington State professional license, certificate, or registration of a licensee when notified by a lending agency of default on a federal or state guaranteed educational loan or a service conditional scholarship. The suspension will occur after the agency provides the licensee with an opportunity for a brief adjudicative hearing. The licensee, certificate holder, or registrant is reinstated when the agency receives notice that payments have resumed. The following is a partial list of the professionals subject to license suspension: architects, auctioneers, cosmetologists, barbers, manicurists, nurses, landscape architects, plumbers, athlete agents, bail bond agents, teachers, accountants, attorneys, psychologists, pharmacists, opticians, naturopaths, midwives, oculists, massage operators, acupuncturists, chiropractors, osteopaths, dentists, physical therapists, counselors, physicians, optometrists, and podiatrists.

### Votes on Final Passage:

House	95	0	
Senate	47	0	(Senate amended)
House	89	0	(House concurred)

**Effective:** June 6, 1996

## SHB 2376

C 294 L 96

Recovering gasoline vapors.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Chandler, Koster, Johnson, Boldt, McMorris, Thompson and Mulliken).

House Committee on Agriculture & Ecology  
Senate Committee on Ecology & Parks

**Background:** Gasoline vapors are one source of volatile organic compounds (VOCs). Gasoline vapor recovery devices used at service stations help to reduce VOC emissions. Ground level ozone is formed when VOCs combine with oxides of nitrogen in the presence of sunshine. The federal standard for ozone is .12 parts per million. An area becomes a non-attainment area if the standard is exceeded a total of four or more times during any three consecutive years. Washington has two areas in "marginal" non-attainment for ozone, Puget Sound and the Vancouver area. Air movements can cause gasoline vapors and other VOCs generated in a county that meets the

federal ozone standard to contribute to ozone problems in non-attainment areas.

Federal law does not mandate installation of gasoline vapor recovery (stage II) devices at gasoline service stations in marginal non-attainment areas. Federal law does require that these areas develop and implement plans that will ensure that the ozone threshold will not be exceeded. Rules adopted by the Department of Ecology require stage II devices in service stations that sell more than a specified volume of gas in a year. This rule applies to counties in western Washington only. The volume threshold is lower in ozone non-attainment areas than in attainment areas. The requirement to install the stage II devices is phased over a four-year period, from 1994 to 1998. Under the department's rules, about 40 percent of services stations in western Washington will be required to install stage II devices.

**Summary:** The general conditions under which stage II devices can be required by the Department of Ecology are established. For areas designated as non-attainment for ozone, no changes are made to the department's rules. The department's authority to require stage II devices in counties that meet federal ozone standards is limited to eight specified counties in western Washington. In these counties, stage II devices may be required only in service stations that sell more than 1.2 million gallons per year. After December 31, 1998, the department may require stage II devices in an ozone attainment area only if (1) the facility sells more than 840,000 gallons of gas per year; and (2) the department determines, by December 31, 1997, that stage II devices are necessary in the attainment county in order to achieve federal ozone standards in non-attainment counties or counties previously designated as non-attainment for ozone.

The department's authority to require stage II devices for specific sources of VOCs is not affected.

### Votes on Final Passage:

House	83	12	
Senate	44	2	(Senate amended)
House	91	3	(House concurred)

**Effective:** March 30, 1996

## SHB 2386

C 206 L 96

Requiring the text of applicable state or federal law or rule be provided as part of agency technical assistance.

By House Committee on Government Operations (originally sponsored by Representatives D. Schmidt, Dyer, Thompson, Radcliff, Hargrove, Sheahan, Chappell, Cairnes, Cooke, Crouse, Scheuerman, Campbell, Honeyford, Buck, Huff, Elliot, Clements, Foreman, Quall, Backlund, Hymes, Costa, Mulliken and McMahan).

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** The technical assistance portion of the 1995 regulatory reform law requires state agencies to adopt policies encouraging voluntary compliance by individuals and businesses subject to regulation.

All counties and cities are authorized to adopt comprehensive plans and zoning ordinances. Some counties and cities plan under the Growth Management Act, which includes a number of requirements, such as the designation of critical areas.

**Summary:** During or shortly after a technical assistance visit, consultation, or other site inspection or visit to a facility, various state agencies are required to provide the business with a copy of the text of a specific section or subsection of a state or federal law or rule with which the business is found not to be in compliance.

A statement describing the subject of each interpretive or policy statement issued by a state agency, and the name of a person at the agency from whom a copy of the interpretive or policy statement may be obtained, shall be published in the Washington State Register.

The owner of a parcel of property that contains either his or her single-family dwelling, or is five acres or less in size, may make a written request that the county or city give the property owner a written statement of zoning restrictions and critical area designations applicable to the property. The county or city must provide this written statement of restrictions within 30 days, or attorneys' fees and costs must be paid if the property owner obtains a writ of mandamus requiring the county or city to provide the statement of restrictions.

Each city or county of 10,000 or more in population that plans under the Growth Management Act shall designate "permit assistance" staff. The municipal research council and the Department of Community, Trade and Economic Development shall assist the local permit assistance staff by compiling and producing handouts.

**Votes on Final Passage:**

House	95	0	
Senate	44	0	(Senate amended)
House			(House refused to concur)
Senate	49	0	(Senate amended)
House	96	2	(House concurred)

**Effective:** June 6, 1996  
January 1, 1997 (Sections 6-8)

**SHB 2388**

C 43 L 96

Providing for satisfaction of unrecorded utility liens at the time of sale of real property.

By House Committee on Energy & Utilities (originally sponsored by Representatives Crouse, Casada, Kessler,

Mastin, Hankins, Poulsen, Patterson, Mitchell and Chandler).

House Committee on Energy & Utilities  
Senate Committee on Energy, Telecommunications & Utilities

**Background:** Utilities operated by municipalities and other political subdivisions of the state are authorized to place liens for charges due but not paid against the premises to which utility services are provided. Different utilities have different lien provisions. The differences involve the method of enforcing the lien, the length of time for which unpaid charges may be subject to a lien, the priority status of the lien, and how the lien is perfected. Examples of these liens are those for county sewer, water, and storm water services, and municipal garbage, water, sewer, and electric light or power services.

There currently is no routine mechanism by which purchasers of property are alerted to the existence of these unrecorded liens.

**Summary:** The bill creates a mechanism by which unrecorded utility liens are identified and satisfied at the time real property is sold.

**Seller.** Unless the purchaser and seller otherwise agree in writing, the seller is responsible at closing for satisfying unrecorded utility liens. Unless a purchaser and seller waive the services of a closing agent, the seller must notify the closing agent, in writing, of the names and addresses of utilities operated by political subdivisions of the state providing service to the property.

**Closing agent.** Unless the seller and purchaser have waived the services of a closing agent, a closing agent must submit a written request for a final billing to each utility so identified by the seller. Otherwise, a seller or purchaser may request the information. No closing agent may refuse a written request from a seller or purchaser to disburse closing funds necessary to satisfy unpaid charges, unless the refusal is based on (1) the seller's inaccurate or incomplete identification of utilities providing service to the property; (2) a utility's failure to provide an estimated or actual final billing (or written extension of the per diem rate); or (3) insufficient closing funds. A closing agent, or a real estate agent who is not the seller, is not liable for inaccurate or incomplete information provided by the seller.

A closing agent must inform the seller and purchaser of all applicable estimated and actual final billings furnished by utilities, and is not liable for inaccurate or incomplete information provided by utilities.

A closing agent may charge a fee for performing the services required by the bill.

**Utilities.** After receiving a written request for a final billing on property to be sold, a utility must provide a written estimated or actual final billing, unless the information provided by the requesting party is insufficient to

identify the account. In that case, the utility must notify the requesting party that the information is insufficient.

The final billing must include all outstanding charges and, in addition to the estimated or actual final amount owing as of the closing date, must state the average per diem rate, including taxes and other charges, that shall apply for up to 30 days beyond the stated closing date if closing is delayed. "Charges" is defined as all lawful charges assessed by utilities operated by political subdivisions of the state, that are not evidenced by a recorded document or special assessment roll filed with the city or county treasurer or assessor, and are not billed and collected with the property taxes. "Charges" also includes penalties and interest, and reasonable attorneys' fees and other costs of foreclosure, if the utility has commenced foreclosure proceedings.

Delayed closings. If closing is delayed beyond 30 days, a new estimated or actual final billing must be requested in writing. Instead of furnishing a revised final billing, a utility may extend the number of days for which the per diem charge applies.

Time frame. A utility must provide a written estimated, actual, or revised final billing, or extension of the per diem rate, or a statement that the information in the request is insufficient to identify the account, to the requesting party within seven business days of receipt of the request, if the request was mailed to the utility, or within three business days if the request was sent to the utility by facsimile or delivered to the utility by messenger.

A utility may respond to the requesting party by facsimile.

Failure to respond. If a utility fails to provide the required information within the required time frame, the utility will lose its unrecorded lien, and the utility may not recover the charges from the purchaser of the property. If a utility provides the information as required, or if a utility does not receive a written request for a final billing, the utility will not lose its unrecorded lien and may collect, from the purchaser, unpaid utility charges incurred prior to closing to the extent those charges do not exceed an estimated final billing.

Discrepancies between estimated and actual final billings. A utility may not collect from a purchaser unpaid utility charges in excess of an estimated final billing. However, a utility can collect charges in excess of a estimated final billing from the seller or other person who incurred the charges.

If an estimated final billing exceeds the actual final billing, unless otherwise directed in writing by the seller and purchaser, a utility must refund any overcharge to the seller within 14 business days of the date the utility received payment for the final billing. However, a utility that uses a county treasurer as the treasurer of the utility has 30 business days in which to refund the overcharge.

**Votes on Final Passage:**

House	96	0
Senate	46	0

**Effective:** January 1, 1997

**HB 2389**

C 44 L 96

Providing a classification for unclassified felonies.

By Representatives Ballasiotes, Quall, Morris, Dellwo, D. Sommers, Costa and Thompson; by request of Sentencing Guidelines Commission.

House Committee on Corrections  
Senate Committee on Law & Justice

**Background:** Criminal Statutes in Title 9A. Washington statutes define many different crimes. Many of these definitions are grouped in Title 9A of the Revised Code of Washington. Each felony crime defined in Title 9A is specifically classified as a Class A felony, a Class B felony, or a Class C felony.

Criminal Statutes Outside Title 9A. Washington's statutes also define many felonies outside of Title 9A. Although these statutes identify the particular crime as being a felony, often they do not expressly classify the felony into Class A, B, or C, and instead set a maximum length of confinement. For example, an offense might be described as being a felony punishable by not more than 10 years of confinement.

Until last year, the unclassified offenses outside Title 9A generally were classified under a statute that assigned a classification according to the length of the maximum sentence. Last year, a case from the Washington Court of Appeals held that this statute applied only under narrow circumstances. Accordingly, the classification of felonies outside Title 9A is not clear.

Effect of Classification of Felonies. Classification as a Class A, B, or C felony has the following effects, both for the offenses defined in Title 9A and those defined elsewhere:

- whether an offense is a "strike" under the "Three Strikes and You're Out" law;
- whether an offense meets the statutory definition of a "violent" offense;
- the length of time before an offense "washes out" of an offender's criminal history; and
- the length of time before an offender can get the conviction vacated.

Classification does not directly determine the length of a felon's sentence under the Sentencing Reform Act. Rather, the sentence length under the act is determined in relation to an offender's standard sentencing range, which is calculated based on factors that are not dependent on the classification of the felony at issue.



**Summary:** Felonies defined in statutes outside Title 9A are to be classified as Class A, B, or C according to the maximum punishment each statute assigns to the felony:

- Class A if the maximum confinement is at least 20 years for the first conviction;
- Class B if the maximum confinement is at least eight but less than 20 years for the first conviction; and
- Class C if the maximum confinement is less than eight years for the first conviction.

Any felonies defined in statutes outside Title 9A that do not contain specific maximum punishments are to be classified as Class B felonies.

Offenses where the maximum confinement varies according to the number of convictions the offender has received are classified only according to the maximum length of confinement existing for the first conviction.

**Votes on Final Passage:**

House	96	0
Senate	49	0

**Effective:** June 6, 1996

**HB 2392**

C 9 L 96

Adopting recommended prosecuting standards for juvenile charging and plea dispositions.

By House Committee on Corrections (originally sponsored by Representatives Tokuda, Ballasiotes, Chopp, Mason, Wolfe, Radcliff, Poulsen, Schoesler, Veloria, Cooke, Murray, Blanton and Costa).

House Committee on Corrections  
Senate Committee on Law & Justice

**Background:** Prosecutorial Guidelines for Adults. Washington statutes contain non-binding guidelines for prosecutors to follow when prosecuting adult criminal cases. These statutes set out standards regarding (1) prosecutorial decisions to prosecute a case, (2) prosecutorial decisions not to prosecute a case, (3) the proper selection of charges or degree of charges, (4) police investigations, (5) plea dispositions, and (6) sentence recommendations.

Prosecution of Juvenile Cases. Prosecutors must develop their own non-binding filing standards for juvenile cases, and no single uniform set of guidelines exists in statute.

**Summary:** Prosecutorial Guidelines for Juvenile Cases. The same non-binding prosecutorial guidelines existing for adult criminal cases are placed in statute for juvenile offenses. Minor changes are made in the guidelines to reflect the different terminology used in the juvenile justice system. Language is added that prosecutorial decision-making must not be influenced by considerations of race, gender, religion, or creed.

**Pilot Project.** A pilot project in two counties is created to track the application of the new guidelines and to monitor the uniformity of prosecutorial decision-making. These counties are to collect data on juvenile criminal prosecutions, including recording the reasons for charging decisions cross-tabulated with offender characteristics such as race, age, and type of crime. Findings from the project are to be reported to the Legislature by December 12, 1996.

**Votes on Final Passage:**

House	96	0
Senate	48	0

**Effective:** June 6, 1996

**SHB 2394**

FULL VETO

Revising master planned resorts.

By House Committee on Government Operations (originally sponsored by Representatives Reams, Buck, Sheldon, Honeyford, Delvin, Thompson and McMahan).

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** Enactment of the Growth Management Act (GMA) in 1990 and 1991 established a partnership between the state and local governments to manage growth in a comprehensive manner. Various planning requirements and goals to guide county and city actions are established by statute in the GMA. Each county planning under all GMA requirements must designate urban growth areas within which urban growth shall be encouraged and outside of which growth may occur only if it is non-urban in nature. As part of its urban growth area designations, a county may authorize new fully contained communities to be located outside of what the county designates as urban growth areas.

Under certain circumstances, counties planning under the GMA may permit master planned resorts, which may constitute growth outside of urban growth areas. A master planned resort is defined as a self-contained and fully integrated planned unit development in a setting of significant natural amenities, with primary focus on destination resort facilities. Such facilities are to consist of short-term visitor accommodations associated with a range of developed on-site indoor or outdoor recreational facilities. A master planned resort may include other residential uses within its boundaries but only if the residential uses are integrated into and support the on-site recreational nature of the resort.

**Summary:** The definition of a master planned resort is broadened under the Growth Management Act so that a master planned resort must merely include destination

resort facilities rather than the destination resort being its primary focus.

**Votes on Final Passage:**

House	96	0
Senate	46	1

**VETO MESSAGE ON HB 2394-S**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute House Bill No. 2394 entitled:

“AN ACT Relating to master planned resorts;”

Substitute House Bill No. 2394 would relax the development restrictions that apply to master planned resorts located outside of designated urban growth areas. Counties planning under the Growth Management Act must designate urban growth areas within which urban growth shall be encouraged and outside of which growth may occur only if it is rural in nature. Urban growth areas are required to accommodate the projected growth in the county for the coming twenty years.

The only exceptions to this requirement are for master planned resorts, fully contained communities, and major industrial development. In order to permit development under these provisions, counties must adopt local procedures consistent with the state-wide definitions and requirements provided in the act. Allowing the development of master planned resorts, integrated facilities in settings of natural beauty which provide attractions for tourism, is appropriate. By their nature, such developments must be sited outside of urban growth areas.

Substitute House Bill No. 2394 permits the continued development of existing resort developments outside of urban growth areas. Under current law, a master planned resort may include residential uses but must have a primary focus on destination resort facilities. Because resort developments often include second homes and permanent residences within the larger resort and because such development is often necessary to make resorts financially viable, it is reasonable to permit such growth.

If Substitute House Bill No. 2394 had been limited to existing resort developments or if it had achieved the goal of permitting the development of second homes and permanent residences while maintaining the primary focus of development on destination resort facilities for visitors, this legislation would be acceptable. However, as drafted, the provisions of this bill may permit substantial development outside of urban growth areas which are not master planned resorts in the accepted understanding of the term.

The master planned resort statute does not limit development through an extensive list of development requirements, such as those contained in the fully contained community or in major industrial development provisions. Rather, master planned resorts are tightly defined with considerable flexibility provided for counties to develop acceptable requirements. The major elements in the definition are that development must be self-contained and fully integrated, that it must take place in a setting of significant natural amenities, that it must have a primary focus on destination resort facilities for short-term visitors, and that the facilities must be associated with a range of recreation facilities.

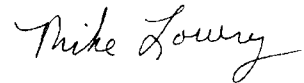
The requirement that such development must have a primary focus on destination resort facilities is the key distinction between a master planned resort and a residential development that happens to have recreation facilities and some facilities for visitors. The legislature did not intend to promote such development; however, as passed, Substitute House Bill No. 2394 would permit housing developments built around recreation facilities, such as golf courses, to qualify as master planned resorts if they included time share condominiums or other visitor facilities.

The limitations on development outside of urban growth areas are important ways of achieving the Growth Management Act goal of limiting sprawl. The act is designed to encourage growth which uses existing infrastructure more efficiently than at present. It also is intended to encourage development to take place in ways that maintain the natural beauty of Washington State.

As long as existing resort developments maintain a balance between short-term visitor facilities, second homes, and permanent residences, they should be able to continue to develop as planned under the provisions of existing law. In the future, if existing law is interpreted so narrowly that reasonable residential development associated with master planned resorts is not permitted, the legislature should return to the issue.

For these reasons, I have vetoed Substitute House Bill No. 2394 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**EHB 2396**

C 207 L 96

Clarifying wildlife violations relating to game birds, game animals, and game fish.

By Representatives Fuhrman, Basich and Mastin; by request of Department of Fish and Wildlife.

House Committee on Natural Resources  
Senate Committee on Natural Resources

**Background:** It is unlawful to hunt, fish, possess, or control a species of game bird, game animal, or game fish during the closed season for that species. It is also unlawful to kill, take, catch, possess, or control a game bird, game animal, or game fish in excess of the bag limit for that species. A violation of this statutory provision, when the violation involves big game, is a gross misdemeanor. Big game is defined by statute and includes whitetail, blacktail, and mule deer. Violations involving species that are not big game (or endangered) are misdemeanors.

The Fish and Wildlife Commission establishes hunting and fishing regulations, which often provide that a season is open for a game animal, game bird, or game fish with certain special restrictions or physical descriptions. Examples are open seasons for antlerless deer, or for buck deer only, or for deer with a minimum number of points on the antlers. When a hunter has violated these types of restrictions, it has been the practice to charge the hunter with unlawful hunting, and, if the species is a big game animal, the penalty has been for a gross misdemeanor.

Recently, a Washington appellate court found that a hunter who violated an antler point restriction was not guilty of a gross misdemeanor. The court ruled that the statute prohibits hunting during a closed season for a species. In this instance, the season was open for mule deer but was limited as to the sex and size of the animal. Only

male deer with a minimum of three antler points could be hunted. The court reasoned that because an animal's sex or antler point count does not define whether it belongs to a certain species, the season was not closed to the species of mule deer, and therefore the hunter was not guilty of a violation of the statute. The court found that the hunter had violated the commission's restrictions, which is a misdemeanor.

**Summary:** Open and closed seasons are defined to clarify the Fish and Wildlife Commission's authority to open or close a season to hunting, fishing, or possessing a game animal, game bird, or game fish that conforms to certain special restrictions or physical descriptions. It is unlawful to hunt, fish, or possess a game animal, game bird, or game fish during the closed season. All reference to species is eliminated. It is also unlawful to exceed the bag limit for game animals, game birds, or game fish. Leg length and bill length may not be considered for Dusky Canada geese for the purposes of determining unlawful hunting, possessing, or bag limit.

The statute is also amended to require a catch record card instead of the previously required punchcard to conduct certain activities.

**Votes on Final Passage:**

House	97	0	
Senate	48	0	(Senate amended)
House	89	0	(House concurred)

**Effective:** June 6, 1996

**ESHB 2406**  
FULL VETO

Regulating interception of communications.

By House Committee on Law & Justice (originally sponsored by Representatives Sterk, Chappell, Delvin, Hickel, Smith and Hymes).

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** The Privacy Act restricts the interception or recording of private communications or conversations. As a general rule, it is unlawful for any person to intercept or record any private communication or conversation without first obtaining the consent of all persons participating. There are some exceptions to this general rule. Wire communications or conversations of an emergency nature that convey threats of extortion, blackmail, or bodily harm, or that occur anonymously, repeatedly, or at an extremely inconvenient hour may be recorded or intercepted with the consent of only one party.

A court may order the interception of a communication without the consent of any of the parties to the communication if the national security or a human life is endangered, or if an arson or riot is about to occur and

there are no other means readily available for obtaining the information.

Under some circumstances, law enforcement personnel may intercept, transmit, or record a private communication or conversation with the consent of only one party if there is probable cause to believe the communication or conversation concerns the unlawful manufacture, delivery, sale, or possession of controlled substances. Evidence obtained in this manner is admissible only in prosecuting some drug offenses and in a few other limited circumstances.

A "pen register" is a device attached to a telephone line that records or decodes electronic impulses that identify the numbers dialed or transmitted from that line. A "trap and trace device" is a device that captures incoming electronic or other impulses that identify the originating number from which a wire or electronic communication was sent.

The Washington Supreme Court has held that use of pen registers without valid legal process violates the state constitution's revisions regarding right of privacy. In addition, the court concluded that pen registers are private communications under the Privacy Act, and therefore may not be used except as specifically authorized by that statute.

**Summary:** The Privacy Act is amended to prohibit the installation and use of a pen register or trap and trace device without prior court authorization except as authorized by the Privacy Act.

A law enforcement officer may apply to the superior court for an order authorizing the installation and use of pen registers and trap and trace devices. The court will authorize the installation and use of a pen register or trap and trace device if the court finds that the information likely to be gained is relevant to an ongoing criminal investigation and will lead to evidence of a crime, or to things by means of which a crime has been committed or reasonably appears about to be committed.

The court order must specify the identity of the person in whose name the line to which the pen register or trap and trace device is to be attached is registered, the identity of the subject of the criminal investigation, the number and physical location of the line to which the device is to be attached, and a statement of the offense to which the information likely to be obtained relates.

The authorizing court order is valid for a period not to exceed 60 days, with a possible 60-day extension based upon a new application and a court finding of appropriate grounds. The existence of the pen register or trap and trace device may not be disclosed by any person except by court order.

If requested by the law enforcement officer and directed by the court, providers of wire or electronic communication services and other appropriate persons must provide a law enforcement officer authorized to install a pen register or trap and trace device with all information, facilities, and technical assistance necessary to complete the installation. Persons providing assistance must be reasonably

compensated for their services and are not liable for any information, facilities, or assistance provided in good faith reliance on a court order authorizing installation.

A pen register or trap and trace device may be installed without court authorization if a law enforcement officer and a prosecuting attorney or deputy prosecuting attorney jointly and reasonably determine that (1) an emergency situation exists involving immediate danger of death or serious bodily injury to any person; (2) the pen register or trap and trace device needs to be installed before an authorizing court order could be obtained; and (3) grounds exist upon which an authorizing court order could be entered. The officer or prosecuting attorney must seek a court order approving the use of the pen register or trap and trace device within 48 hours after its installation. The use must immediately terminate once the information sought is obtained, or when the application for the order is denied, or 48 hours have elapsed since installation, whichever is earlier. An officer who knowingly installs a pen register without authorization and does not seek authorization within 48 hours is guilty of a gross misdemeanor.

**Votes on Final Passage:**

House	90	7	
Senate	36	12	(Senate amended)
House	86	8	(House concurred)

**VETO MESSAGE ON HB 2406-S**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Engrossed Substitute House Bill No. 2406 entitled:

“AN ACT Relating to interception, transmission, recording, or disclosure of communications;”

Engrossed Substitute House Bill No. 2406 amends Washington’s Privacy Act, RCW 9.73, by authorizing law enforcement to use certain devices to intercept and record telephonic communications. Specifically, this legislation would allow law enforcement to use “pen register” and “trap and trace” devices, attached to telephone lines, to identify outgoing and incoming calls.

Although this bill requires a court order before these devices may be installed, such authorization is granted when law enforcement provides merely a “reason to believe” that using these devices will lead to evidence of crime or to a witness in a criminal investigation. This standard for issuing the court order is lower than the “probable cause” standard generally required for an arrest or search warrant. When issued, the court order authorizes the use of the pen register or trap and trace device for 60 days, with a possible 60-day extension. Law enforcement is not required to inform or to obtain the consent of the person whose telephone line is tapped. Therefore, persons calling out on the telephone line do not know that a pen register is recording every number dialed. Similarly, when a trap and trace device is used, all the originating telephone numbers of incoming calls are recorded; although it operates like the caller ID service, neither the person calling nor the person being called have consented to the use of the device.

Citizens’ right to be secure in their private affairs and in their homes is essential to a free society. Washington State is very protective of people’s right to privacy against governmental intrusions. The state constitution and Washington’s Privacy Act

afford greater protections than the federal Constitution and privacy laws particularly in the area of telephone communications.

It might be that citizens have come to expect less and less privacy because of modern advances in surveillance technology. Let us not forget, however, that this legislation involves the relationship between citizens and their government. The boundary between what is acceptable government invasion and what is not is established by the laws we enact and the high standard of our state constitution. I believe this legislation is inconsistent with the historical tradition in this state to fiercely protect citizens’ private affairs against government intrusions.

A very detailed dossier of a person’s lifestyle can be prepared through the use of these devices over a 60 day or longer period. Although these devices do not record conversations, they do create a list of calls made and received. Moreover, they capture any and all electronic impulses. Bank account and other access code numbers will be recorded by a pen register if the caller uses the phone to conduct bank transactions. These are not insignificant trespasses into citizens’ private affairs by their government.

It also troubles me greatly that the use of these devices is not limited to monitoring criminal suspects. Under this legislation, people who are totally innocent of criminal activity are possible subjects of monitoring if the use of these devices on their lines might lead to information relevant to any criminal investigation. I do not believe the citizens of Washington State favor this method of investigation.

Notably, under current law, courts may authorize law enforcement to use these devices under certain emergency circumstances. While law enforcement must be able to effectively utilize all appropriate investigative tools, I believe we must be ever vigilant against pressures to forfeit our privacy rights for the sake of expediency.

For these reasons, I have vetoed Engrossed Substitute House Bill No. 2406 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**HB 2414**

C 143 L 96

Standardizing the recording of documents.

By House Committee on Government Operations (originally sponsored by Representatives D. Schmidt, Chopp and L. Thomas).

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** County auditors and recording officers provide a number of services, including recording instruments and preparing and certifying copies of documents. Current law does not specify formatting requirements for these documents.

**Summary:** A number of formatting and information requirements are established for documents filed with a county auditor or recording officer, including standards for size of paper, margins, titles, and reference numbers.

Standards are also established for cover sheets on such documents.

**Votes on Final Passage:**

House	96	0	
Senate	47	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** January 1, 1997

**SHB 2420**

**PARTIAL VETO**

C 295 L 96

Revising standards for qualification to possess firearms.

By House Committee on Law & Justice (originally sponsored by Representatives McMorris, Sheahan, Thompson, Koster, Buck, Mastin, McMahan, Grant, Schoesler, Crouse, Chandler, Dyer, Smith, Campbell, Goldsmith, Radcliff, Boldt, Mulliken, Beeksma, Robertson, Morris, Fuhrman, L. Thomas, Sterk, D. Schmidt, Johnson, Chappell, Carrell, Hatfield, Sheldon, Sherstad, Stevens, Honeyford, Elliot, Huff, Van Luven, B. Thomas, Pennington, Kessler and Benton).

House Committee on Law & Justice  
Senate Committee on Law & Justice  
Senate Committee on Ways & Means

**Background:** Under the state's firearms law, it is a crime to possess a firearm under certain circumstances. Among those circumstances is a conviction for any one of a number of crimes. The crimes that disqualify a person under state law from possessing a firearm include some, but not all, felonies and several misdemeanors. Federal law, on the other hand, disqualifies a person who is convicted of any felony. No misdemeanor crimes disqualify a person from possession under federal law.

Under state law, felony offenses that disqualify a person include any "serious offense," any felony drug offense, any felony domestic violence or harassment offense, and any other felony offense in which a firearm was used or displayed. ("Serious offenses" include all "crimes of violence" and a variety of other enumerated felonies. The subcategory of "crimes of violence" includes all class A felonies and a variety of other felonies as well.) Unlawful possession of a firearm following a disqualifying felony conviction is a class B felony.

Misdemeanor offenses that disqualify a person include any misdemeanor domestic violence offense or harassment offense, and three or more drunk driving or drunk boating convictions within five years. (Misdemeanor domestic violence or harassment offenses include simple assault, coercion, reckless endangerment in the second degree, malicious mischief in the third degree, trespass, harassment or telephone harassment under certain circumstances, and stalking or violating court orders under certain circum-

stances.) Unlawful possession of a firearm following a disqualifying misdemeanor conviction (or following involuntary commitment for mental health reasons) is a class C felony.

In some cases, after five years in the community without a conviction or current charge for any crime, a person whose right to possess a firearm has been lost because of a criminal conviction may petition a court of record for restoration of the right. However, the person must also have passed the "washout" period under the Sentencing Reform Act before he or she may petition the court. Effectively, this means that a person with a conviction for a class A felony or any sex offense can never seek restoration of the right. Generally, in the case of a class B felony the washout period is 10 years, and in the case of a class C felony it is five years. A person who has been involuntarily committed may seek restoration of rights by demonstrating to a court that he or she is no longer needs treatment or medication and does not present a substantial danger to self or others.

Under the state's so called "case and carry" provision, a person may not carry a firearm in public unless it is in an opaque case or secure wrapper. Various exceptions exist to this requirement.

A person who sells ammunition is defined as a firearms "dealer" and must obtain an ammunition dealer's license. The cost of a license is \$125. However, if the dealer already has a license to sell firearms, the additional ammunition license costs nothing.

Under the federal Brady Handgun Violence Prevention Act, a national instant criminal background check system is to be established. Once the "instacheck" system is in place, states must meet certain requirements regarding the sale of firearms by dealers in order to avoid a five-day waiting period for the purchase of a firearm. The federal Bureau of Alcohol, Tobacco & Firearms has indicated that in order to qualify as a "Brady alternative" state, Washington needs to amend its firearms law. Specifically, the state law needs to make it explicit that

- a felony conviction in another state that disqualifies a person from possession rights under federal law also disqualifies a person from possession rights under Washington law;
- no "emergency" concealed pistol license allows a person to purchase a pistol without a background check and
- with respect to concealed pistol licenses issued before July 1, 1994, a background check is required for a pistol purchase.

**Summary:** Various changes are made with respect to the state's firearms law.

**Brady Law Compliance:** Out-of-state convictions that disqualify a person from possessing a firearm under federal law also disqualify a person under Washington law. An emergency concealed pistol license (CPL) no longer allows a person to purchase a pistol without a background check.

A person who obtained a CPL before July 1, 1994, and did not have a criminal background check done at that time, must get a background check before purchasing a pistol.

**Disqualifying Offenses:** The list of criminal offenses which disqualify a person from possessing a firearm is changed. The list is expanded to include all felony offenses. The list is reduced to exclude some of the current law's misdemeanor offenses. Those misdemeanors that are retained as disqualifiers are assault in the fourth degree, coercion, stalking, reckless endangerment in the second degree, criminal trespass in the first degree, and violation of a protection order or no contact order. These misdemeanor offenses are disqualifiers only if committed by one family or household member against another on or after July 1, 1993.

Possession of a firearm following a conviction for one of the disqualifying misdemeanors (or following involuntary commitment for mental health reasons) remains second-degree unlawful possession, which is a class C felony. A person convicted of one of these offenses may petition a court of record for restoration of rights only after three years in the community without being charged with or convicted of any criminal offense.

**Possession of a CPL:** A person must carry a CPL with him or her at all times during which the person possesses a pistol under circumstances for which a CPL is required. A licensee must also surrender the license upon demand of a law enforcement officer or other person when required by law to do so. Failure of a licensee to comply with these provisions is a civil infraction punishable by a fine of up to \$250.

**Case and Carry:** Exemptions to the "case and carry" requirements are expanded and altered. The current law's exemption for "hunting or trapping under a valid license" is changed to an exemption for "a lawful outdoor recreational activity such as hunting, fishing, camping, hiking, or horseback riding." The exemption applies if it is reasonable to conclude under all attendant circumstances that a person is engaged in a lawful outdoor activity or is traveling to or from a legitimate outdoor recreation area. The requirement that a firearm be "secured" in a gun rack in a vehicle is changed to a requirement that it be "placed" in the rack. A further exemption from the case and carry restriction is created for motor homes, which may be considered a "residence" when parked at a recreational park, campground, or other "temporary residential setting." An exemption from the case and carry requirement is also provided for licensed private security guards and private detectives.

**Involuntary Commitment:** Procedures are changed for the restoration of a person's possession rights following an involuntary commitment for mental health reasons. The requirement that the person petition a court of record is retained, but the statement of what must be alleged in the petition is eliminated. Instead, the Secretary of the Department of Social and Health Services is directed to create by

rule an "approval process." The rule must provide for the restoration of rights upon a showing in a court of competent jurisdiction that the person no longer needs treatment or medication and does not present a substantial danger to self or others.

**Alien Licenses:** Changes are made with respect to the issuance of the licenses that are required of persons who are not U.S. citizens and who wish to possess firearms while in the state. An alien must prove that he or she is in the country lawfully and must undergo a fingerprint check. The fee for an alien license is increased from \$25 to \$55, and investigative charges from the federal government are to be passed on to the alien. The proceeds from the fee are to be distributed as follows: \$15 to the Department of Licensing (DOL); \$25 to the State Patrol; and \$15 to the local agency conducting the background check. The duration of an alien license is increased from four years to five years.

**Ammunition:** The selling of ammunition is deleted from the definition of firearms "dealer." A person who sells firearms will continue to need a dealer's license and a separate license to sell ammunition, but a person who sells ammunition but does not sell firearms will not need a dealer's license or a separate license to sell ammunition.

**Retired Law Enforcement Officers:** An additional eligibility requirement is imposed on retired police officers before they are exempt from needing CPLs. Such a retired officer must not have been convicted of any crime that would make him or her ineligible for a CPL.

**Disposition of Forfeited Firearms:** A restriction is removed on the ability of a local government to dispose of forfeited firearms. Local governments no longer must comply with a requirement that they either auction guns seized under prior law or pay the state for each pistol not so auctioned.

**Government Liability:** Government is given immunity from liability for good faith decisions regarding issuing a dealer's license.

**Delivery of Pistol:** A dealer is prohibited from delivering a pistol to a purchaser without first recording the manufacturer's number.

**Miscellaneous Provisions:** The following changes are also made:

- Fees for the renewal of CPLs are explicitly made "non-refundable."
- A person need no longer surrender any pistol acquired while he or she possessed a CPL for which he or she was ineligible or which had been revoked.
- DOL is required to maintain records of denials of applications for CPLs.
- It is made a misdemeanor to fail to surrender a revoked CPL.
- A dealer must use "the state system" as well as the national instant criminal background check system when doing background checks under the Brady Bill.

- A dealer must retain copies of pistol purchase records for six years.
- An application for purchase of a pistol can be denied if the applicant is ineligible to possess a pistol under federal law.
- Employees of law enforcement agencies are given the same exemption as the agencies themselves from the prohibition against purchasing or possessing machine guns and other generally banned firearms.
- Various additional changes to definitions are made, including the way in which a pistol is defined in terms of measuring barrel length.

**Partial Veto Summary:** The Governor vetoed two sections. One section deals with elimination of requirements for relinquishing ownership of pistols acquired by a person ineligible for a concealed pistol license and with various provisions regarding the revocation of a concealed pistol license. The other vetoed section deals with the possession of machine guns and short barreled shotguns and rifles by employees of law enforcement agencies.

**Votes on Final Passage:**

House	76	21	
Senate	49	0	(Senate amended)
House	73	22	(House concurred)

**Effective:** June 6, 1996

**VETO MESSAGE ON HB 2420-S**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 7 and 12, Substitute House Bill No. 2420 entitled:

“AN ACT Relating to possession of firearms;”

Substitute House Bill No. 2420 makes a number of substantive and technical changes to state law relating to the sale, transfer, and possession of firearms. This legislation is the result of a great deal of hard work by legislators and others concerned with this important issue. I commend their efforts.

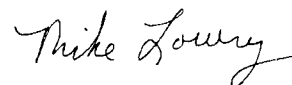
Under current law, if a person is issued a concealed pistol license and it is later determined that the person was ineligible, the person is required to lawfully transfer any pistols purchased during the period he or she possessed the license. These requirements are based on good public policy aimed at reducing firearms' possession by people with a criminal history. Section 7 of this bill removes these requirements. This is a step backward in protecting the public against potentially dangerous people.

Section 12 of Substitute House Bill No. 2420 amends the prohibition against the possession, ownership, sale, purchase, and manufacture of machine guns, short-barreled shotguns, short-barreled rifles, and the parts for these weapons. Current law exempts federal, state, county, or municipal law enforcement agencies from this prohibition. Section 12 expands this exemption to include employees of these agencies. As drafted, this section would allow private individuals to own machine guns in their homes. This is totally unacceptable. Public safety demands stringent control over these dangerous weapons, with few and carefully tailored exceptions.

For these reasons, I have vetoed sections 7 and 12 of Substitute House Bill No. 2420.

With the exception of sections 7 and 12, Substitute House Bill No. 2420 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**SHB 2431**

C 144 L 96

Allowing state pilotage exemptions for certain vessels.

By House Committee on Transportation (originally sponsored by Representative K. Schmidt).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** Federal law permits the states to regulate pilotage on foreign vessels and U.S. vessels operating in foreign trade in the bays, rivers, harbors, and ports of the United States. RCW 88.16, the Washington State Pilotage Act, requires pilotage on Puget Sound and in Grays Harbor.

During the 1995 session, the Legislature passed HB 1310, legislation requested by the Board of Pilotage Commission (BPC). The primary purposes of the bill were to allow the BPC to assess fees for application and renewal of pilotage exemptions, and to increase the maximum civil penalties for violation of the Pilotage Act. Additionally, HB 1310 repealed language allowing pilotage exemptions for “vessels under enrollment.” The repeal of this language was meant to reflect changes made by the federal Vessel Documentation Act, upon which the state statute is based.

Until Congress changed the federal statute in 1982, a vessel documented under United States law was issued one of three types of documents: a certificate of registry, a certificate of enrollment, or a license. Registry was required for engaging in foreign trade. Vessels in the coastwise (i.e., domestic) trade or the fisheries had to be either enrolled and/or licensed, depending on their tonnage.

In lieu of the three aforementioned vessel documents, the federal Vessel Documentation Act provides for a single certificate of documentation which may cover any or all of five categories of use: registry, coastwise, fisheries, Great Lakes, and pleasure. Although the term “registry” was preserved in the new act, the term “enrollment” was replaced by the coastwise and fisheries endorsements.

After the enrollment language was removed from the Pilotage Act by HB 1310, concerns were raised by some segments of the maritime community. The key concern was that vessels historically “under enrollment” (i.e., those in the coastwise trade and fisheries) would now be subject to pilotage by virtue of repealing the language. Although the BPC asserted that it did not intend to expand the class of vessels requiring pilotage, some felt that unless statutory

## HB 2440

exemptions were explicitly reserved in statute, there could be implications for vessel insurance coverage. For example, insurance coverage may be denied for failure to secure pilotage when an explicit statutory exemption is not available.

**Summary:** New language is added to replace the "vessels under enrollment" language repealed last session. U.S. vessels on voyages in which they are operating exclusively on their coastwise endorsements or fishery endorsements are exempt from state pilotage.

Additionally, U.S. vessels operating on their recreational (or pleasure) endorsements are exempt from state pilotage.

### Votes on Final Passage:

House	97	0
Senate	49	0

**Effective:** June 6, 1996

## HB 2440

C 145 L 96

Increasing tax deductions available to low-density light and power businesses.

By Representatives Schoesler, Sheldon, Johnson, Brown, Honeyford, Grant, Sheahan, McMorris, Boldt, Quall, Morris, Chappell, Campbell, Hymes, Brumsickle, Mastin, Benton, Foreman, Lisk, Crouse, Smith, Thompson, Mulliken and Kessler.

House Committee on Energy & Utilities  
Senate Committee on Energy, Telecommunications & Utilities

**Background:** Public and privately owned utilities, such as light and power, natural gas, and water distribution companies, pay a gross-receipts public utility tax instead of the business and occupation tax. The tax rate on light and power businesses is 3.873 percent.

Costs of doing business tend to be higher in rural than urban areas, and there are fewer customers to share those costs. Until 1994, light and power companies were not allowed to reduce their taxable gross receipts by the costs of doing business.

In 1994, legislation was passed allowing light and power businesses with fewer than 17 customers per mile of line, and with retail power rates greater than the state average, to deduct from taxable gross receipts a portion of their wholesale power costs. The amount of the deduction is the least of the following three amounts:

(1) (a) 25 percent of wholesale power costs when the utility has fewer than 5.5 customers per mile of line;

(b) 20 percent of wholesale power costs when the utility has more than 5.5 but fewer than 11 customers per mile of line;

(c) 15 percent of wholesale power costs when the utility has more than 11 but fewer than 17 customers per mile of line;

(d) 0 percent of wholesale power costs when the utility has more than 17 customers per mile of line;

(2) Wholesale power costs multiplied by the percentage by which average retail rates exceed the state average; or

(3) \$200,000 per month.

**Summary:** The portion of wholesale power costs a light and power company may deduct from taxable gross receipts is doubled. The amount of the deduction is the least of the following three amounts:

(1) (a) 50 percent of wholesale power costs when the utility has fewer than 5.5 customers per mile of line;

(b) 40 percent of wholesale power costs when the utility has more than 5.5 but fewer than 11 customers per mile of line;

(c) 30 percent of wholesale power costs when the utility has more than 11 but fewer than 17 customers per mile of line;

(d) 0 percent of wholesale power costs when the utility has more than 17 customers per mile of line;

(2) Wholesale power costs multiplied by the percentage by which average retail rates exceed the state average; or

(3) \$400,000 per month.

### Votes on Final Passage:

House	96	0
Senate	46	0

**Effective:** July 1, 1996

## SHB 2444

C 136 L 96

Amending the forest practice act of 1974 regarding federally approved habitat conservation plans.

By House Committee on Natural Resources (originally sponsored by Representatives Brumsickle, Chappell, Buck, Cairnes, Sheldon, Honeyford, McMorris, Morris, Kessler, Delvin, Basich, Fuhrman, Regala, Schoesler, Mastin, Elliot, Johnson, D. Sommers, Boldt, Thompson and McMahan).

House Committee on Natural Resources  
Senate Committee on Natural Resources

**Background:** A habitat conservation plan (HCP) is a long-range planning effort authorized under the federal Endangered Species Act (ESA). Development of an HCP offers an applicant an avenue around the ESA's general prohibition on the "taking" of species listed under the act as endangered or threatened. The idea behind this alternative avenue is that it may be acceptable under the ESA to allow activities that harm an individual member of a listed species as long as a comprehensive long-range management strategy for the property conserves the species as a



## SHB 2446

C 208 L 96

whole. A landowner initiates development of an HCP, chooses the species to include, and negotiates for approval of the plan with the U.S. Fish and Wildlife Service or, in the case of anadromous fish, the National Marine Fisheries Service.

A provision in the state's forest practices rules provides a special break from certain state requirements for lands covered by an approved HCP. The law directs the state Forest Practices Board to establish by rule which forest practices should be included in each of four classes. Class IV has a subset called "Class IV - Special." These are forest practices that have potential for a substantial impact on the environment. Applications for Class IV - Special forest practices require completion of an environmental checklist under the State Environmental Policy Act and may require completion of the more detailed environmental impact statement. One element that can trigger the designation of a forest practice as a Class IV - Special is a forest practice proposed on lands designated as critical wildlife habitat (a state designation) or critical habitat (a federal designation) for a threatened or endangered species. However, the forest practices rules provide that lands upon which forest practices are covered by an approved HCP are not critical wildlife habitats or critical habitats for that species, as long as the species is included in the HCP.

One landowner in the state has an approved HCP.

**Summary:** A new section is added to the forest practices statutes specifically addressing forest practices that are consistent with an approved habitat conservation plan. Such practices are exempt from state forest practices rules and policies adopted primarily for the protection of one or more species covered by the HCP, provided that the proposed forest practices are in compliance with the approved plan.

This new provision applies only to HCPs approved prior to the effective date of this legislation. This new provision is not intended to limit the rule-making authority of the Forest Practices Board.

**Votes on Final Passage:**

House	97	0	
Senate	44	2	(Senate amended)
House	93	0	(House concurred)

**Effective:** March 25, 1996

Creating two additional superior court positions for Chelan and Douglas counties jointly.

By House Committee on Appropriations (originally sponsored by Representative Foreman; by request of Administrator for the Courts).

House Committee on Law & Justice  
House Committee on Appropriations  
Senate Committee on Law & Justice

**Background:** The Legislature sets by statute the number of superior court judges in each county. Periodically, the Office of the Administrator for the Courts (OAC) conducts a weighted caseload study to determine the need for additional judges in the various counties.

Chelan and Douglas counties jointly have three judges. The weighted caseload analysis by the OAC indicates a need, as of 1995, for 4.53 judges in the counties.

Spokane County has 10 judges. The weighted caseload analysis by the OAC indicates a need, as of 1995, for 17.56 judges in the county.

Thurston County has six judges. The weighted caseload analysis by the OAC indicates a need, as of 1995, for 9.25 judges in the county.

Retirement benefits and one-half of the salary of a superior court judge are paid by the state. The other half of the judge's salary and all other costs associated with a judicial position, such as capital and support staff costs, are borne by the county.

In 1992, the Legislature authorized 12 new superior court positions in King County. The county was authorized to phase in the filling of the new positions over time, but not beyond July 1, 1996. As of 1996, King County has filled three of the 12 authorized superior court positions.

**Summary:** The number of superior court judicial positions in Chelan and Douglas counties is increased from three to five. Both additional judicial positions will take effect February 1, 1997.

The number of superior court judicial positions in Spokane County is increased from 10 to 11.

The number of superior court judicial positions in Thurston County is increased from 6 to 8. One of the new Thurston County judicial positions is effective July 1, 1996, and the other Thurston County judicial position is effective July 1, 2000.

The new judicial positions become effective only if the legislative authorities of the counties agree that the counties will pay their share of the cost of the positions without reimbursement from the state.

The July 1, 1996, deadline for filling currently authorized King County superior court positions is removed.

## SHB 2447

### Votes on Final Passage:

House	95	0	
Senate	47	0	(Senate amended)
House	88	0	(House concurred)

**Effective:** June 6, 1996

## SHB 2447

### FULL VETO

Providing business and occupation tax exemptions for auctions and wholesale transactions involving motor vehicles.

By House Committee on Finance (originally sponsored by Representatives Robertson, Cairnes, L. Thomas, Silver, Mulliken and Carrell).

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** Washington's major business tax is the business and occupation (B&O) tax. Although there are several different rates, the principal rates are

Manufacturing, wholesaling, extracting - 0.506 percent

Retailing - 0.471 percent

Services:

Business Services - 2.0 percent

Financial Services - 1.6 percent

Other activities - 1.83 percent

The B&O tax is imposed on the gross receipts of business activities conducted within the state, without any deduction for the costs of doing business. Out-of-state companies that bring goods into Washington and sell these goods in Washington must pay the B&O tax.

**Summary:** Wholesales of motor vehicles at auctions to dealers licensed in Washington or another state are exempt from the business and occupation tax.

### Votes on Final Passage:

House	90	6
Senate	48	1

### VETO MESSAGE ON HB 2447-S

March 30, 1996

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute House Bill No. 2447 entitled:

"AN ACT Relating to business and occupation tax exemptions for wholesale transactions involving motor vehicles at auctions;"

Substitute House Bill No. 2447 creates a new business and occupation tax exemption for proceeds from the sale of automobiles at a wholesale car auction.

Substitute House Bill No. 2447 would benefit only a few taxpayers, primarily large automobile companies that dispose of vehicles at wholesale auctions and the auction houses that sell them. This exemption would neither create nor preserve a significant number of permanent jobs in our state.

Moreover, Substitute House Bill No. 2447 sets a precedent for other businesses to seek similar exemptions to relieve them of business and occupation taxes on the auction of construction equipment or other goods. I cannot approve of this variation in general revenue policy.

For these reasons, I have vetoed Substitute House Bill No. 2447 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

## EHB 2452

C 209 L 96

Revising provisions on control of tuberculosis to include treatment orders.

By Representatives Valle, Backlund, Cody and Dyer.

House Committee on Appropriations  
Senate Committee on Health & Long-Term Care

**Background:** Tuberculosis is one of many diseases having public health impact. It is communicable to others via the air and is spread easily. Washington State has experienced a 48 percent rise in tuberculosis (TB) since 1984.

Cultural and language barriers, HIV/AIDS infection, and the fact that many persons now diagnosed with TB are homeless or highly mobile all hamper case identification and compliance with curative treatment. In addition, recent medical research has identified a multi-drug resistant form of TB (MDR-TB). It occurs when patients fail to complete the six-month to two-year drug therapy usually prescribed for TB. Once MDR-TB develops, it is also transmitted in the air, and is resistant to the drugs commonly used, leaving far fewer effective treatment options. MDR-TB may be fatal in up to 50 percent of cases.

In 1994, the Legislature gave the state Board of Health the authority to adopt rules establishing requirements for (a) reporting confirmed or suspected cases of TB by health care providers within five days and for reporting laboratory test results; (b) due process standards for health officers exercising their authority to detain involuntarily, test, or, to a limited degree, isolate persons with suspected or confirmed TB; and (c) training of personnel to perform TB skin testing and to administer TB medications.

The health officer has the power and duty to protect the public from tuberculosis and to ensure that any person with a diagnosed case of infectious tuberculosis who does not voluntarily submit to examination or treatment or adhere to infection control methods and poses a risk to the public be isolated until proper treatment renders the person uninfected. The health officer, however, does not have the authority to require that persons found to have tuberculosis receive treatment, nor does the health officer have the

authority to isolate or quarantine those who refuse initial treatment.

**Summary:** The time period in which physicians are required to report a newly diagnosed case of tuberculosis is reduced from five days to one day. The responsibilities of all health officers are expanded to include the mandatory treatment of those persons who have tuberculosis. The authority of health officers over individuals with tuberculosis who refuse to obey the order for an initial examination is expanded to include orders for treatment, isolation, or quarantine. Individuals who choose to rely on religious methods of treatment are exempted from mandatory treatment; they may, however, be quarantined.

**Votes on Final Passage:**

House	97	0	
Senate	49	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**HB 2457**

C 146 L 96

Changing how valuation is determined for property taxation of senior citizens and persons retired because of physical disability.

By Representatives Hatfield, Van Luven, Regala and Kessler.

House Committee on Finance  
Senate Committee on Government Operations

**Background:** Some senior citizens and persons retired due to disability are entitled to property tax relief in the form of exemptions and deferrals of taxes on their principal residences. To qualify, a person must be 61 in the year of application or retired from employment because of a physical disability, own his or her principal residence, and have a disposable income of less than \$28,000 a year. Persons meeting these criteria are entitled to partial property tax exemptions and a valuation freeze.

Disposable income is defined as the sum of federally defined adjusted gross income and the following, if not already included: capital gains; deductions for loss; depreciation; pensions and annuities; military pay and benefits; veterans benefits; Social Security and federal railroad retirement benefits; dividends; and interest income. Payments received in the home or in a nursing home for the care of either spouse and payments for prescription drugs are deducted in determining disposable income.

Partial exemptions for senior citizens and persons retired due to disability are provided according to the following table:

- If the income is \$18,001 to \$28,000, all excess levies are exempted.

- If the income level is \$15,001 to \$18,000, all excess levies and regular levies on the greater of \$30,000 or 30 percent valuation (\$50,000 valuation maximum) are exempted.
- If the income level is \$15,000 or less, all excess levies and regular levies on the greater of \$34,000 or 50 percent valuation are exempted.

In addition to the partial exemptions listed above, the valuation of the residence of an eligible senior citizen or disabled person is frozen at the market value of the residence on the later of January 1, 1995, or January 1 of the year the person first qualified for the program.

**Summary:** The property tax valuation for eligible senior citizens and persons retired due to disability is frozen based upon the assessed value, rather than the true and fair value, of the residence. The bill clarifies that the January 1 date for the value freeze means January 1 of the assessment year in which a person qualifies.

**Votes on Final Passage:**

House	96	0
Senate	47	0

**Effective:** March 25, 1996

**HB 2459**

C 116 L 96

Adjusting tire factors for vehicle maximum gross weights.

By House Committee on Transportation (originally sponsored by Representatives Clements, Skinner, Schoesler, Silver and Johnson).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** On January 1, 1997, legislation will take effect that requires any axle carrying more than 10,000 pounds to be equipped with four or more tires. In lieu of four tires, an axle may be equipped with two tires that limit the amount of weight the vehicle tire may support to 500 pounds per inch of width. The nonliftable steering axle on a power unit, a tiller axle on a firefighting apparatus, and a rear booster trailing axle on a ready-mix cement truck are exempt from the 500-pound restriction and may continue to carry the current limit of 600 pounds per inch of tire width. The new restrictions were designed to require vehicle operators who had deliberately removed one tire from a set of duals to replace the tire, thereby relieving the stress on the highway.

The straddle trailer, which is primarily used to transport fruit bins from the field to storage, was overlooked as an exception. The straddle trailer was designed to operate on individually suspended axles containing one tire. When the trailer hauls a fruit that is particularly dense, such as pears, the transporter will be forced to haul fewer bins, or the harvester will be forced to restrict the volume per bin in

## SHB 2463

order to comply with the 500 pounds per inch width. This will place a burden on the harvester's handling and storage of the perishable fruit and will increase the number of trips required to accomplish the harvest.

Both the industry and the Department of Transportation (DOT) have looked at the possibility of retrofitting the trailers with wider tires. Existing trailers cannot accommodate the retrofit without exceeding the legal width limit of 8.5 feet. The agreed upon solution is twofold: (1) existing trailers will be allowed to continue to operate at 600 pounds per inch width of tire; and (2) through a redesign effort agreed upon by the industry, new trailers can operate at 515 pounds per inch width of tire when using 16.5-inch wide tires. The redesign will not affect the carrying capacity of the trailer and will keep the vehicle within the legal width limit.

**Summary:** A straddle trailer used exclusively to transport fruit bins between the field, storage, and processing is subject to the following tire requirements: (1) a trailer manufactured before January 1, 1996, that is equipped with single-tire axles or a single-axle walking beam may continue to operate at 600 pounds per inch width of tire; and (2) a trailer manufactured after January 1, 1996, may carry 515 pounds per inch width of tire on a 16.5-inch wide tire.

### Votes on Final Passage:

House	97	0
Senate	46	0

**Effective:** June 6, 1996

## SHB 2463

C 210 L 96

Requiring implementation of salmon restoration action plans.

By House Committee on Natural Resources (originally sponsored by Representatives Buck, Hatfield, Honeyford, Hymes, Boldt, Kessler and Benton).

House Committee on Natural Resources  
Senate Committee on Natural Resources

**Background:** As a result of federal and state law as well as various federal court cases, the Department of Fish and Wildlife manages salmon fisheries in a manner that protects weak salmon stocks. For example, the department often limits a fishery in areas where healthy and weak stocks of salmon are intermingled. These fishery closures or curtailments have caused particular hardship in those areas of the state that are economically dependent on natural resources.

**Summary:** By July 1, 1996, specified programs within the Department of Fish and Wildlife are directed to develop and implement a salmon enhancement plan for watersheds affected by fishery closures along the North

Olympic coast, the Straits of Juan de Fuca, and Hood Canal.

The plan must identify factors limiting salmon production and develop short- and long-term plans to address them. The plan must also use volunteers; emphasize the restoration of coho, chinook, and other weak stocks; use all viable fishery enhancement tools including remote site incubators, where appropriate; develop cost estimates for restoration activities; and identify opportunities to share the cost of restoration with other governmental and non-governmental entities.

By December 1, 1996, the department must submit a report to the Legislature on implementation of short-term plan activities and on the projected time frames for long-term activities.

### Votes on Final Passage:

House	98	0
Senate	47	0

**Effective:** June 6, 1996

## HB 2467

C 167 L 96

Revising the definition of "major industrial development" for the purpose of growth management planning.

By Representatives Pennington, Morris, Carlson, Boldt and Benton.

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** The Growth Management Act was enacted in 1990 and 1991, and established a variety of requirements for certain counties and the cities located in those counties.

**Urban Growth Areas.** Among other requirements, each county planning under all requirements of the Growth Management Act must designate urban growth areas within the county, inside of which urban growth shall occur and outside of which urban growth shall not occur. Every city must be included within an urban growth area. Other areas may be included in urban growth areas if they are already characterized by urban growth or are adjacent to such areas.

Several exceptions allow urban growth outside of urban growth areas. First, a county may authorize new fully contained communities outside urban growth areas, if certain conditions are met. Second, a county may authorize master planned resorts outside urban growth areas, if certain conditions are met. Third, a county may authorize major industrial developments outside urban growth areas, if certain conditions are met.

**Major Industrial Developments.** Legislation enacted in 1995 allows counties to establish a process for approving major industrial developments outside urban growth areas. The county must consult with cities consistent with the

provisions of the county-wide planning policy in establishing this process. A "major industrial development" is defined as a master planned location for a specific manufacturing or industrial business, or a specific commercial business other than retail commercial development or multi-tenant office parks, that

- requires a parcel of land so large that no suitable parcels without critical areas are available within any urban growth area; or
- is a natural-resource-based industry requiring location near agricultural land, forest land, or mineral resource land upon which it is dependent.

A variety of factors must be met before such development may be sited outside an urban growth area, including (a) infrastructure is provided and/or applicable impact fees have been paid, (b) buffers and environmental protection are provided, and (c) development regulations discourage urban growth in adjacent non-urban areas. Priority shall be given to applications for sites adjacent to or in proximity to the urban growth area.

**Summary:** A pilot project is authorized to designate an urban industrial land bank outside urban growth areas. The pilot project is in addition to the existing major industrial development siting process under the Growth Management Act.

A county may establish the pilot project if the county plans under all the requirements of the Growth Management Act, has a population of greater than 250,000, and is part of a metropolitan area that includes a city in another state with a population greater than 250,000. The county establishes the pilot project in consultation with cities consistent with its county-wide planning policy.

The urban industrial land bank may consist of no more than two master planned locations for major industrial activity outside urban growth areas. Priority shall be given to locations that are adjacent to or in close proximity to an urban growth area. A master planned location for major industrial developments may be included in the urban industrial land bank if the same criteria are met that are required under the existing major industrial development process in the Growth Management Act. Only manufacturing and industrial businesses that qualify under that major industrial development process may be located in the master planned location.

The pilot project terminates on December 31, 1998, but any location included within the urban industrial land bank at that time remains available for major industrial development under the same criteria.

**Votes on Final Passage:**

House	84	13	
Senate	46	1	(Senate amended)
House	92	0	(House concurred)

**Effective:** March 28, 1996

## SHB 2468

C 211 L 96

Clarifying the division of certain court filing fees.

By House Committee on Law & Justice (originally sponsored by Representatives Appelwick, Costa, Sheahan, Scott and Hatfield).

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** Superior court clerks are required by law to collect specified filing fees. The amount of the fee depends on the nature of the action and nature of the document to be filed.

Most of the fees collected are subject to division. For example, fees collected for filing abstracts of judgments from other courts are divided between the county and the public safety and education account, whereas fees collected for filing adoption petitions are divided between the county, the public safety and education account, and the county or regional law library fund. In contrast, the county retains all the fees for filing petitions to modify divorce decrees.

During the 1995 session, legislation was enacted that restructured the statutes governing fees collected by superior court clerks. However, some inconsistencies in the fee statutes remain. Specifically, two separate provisions impose a filing fee of \$25 for a petition for determination of water rights. Under one provision, the fee is to be split between the county, the public safety and education account, and the county or regional law library fund. Under the other provision, the county retains the entire fee. Two separate provisions also impose filing fees for nonjudicial probate disputes. One provision imposes a fee of \$20, and the other imposes a fee of \$2.

The 1995 Legislature also passed a law creating a \$35 filing fee for petitions concerning the validity of nonconsensual common law liens, and another law providing for the filing of a Department of Labor and Industries notice of debt due for compensating a crime victim. The latter law did not specify the amount of the filing fee. However, the filing fee for initial filings in civil actions is \$110. Neither law specified whether filing fees were to be divided or, if so, how.

**Summary:** The provision requiring the filing fee for a petition for determination of water rights to be split between the county, the public safety and education account, and the county or regional law library fund, is deleted. The \$20 filing fee for nonjudicial probate disputes is also deleted.

The \$35 filing fee for petitions concerning the validity of nonconsensual common law liens is to be divided between the county and the public safety and education account. The filing fee for a notice of debt due for compensating a crime victim is explicitly set at \$110, to be

## EHB 2472

divided between the county, the public safety and education account, and the county or regional law library.

### Votes on Final Passage:

House	95	0	
Senate	46	0	(Senate amended)
House	93	0	(House concurred)

**Effective:** June 6, 1996

## EHB 2472

C 248 L 96

Clarifying domestic violence provisions.

By Representatives Lambert, Costa, Conway and Veloria.

House Committee on Law & Justice

Senate Committee on Law & Justice

**Background:** Proceedings involving domestic violence may be either civil or criminal.

### Interference with the Reporting of Domestic Violence.

It is not a crime for a person who commits a crime of domestic violence to interfere with a victim's or witness's attempt to report domestic violence, call 911, or obtain medical treatment.

Definition of Crimes of Domestic Violence in Criminal Actions. A crime is a "domestic violence crime" if a person commits one of several crimes against a family or household member. Examples include assault, rape, stalking, malicious mischief, burglary, and criminal trespass. The definition does not include a violation of a no-contact order that is issued following conviction for a another crime of domestic violence

Penalties for Violating a No-Contact Order or a Protection Order. When a defendant is charged with a crime of domestic violence or is subsequently arraigned on the charge, the court may issue a no-contact order ordering the defendant to refrain from contacting the victim. A willful violation of the no-contact order issued upon arrest or arraignment is a gross misdemeanor. When a defendant is found guilty of the crime of domestic violence, the court may extend the no-contact order or issue one. A willful violation of the no-contact order issued following conviction is only a misdemeanor.

In general, the penalty for violating a criminal no-contact order or a civil domestic violence protection order is a gross misdemeanor. The penalty is not increased regardless of the number of times the defendant violates no-contact orders or protection orders.

Exceptional Sentences for Adult Offenders. A court may impose an exceptional sentence above the standard range for a felony committed by an adult offender if the court finds that one or more aggravating factors exist. Several aggravating factors are listed in statute, and the court has developed more in case law.

Collection of Data on Incidents of Domestic Violence. The Washington Association of Sheriffs and Police Chiefs

collects data on incidents of domestic violence. Data on violations of protection orders or no-contact orders is not collected.

Miscellaneous. In 1995, the Legislature passed ESSB 5219, which contained numerous provisions governing domestic violence. In particular, the bill attempted to reconcile minor differences between provisions governing restraining orders, no-contact orders, and protection orders issued under a variety of statutes. Another provision of the bill clarified that the court could restrain a person subject to the order from entering a residence shared with the petitioner, the petitioner's workplace or school, or the school or day care center of a child protected by the order. The bill did not amend a variety of statutes that contained similar provisions.

The bill provided that a law enforcement officer could enforce a protection order if the officer was presented with an unexpired, certified copy of the order, even if the officer could not find the order in the computer-based intelligence information system where current orders are supposed to be retained.

**Summary:** Crime of Interfering with Reporting Domestic Violence. A person commits the crime of interfering with the reporting of a crime of domestic violence if the person commits a crime of domestic violence and prevents or attempts to prevent the victim of or a witness to the crime from calling 911, obtaining medical assistance, or reporting the crime to law enforcement. Interference with reporting domestic violence is a gross misdemeanor.

Definition of Crimes of Domestic Violence in Criminal Actions. The definition of domestic violence in criminal actions is amended to include the new crime of interference with the reporting of domestic violence and the existing crime of violating a no-contact order issued after conviction.

Penalties for Violating a No-Contact Order or a Protection Order. A violation of a no-contact order issued following a conviction for a crime of domestic violence is a gross misdemeanor.

A violation of a no-contact order issued in a criminal action or a violation of a protection order issued in a civil action is a class C felony if the defendant has at least two prior convictions for violating a no-contact order or protection order involving the same or a different victim.

Exceptional Sentences for Adult Offenders. A judge may impose an exceptional sentence above the standard range if the offense involved domestic violence and one or more of the following circumstances was present:

(1) the offense was part of an ongoing pattern of psychological, physical, or sexual abuse of the victim manifested by multiple incidents over a prolonged period of time;

(2) the offense occurred within the sight or sound of the victim's or batterer's children under age 18; or

(3) the offense was committed with deliberate cruelty or intimidation of the victim.

Collection of Data on Incidents of Violations of No-Contact or Protection Orders. The Washington Association of Sheriffs and Police Chiefs, subject to funding in the budget, is directed to collect data on incidents of violations of no-contact orders or protection orders.

Miscellaneous. Protection orders, restraining orders, and no-contact orders may specify that the person being restrained may not enter the grounds of a building where the respondent may not enter, such as a home, school, workplace, or day care center.

An officer may enforce an unexpired, certified copy of a protection order if proof of service exists. If the officer serves the order on the respondent, the officer may then enforce prospective compliance with the order.

**Votes on Final Passage:**

House	98	0	
Senate	48	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** June 6, 1996

**SHB 2478**

C 212 L 96

Changing tuition for full-time nonresident undergraduate students at the University of Washington and Washington State University.

By House Committee on Higher Education (originally sponsored by Representatives Huff, Carlson, Jacobsen, Goldsmith and Mulliken).

House Committee on Higher Education  
 House Committee on Appropriations  
 Senate Committee on Higher Education  
 Senate Committee on Ways & Means

**Background:** In Washington, tuition rates are set by law. During the 1995-96 and 1996-97 academic year, tuition rates will increase by 4 percent each year. Full-time nonresident undergraduate students at the University of Washington (UW) and Washington State University (WSU) will pay an annual tuition rate of \$8,599 for the 1996-97 academic year.

Tuition for nonresident undergraduate students enrolled at the UW is about 20 percent lower than tuition for nonresident undergraduates at peer institutions. Tuition for nonresident undergraduates at WSU is close to peer averages.

**Summary:** During the 1996-97 academic year, at the UW and WSU, tuition for full-time nonresident undergraduate students and other nonresident students who are not enrolled in graduate or first professional study programs will increase from \$8,599 to \$9,491.

**Votes on Final Passage:**

House	95	1	
Senate	48	0	(Senate amended)
House			(House refused to concur)
Senate	42	4	(Senate amended)
House	94	3	(House concurred)

**Effective:** June 6, 1996

**HB 2484**

PARTIAL VETO

C 247 L 96

Allowing sales and use tax exemptions for manufacturing machinery and equipment used for maintenance, improvement, and research and development.

By Representatives Van Luven, Sheldon, Radcliff, Hatfield, Sherstad, D. Schmidt, Cooke, Conway, Goldsmith, Silver, Kessler and Johnson.

House Committee on Trade & Economic Development  
 Senate Committee on Ways & Means

**Background:** Sales tax is imposed on retail sales of most items of tangible personal property and on some services. The state sales tax rate is 6.5 percent and is applied to the selling price of the article or service. In addition, local sales taxes apply. The total rate is between 7 percent and 8.2 percent, depending on the location of the sale.

Sales tax applies when items are purchased at retail in the state. Sales tax is paid by the purchaser and collected by the seller. Use tax is imposed on the use of an item in this state when the item's acquisition was not subject to sales tax. Use tax applies to items purchased from sellers who do not collect sales tax, items acquired from out of state, and items produced by the person using the item. Use tax is equal to the sales tax rate multiplied by the value of the property used.

An item which becomes an ingredient or component of a new article or property for sale is exempt from sales and use taxes. However, sales of machinery and equipment used in manufacturing were subject to taxation until 1995. Sales tax also applies to labor and services for construction, installation, and repair of property.

In 1995, new sales and use tax exemptions were enacted for machinery and equipment, but not structures, used directly in a manufacturing operation, including installation labor and services.

**Summary:** The manufacturing sales and use tax exemption is extended to (1) machinery and equipment used for research and development by manufacturers, including installation labor and services; (2) machinery and equipment that is permanently affixed to or becomes a physical part of a building; and (3) materials used in the design and development of aircraft parts, auxiliary aircraft equipment, or aircraft modifications for businesses with annual gross

**ESHB 2485**

sales of less than \$20 million. The sales and use tax exemption for aircraft parts manufacturers is capped at \$100,000 per taxpayer per year.

**Partial Veto Summary:** The Governor vetoed the July 1, 1997 effective date of the sales and use tax exemption for manufacturing machinery and equipment used in research and development.

**Votes on Final Passage:**

House	92	4	
Senate	48	1	(Senate amended)
House	94	4	(House concurred)

**Effective:** June 6, 1996

**VETO MESSAGE ON HB 2484**

March 29, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 6, House Bill No. 2484 entitled:

“AN ACT Relating to sales and use tax exemptions for manufacturing machinery and equipment;”

House Bill No. 2484 provides an exemption from the sales and use taxes for manufacturing machinery and equipment used for research and development. It also provides a sales and use tax exemption for sales of materials used in designing and developing aircraft parts and prototypes for small firms.

I agree with the finding of the legislature that this measure would improve the ability of Washington State to compete with other states in our region for manufacturing investment. This type of legislation helps bring more family wage jobs to the state as well as enhance and solidify the state’s competitive position. I further agree with the legislature’s finding that the health, safety, and welfare of the people of the state of Washington are heavily dependent upon the continued development and expansion of the state’s manufacturing industries. In that light, I am vetoing section 6 of House Bill No. 2484. This section establishes an effective date of July 1, 1997, for sections of the bill pertaining to the sales and use tax exemption for manufacturing machinery and equipment used in research and development.

The necessity and importance of this type of legislation dictates that it be put into effect as soon as possible so that the economic benefits of increased employment and family wage jobs for the people of the state of Washington can begin immediately rather than more than a year into the future. In addition, allowing the bill to become law within the usual 90 days after adjournment of the legislature will provide an additional \$12.4 million in sales and use tax relief to manufacturers in the state.

For this reason, I have vetoed section 6 of House Bill No. 2484.

With the exception of section 6, House Bill No. 2484 is approved.

Respectfully submitted,

Mike Lowry  
Governor

**ESHB 2485**

C 296 L 96

Reducing property tax assessments in response to government restrictions.

By House Committee on Government Operations (originally sponsored by Representatives H. Sommers, Rust, Reams, Scheuerman, Regala, Kessler, Costa, Chopp, Murray, Conway, Valle, Tokuda, Basich, Wolfe, Patterson, Dellwo and Linville).

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** Each county assessor is required to establish an active program to revalue all real property in the county at least once each four years. Property must be physically inspected at least once each six years.

The county assessor is required to mail a notice of any change in true and fair value of real property and any improvements on the real property to the taxpayer within 30 days of the appraisal. Provisions are made for the owner or person responsible for paying taxes on any property to petition the county Board of Equalization for a change in the assessed valuation. An appeal must be filed with the Board of Equalization on or before July 1 of the year of the appraisal or within 30 days after the notice of a change in assessment was mailed, whichever is later. The Board of Equalization hears the appeal and renders its decision.

In addition, the assessor may cancel or correct assessments on the assessment or tax rolls which are due to “manifest error” in the description, double assessments, or clerical errors, if the cancellation or correction does not involve the revaluation of the property.

**Summary:** The “manifest error” procedure to correct assessment errors on the assessment or tax rolls is altered by adding a new procedure to revalue property. Under the new procedure, the assessor may revalue property on the assessment or tax roll if the taxpayer produces proof that an authorized land use authority has made a “definitive change” in the property’s land use designation, and the assessor and taxpayer sign an agreement on the true and fair value of the property. No cancellation or correction under the new procedure may be made for any period more than three years prior to the year in which the error is discovered.

If assessments are reduced under the new procedure, a taxpayer is eligible for a refund in taxes that were paid based upon the higher valuation.

**Votes on Final Passage:**

House	97	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996



**SHB 2487**

C 130 L 96

Continuing adoption support payments.

By House Committee on Children & Family Services (originally sponsored by Representatives Tokuda, Buck, Veloria, Carrell, Lambert, Mason, Romero, Honeyford, Dickerson, Murray, Boldt, Hymes, Chopp, Sheldon, Costa, Conway, Cooke and Kessler).

House Committee on Children & Family Services  
House Committee on Appropriations  
Senate Committee on Human Services & Corrections

**Background:** The Department of Social and Health Services provides adoption support through continuing payments or through lump-sum payments to families who adopt hard-to-place children. The secretary of the department is authorized to set the amount of a payment or the initial amount of continuing payments.

**Summary:** Continuing adoption support payments may be set at an amount sufficient to ensure timely adoptions of children in foster care. Adoption support payments made on or after July 1, 1996, will be set at a level designed to facilitate timely adoptions.

**Votes on Final Passage:**

House	97	0
Senate	48	0

**Effective:** June 6, 1996

**HB 2490**

C 297 L 96

Providing for credit for reinsurance of trust fund maintained that meets national association of insurance commissioners standards.

By Representatives L. Thomas, Dyer, Grant and Kessler.

House Committee on Financial Institutions & Insurance  
Senate Committee on Financial Institutions & Housing  
Senate Committee on Ways & Means

**Background:** The Office of the Insurance Commissioner oversees the corporate and financial activities of insurance companies. All companies authorized to conduct insurance operations in Washington must meet statutory requirements for capital, surplus capital, reserves, investments, and other financial and operational considerations. Life, disability, and property and casualty insurers must also meet risk-based capital requirements.

Reinsurance is an insurance product purchased by an insurance company to pass some of the risk assumed by the insurance company onto the reinsurer. Because an insurance company's exposure to financial loss is reduced by the purchase of reinsurance, statutory provisions allow the insurance company to take a credit for the reinsurance

as if it were an asset. This credit improves the reported financial condition of the insurance company obtaining the reinsurance. However, the statutory provisions permit such a credit for reinsurance only when specified standards are met, standards which are designed to ensure the financial soundness of the reinsurance.

When the reinsurer is not licensed to transact business in the state of Washington, the Washington insurer can still claim the reinsurance on its financial statement as long as certain statutory provisions are met: (1) the reinsurance is through Lloyds of London (which maintains a trust fund in the United States to cover liabilities attributable to business in the United States plus \$100 million); or (2) the credit equals the amount of funds or the amount of a letter of credit that is security for the insurer purchasing the reinsurance.

Insurance company liabilities are somewhat unique and are generally different than the traditional concept of liabilities on financial statements. Insurer liabilities typically are a portion of the unearned premiums, unpaid losses and loss adjustment expenses, policy reserves, and claims reserves, depending on the type of insurer.

**Summary:** After January 1, 1997, credit for reinsurance provided by a reinsurer not authorized to do business in Washington also may be taken by an insurance company if the reinsurer maintains a trust fund in the United States to cover liabilities attributable to business in the United States plus \$20 million. The bank in which the trust fund is established must meet the standards of the National Association of Insurance Commissioners. The Insurance Commissioner must conduct a study and adopt rules regarding safely administering the new reinsurance authorization.

**Votes on Final Passage:**

House	95	2	
Senate	48	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate refused to recede)

**Conference Committee**

Senate	47	0
House	98	0

**Effective:** March 30, 1996 (Sections 2 and 3)  
January 1, 1997 (Section 1)

HB 2494

C 83 L 96

Amending the duty of the state board of education to approve private schools to include kindergarten.

By Representatives Poulsen, Brumsickle and Carlson; by request of Board of Education.

House Committee on Education  
Senate Committee on Education

**Background:** The state Board of Education sets standards and procedures for approving private schools. The board may approve any private school that meets the standards and that carries out a program for any or all grades one through 12. The approval process does not extend to kindergarten or pre-kindergarten programs.

The Department of Social and Health Services licenses child day care centers. Licenses are granted to facilities regularly providing care for a group of children for periods of less than 24 hours. Schools that are engaged primarily in education are not required to obtain day care licenses.

**Summary:** In addition to its current authority to approve private school programs in grades one through 12, the state Board of Education may approve kindergarten programs in private schools.

The board may not approve a private school that operates only a kindergarten program.

**Votes on Final Passage:**

House 96 0  
Senate 49 0

**Effective:** June 6, 1996

HB 2495

C 84 L 96

Revising educational program for juveniles in detention facilities.

By Representatives Brumsickle and Cole; by request of Department of Social and Health Services.

House Committee on Education  
Senate Committee on Education

**Background:** The Department of Social and Health Services (DSHS) staffs and maintains a series of residential schools within the state for the education and treatment of juvenile offenders on probation or parole. A school district that has a residential school in its district must conduct a program of education for residents of the facility that are of common school age.

In 1994, the Legislature passed a law requiring DSHS to establish and operate, or contract to operate, a juvenile offender basic training camp. DSHS is currently evaluating sites for such a camp.

**Summary:** A school district that has in its district a juvenile offender basic training camp established and operated by DSHS, or operated by another agency through a contract with DSHS, must conduct a program of education for residents of the facility that are of common school age.

**Votes on Final Passage:**

House 96 0  
Senate 47 0

**Effective:** June 6, 1996

SHB 2498

C 147 L 96

Providing uniform construction trade administrative procedures.

By House Committee on Commerce & Labor (originally sponsored by Representatives Cairnes, Romero, Hymes and Cody; by request of Department of Labor & Industries).

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** The Department of Labor and Industries administers registration and certification programs for contractors, plumbers, and electricians.

All contractors must be registered with the department. The department must deny an application if the applicant has previously been registered and has an unsatisfied judgment based on an action against the contractor's bond.

All advertising that shows a contractor's name and address, including the alphabetized listing of contractors appearing in the advertising section of telephone books, must also show the contractor's current registration number. Persons selling advertising may not accept such advertising if the contractor does not include the registration number.

A plumber who fails to produce evidence of certification when on the job, or who commits other violations, can be given a notice of infraction. The notice must be served by personal service. Appeal of a notice of infraction must be filed with the department within 14 days of issuance. The department may revoke a plumber's certification under certain conditions, but does not deny a renewal application or suspend certification.

The Electrical Board and the department prepare and administer exams for electricians. The department may contract with a professional testing agency to administer the exams. The department sets a fee for taking the exam.

Electricians must have certificates of competency or training certificates in order to work as electricians. A violation of this requirement or other requirements for electricians may result in penalty assessments. The penalty assessment may be appealed to the board within 15 days after notice of penalty is given.

**Summary:** The department must deny a contractor's application for registration if the applicant has previously been registered and has an unsatisfied judgment under the previous registration based on any action under the contractor registration law.

A contractor who advertises in a telephone directory must show his or her name, address, and registration number. The registration number may be omitted in the alphabetized listing portion of the directory. The person selling the advertising is no longer obligated to refuse a contractor's advertisement that does not contain his or her registration number.

The notice of infraction for a certification violation for plumbers may be sent by certified mail as well as served by personal service. Appeals of notice of infractions for plumbers and penalty assessments for electricians may be filed within 20 days, making the various appeal filing deadlines consistent.

The department is authorized to suspend certificates and deny renewal applications for certification for a plumber if the individual has outstanding penalties under a final judgment. A denial to renew a license may be appealed within 20 days, and the appeal notice must include a certified check for \$200. If the decision on appeal upholds the applicant's position, the \$200 is returned to the applicant. If the appeal sustains the position of the department, the \$200 will be applied to the costs of the hearing.

When the department contracts with a professional testing agency to administer the examinations for electrical administrators, the fee for the examination may be set in the contract and applicants may pay the testing agency directly. The fee may not exceed the costs of preparing and administering the examination.

**Votes on Final Passage:**

House	93	1	
Senate	49	0	(Senate amended)
House	89	0	(House concurred)

**Effective:** June 6, 1996  
 March 25, 1996 (Section 2)

**ESHB 2509**

C 3 L 96

Funding maritime historic restoration and preservation.

By House Committee on Government Operations (originally sponsored by Representatives Reams, Jacobsen, Radcliff, Basich, Kessler, Chopp, Dickerson, Hatfield, Poulsen and Murray; by request of Secretary of State).

House Committee on Government Operations  
 Senate Committee on Ecology & Parks

**Background:** Unless exempted, no person may own or operate a vessel on waters of the state unless the vessel has been registered. After paying a registration fee and the required excise tax, a person is issued a registration

number and a decal for the vessel. Vessel registrations are renewable each year. It has been suggested that a number of vessel owners would voluntarily contribute to the restoration and preservation activities of the Grays Harbor Historical Seaport and the Steamer Virginia V Foundation at the time they register their vessels.

**Summary:** The Department of Licensing must provide people who are registering their vessels an opportunity to make voluntary donations to support the maritime historic restoration and preservation activities of the Grays Harbor Historical Seaport and the Steamer Virginia V Foundation.

A maritime historic restoration and preservation account is created in the custody of the State Treasurer. All voluntary donations made when people register their vessels are deposited into the account. The account is not subject to allotment reductions.

At the end of each fiscal year, the State Treasurer must pay the Department of Licensing an amount equal to its administrative expenses for collecting and transmitting the voluntary donations. The State Treasurer also deducts its reasonable administrative expenses for maintaining the account and disbursing the funds.

The State Treasurer, after deducting the administrative expenses, must pay one-half of the fund balance to the Grays Harbor Historical Seaport or its corporate successor and the other one-half of the fund balance to the Steamer Virginia V Foundation or its corporate successor. If either entity or its corporate successor ceases to exist, the State Treasurer must pay the entire balance of the funds to the remaining organization. If both entities and their corporate successors cease to exist, the Department of Licensing must discontinue collecting the voluntary donations, and any funds in the account escheat to the state Office of Archaeology and Historic Preservation and the parks renewal and stewardship account.

The Secretary of State, the directors of the state historical societies, the Director of the Office of Archaeology and Historic Preservation, and two members of the recreational boating community selected by the Secretary of State shall meet and report to the Legislature on the effectiveness of the program by January 31, 1998. The report must include findings on the potential to expand the voluntary funding to other historic vessels.

**Votes on Final Passage:**

House	96	0
Senate	47	0

**Effective:** June 6, 1996

SHB 2513

C 85 L 96

Concerning industrial insurance benefits.

By House Committee on Commerce & Labor (originally sponsored by Representatives Lisk, Hargrove and McMorris).

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** The industrial insurance law provides medical benefits, compensation for lost wages, and vocational services, as appropriate, to any worker in a covered occupation who is injured in the course of his or her employment or who incurs an occupational disease.

Covered employers must either be insured with the state fund administered by the Department of Labor and Industries or be self-insured. Employers who do not insure their workers are subject to civil penalties or, if the failure to obtain coverage is willful, may be guilty of a misdemeanor. An employer is also liable for a penalty of 50 percent to 100 percent of the cost of benefits paid to a worker who is injured before coverage is obtained.

When a worker is injured on the job, the worker receives benefits even though the employer has not obtained industrial insurance. The department attempts to secure premiums and penalties from the employer. Any costs not recovered become a cost to all employers in the injured worker's risk classification.

**Summary:** The Legislature finds a continuing problem with employers who illegally fail to pay industrial insurance premiums. This problem results in passing the cost of injured workers' benefits from these uninsured employers to insured employers in the risk classification. The Legislature intends that a method be devised to place this financial burden on the illegally uninsured employer.

To find a method, a legislative joint task force is created to review and make recommendations. The task force is composed of eight members, one legislator from each caucus of the Senate Labor, Commerce & Trade Committee, one legislator from each caucus of the House Commerce & Labor Committee, two representatives of business, and two representatives of labor. The Department of Labor and Industries is directed to cooperate with the task force and maintain a liaison.

The task force must report its findings and recommendations to the appropriate legislative committees by December 1, 1996. The task force expires June 1, 1997.

**Votes on Final Passage:**

House 94 0  
Senate 49 0

**Effective:** June 6, 1996

SHB 2518

C 114 L 96

Doubling the fine for speeding in school or playground zones.

By House Committee on Transportation (originally sponsored by Representatives Skinner, Blanton, Radcliff, Hankins, Delvin, Dickerson, Mitchell, Morris, Silver and Chandler).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** Current law does not distinguish between speeding in school zones and speeding anywhere else on the road. The base fines for exceeding the speed limit where the limit is less than 40 miles per hour (mph) are as follows: 1-5 mph over limit, \$30; 6-10 mph over limit, \$35; 11-15 mph over limit, \$50; 16-20 mph over limit, \$70; 21-25 mph over limit, \$95; 26-30 mph over limit, \$120; 31-35 mph over limit, \$145; and 35+ mph over limit, \$175.

It is a traffic infraction for a driver to disobey a school patrol. The fine is \$80.

In 1994 the Legislature enacted laws to protect highway construction or maintenance workers by doubling the traffic fines for speeding in construction zones.

**Summary:** Traffic fines are doubled for persons guilty of speeding in school or playground zones. These fines may not be waived, reduced, or suspended. The increase in fines is deposited in a new account, the school zone safety account. The Traffic Safety Commission will provide these funds to local communities to improve school zone safety.

**Votes on Final Passage:**

House 97 0  
Senate 46 1 (Senate amended)  
House 94 0 (House concurred)

**Effective:** March 20, 1996

SHB 2520

C 86 L 96

Extending terminal safety audit fees to vehicles operating under the International Registration Plan.

By House Committee on Transportation (originally sponsored by Representatives K. Schmidt and Scott; by request of Washington State Patrol).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** A new statewide truck safety inspection program took effect January 1, 1996, that consolidates the terminal safety program of the Utilities and Transportation Commission (UTC) and the roadside inspection program

of the Washington State Patrol (WSP) in the Patrol. All carriers with terminals in Washington State are subject to safety audits.

At the time of annual vehicle licensing, a \$10 per vehicle inspection fee is collected by the Department of Licensing (DOL) for each inter- and intrastate vehicle base-plated in the state of Washington. There is no provision for collection of the inspection fee from an interstate carrier base-plated in another state or country who travels in the state of Washington. The annual vehicle licensing fees for most interstate carriers are prorated through the International Registration Plan (IRP).

The IRP is a multi-state proportional registration (prorate) agreement in which the base state collects the licensing fees for all states in which the carrier travels. The base state then distributes to the other states that portion due based on the number of miles traveled in each jurisdiction during the year. Forty-seven states and two Canadian provinces (British Columbia and Alberta) belong to the IRP. Under the IRP, no state may impose a flat fee for a carrier base-plated in another jurisdiction; all such fees must be prorated in the same manner as other licensing fees.

**Summary:** Beginning January 1, 1997, an annual \$10 inspection fee is collected, on a proportional basis, from each interstate vehicle (power unit) base-plated in another IRP state or foreign jurisdiction that travels in the state of Washington.

**Votes on Final Passage:**

House	96	0
Senate	48	0

**Effective:** January 1, 1997

**HB 2531**

C 10 L 96

Adding the secretary of health to the council for the prevention of child abuse and neglect.

By House Committee on Children & Family Services (originally sponsored by Representatives Patterson, Talcott, Tokuda, Cooke, Ogden, Dickerson and Basich).

House Committee on Children & Family Services  
Senate Committee on Human Services & Corrections

**Background:** The Council on Child Abuse and Neglect was formed in 1982 to assist private and public agencies in establishing community-based educational and service programs for the prevention of child abuse and neglect. The council is composed of 13 members: the Secretary of the Department of Social and Health Services (or the secretary's designee), the Superintendent of Public Instruction (or the superintendent's designee), four members of the Legislature (designated as non-voting members), and six citizens who have an interest or an expertise in child abuse

prevention (four of whom may not be affiliated with governmental agencies).

The council funds and administers several community-based programs, including a early parenting skills program, a shaken baby syndrome public education campaign, and a program to reduce child abuse. The council contracts with non-profit organizations, schools, and individuals to carry out these programs.

Council members are compensated up to \$50 a day for work related to the council's duties and are reimbursed for travel expenses.

**Summary:** The Secretary of the Department of Health, or the secretary's designee, is added as a voting member to the Council on Child Abuse and Neglect.

**Votes on Final Passage:**

House	96	0
Senate	47	0

**Effective:** June 6, 1996

**SHB 2533**

C 298 L 96

Revising misdemeanor probation programs.

By House Committee on Law & Justice (originally sponsored by Representatives Hickel, Sheahan, Cody, Sterk, Smith, Morris and Dellwo).

House Committee on Law & Justice  
Senate Committee on Human Services & Corrections

**Background:** Probation is a sentencing option available to impose against a person found guilty of a crime. Probation may be ordered in addition to or in lieu of any other penalty, including imprisonment. An offender sentenced to probation must meet certain conditions of probation set by the court. An offender sentenced to probation must report to a probation officer and must follow the instructions of the probation officer.

In general, the Department of Corrections (DOC) is responsible for supervising felony offenders when sentences are imposed in superior court, and the counties are responsible for supervising misdemeanants and gross misdemeanants when sentences are imposed in district court.

Historically, the DOC has also supervised misdemeanants and gross misdemeanants sentenced in superior court. Statutes that were enacted prior to the adoption of the Sentencing Reform Act placed this responsibility on the DOC.

During the 1994 legislative session, a proviso was added to the budget that prohibited the DOC from supervising misdemeanants and gross misdemeanants who were sentenced in superior court. Counties objected when the DOC took steps to implement this change after the session ended. The counties argued that the DOC still had the

responsibility for supervising these offenders because the substantive statutes were not amended.

The counties and the DOC began discussing alternative ways in which these supervision duties could be handled. In the meantime, the Governor ordered the DOC to continue supervising these offenders while another solution was being negotiated.

The Washington State Law and Justice Advisory Council, a coalition of representatives from state and local agencies, became involved in the discussion and proposed a solution for legislative consideration.

Municipal and district court judges may impose a monthly assessment of not more than \$50 on persons referred to local probation departments. In 1995, the Legislature increased the fee that the DOC may impose on probationers under its jurisdiction to \$100.

**Summary:** The Department of Corrections is to assume the supervision of misdemeanor sentenced in superior court. When a superior court judge orders supervision of a misdemeanor or gross misdemeanor, responsibility for the supervision falls initially on the DOC. Counties, however, may elect to perform their own supervision of these offenders for a particular biennium. A county making this election will enter into a contract with the DOC. Under such contracts, counties may receive funding from the DOC that must be used in supervising these offenders. The amount of the funds will be determined according to a formula established by the DOC.

Any county that contracts with the DOC to supervise superior court misdemeanor must establish and maintain classification and supervision standards that meet specified minimum requirements. A county's standards may not be less stringent than those required by the DOC. The standards are to be met and may be adjusted, within resources appropriated by the Legislature and supplemented by fee collections.

The state of Washington and the DOC and its employees, community corrections officers, and volunteers are not liable for any harm caused by the actions of a superior court probationer who is under the supervision of a county. A county and its probation department, probation officers, and volunteers are not liable for any harm caused by a superior court misdemeanor who is under the supervision of the DOC. The DOC and any county probation department under contract with the DOC and their employees, community corrections officers, and probation officers are not liable for civil damages resulting from an act or omission unless the act or omission constitutes gross negligence.

The provision of law allowing a referral assessment for probation services is amended to clarify the language. The maximum monthly fee that a judge of a municipal or district court may levy upon a person when the person is referred to the misdemeanor probation department for evaluation or services is increased from \$50 to \$100.

The Office of the Administrator for the Courts (OAC) is directed to define a probation department and to adopt rules for the qualifications of probation officers. These rules are to be developed by an oversight committee consisting of representatives of district and municipal courts, the misdemeanor corrections association, OAC, and cities and counties. The oversight committee is directed to consider the qualifications needed to ensure that probation officers have the training and education necessary to conduct pre-sentencing and post-sentencing recommendations and to provide ongoing supervision and assessment of offenders' needs and the risk the offenders pose to the community.

Technical and clarifying amendments are made.

**Votes on Final Passage:**

House	96	0	
Senate	48	0	(Senate amended)
House			(House refused to concur)
Senate	49	0	(Senate amended)
House			(House refused to concur)
Senate	46	0	(Senate amended)
House	98	0	(House concurred)

**Effective:** June 6, 1996

**SHB 2535**

C 213 L 96

Adopting ethics standards for academic or scientific public service work.

By House Committee on Trade & Economic Development (originally sponsored by Representatives Van Luven, Jacobsen and Carlson).

House Committee on Trade & Economic Development  
Senate Committee on Government Operations

**Background:** In 1994, the Legislature adopted the State Ethics Act. The act prescribes ethical standards for state officers and state employees in all branches of state government except for individuals expressly excluded.

Prohibited activities include (1) having any interest or business which is in conflict with state duties; (2) having an interest, either direct or indirect, in a contract, sale, lease, purchase, or grant that is under the officer's or employee's supervision; (3) participating in a transaction involving the state in his or her official capacity with an entity of which the officer or employee is an officer, agent, employee, or member, or in which the officer or employee owns a beneficial interest; (4) accepting employment which might reasonably require the disclosure of confidential information obtained through state employment; (5) accepting any compensation or benefit from sources other than the state for the performance of state duties; (6) accepting anything of economic value given to influence the performance of state duties; and (7) using state resources for personal benefit.

Technology transfer is the process that turns university discoveries and inventions into products that benefit the public and strengthen the state's economy. As an idea moves from a university laboratory to a licensing arrangement with a private company and to commercial development and production, success often depends on the continued involvement of the original faculty inventor.

The state ethics law is more restrictive than federal regulations regarding conflict-of-interest policies. This has effectively reduced faculty-member involvement in research if there is any "beneficial (economic) interest" with a private company. The law would also require a faculty member awarded the Nobel Prize to decline the monetary part of the prize.

**Summary:** The State Ethics Act is amended regarding state officers or employees of institutions of higher education and the Spokane Intercollegiate Research and Technology Institute (SIRTI).

A state officer or employee of either an institution of higher education or SIRTI may receive something of economic benefit from a contract or grant. The institution of higher education and SIRTI must have a written administrative process, in compliance with federal law, to identify and manage, reduce, or eliminate conflicting interest in the transaction, and the state officer or employee must comply with the policy.

A state officer or employee of an institution of higher education or SIRTI may serve as (1) an officer, agent, employee, or member, or on the board of directors, board of trustees, advisory board, or committee or review panel of any nonprofit institute, foundation, or fundraising entity; and (2) a member of an advisory board, committee, or review panel for a governmental or other nonprofit entity.

It is clarified that a state officer or employee may not make an unauthorized disclosure of confidential information gained as a result of his or her official position or use the information for his or her own personal gain or benefit. Disclosure of information is allowed if authorized by the contract involving the state officer's or employee's agency and by a person authorized to waive confidentiality.

A state officer or employee of an institution of higher education or SIRTI may receive compensation, or a gift, reward, or gratuity for performing or omitting or deferring the performance of any official duty from a governmental entity, an agency or instrumentality of a governmental entity, or a nonprofit organization organized for the benefit and support of the state employee's agency or other state agencies under an agreement with the state employee's agency.

A state officer or employee awarded a contract or issued a grant may delete proprietary information or research from the contract or grant filed for review with the appropriate ethics board.

"Contract or grant" is defined as an agreement between two or more people that creates an obligation to do or not

do something (and includes an employment contract, lease, license, or purchase or sales agreement).

The definition of "gift" is amended to exclude awards, prizes, scholarships, or other items provided in recognition of academic or scientific achievement.

"Official duty" is defined as duties within the specific scope of employment of the state officer or employee as defined by the state agency, or by statute or the state Constitution.

**Votes on Final Passage:**

House	96	0
Senate	49	0

**Effective:** June 6, 1996

**ESHB 2537**

C 320 L 96

Providing for modifications to the creation and operation of irrigation district joint control boards.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Honeyford, Chandler, Mastin, Clements, Schoesler, Foreman, Grant, Lisk and Mulliken).

House Committee on Agriculture & Ecology  
Senate Committee on Government Operations

**Background:** A board of joint control may be created to administer the operation, maintenance, betterment, and regulation of the water works, main, branch canals, water lines, and other water facilities of two or more irrigation districts and other entities which own water rights having the same natural source, and which use common works for the diversion and transportation of all or a part of their irrigation water supplies.

Most of the statutes pertaining to boards of joint control have not been amended since 1949.

**Summary: Formation.** A board of joint control may be created by two or more irrigation entities which own, or have an ownership interest in, or are trustees for owners of water rights having the same source of water or which use common works for the diversion and either transportation or drainage, or both, of all or a portion of their irrigation water supplies. An irrigation entity may be an irrigation district or an operating entity for a division within a federal reclamation project.

A board of joint control is initiated by two or more irrigation entities signing a petition and filing it with the board of county commissioners of the county which has the greater part of land irrigated from the source of water. The petition must also be filed with the board of county commissioners of each county containing lands irrigated from the source of water supply. The petition must describe the relationship of the irrigation entities to an established federal reclamation project, the primary water

works of the entities, and generally show the physical relationship of the lands being watered from the water facilities.

The petition calling for the creation of a board of joint control must also propose the formula for apportioning costs among its members, and may propose the composition of the board as to membership, chair, and voting structure. The petition must state the reason for the creation of the board, any other material matter, and allege that it is in the public interest for the board to be created. A map that shows the area of jurisdiction and the general location of the water supply and distribution facilities must also accompany the petition.

The notice of hearing on the petition must be published in at least three weekly issues of the official newspaper of each county containing lands irrigated from the source of water supply. The hearing must be held no later than 30 days from the date of the first publication of the notice. The notice must also be posted at the regular meeting place of the board of each irrigation entity involved. In addition to the place and time of the hearing, the notice must state that the board, if created, will have the authority to apportion costs among the member irrigation entities to carry out its purposes.

The county commissioners may grant or reject the petition. If the county commissioners determine that the creation of the board of joint control is in the public interest, benefits the irrigation entities concerned, and will not be detrimental to water rights outside the jurisdiction of the board of joint control, the county commissioners adopt a resolution creating the board. The office of the board of joint control must be located in the county in which the board was created.

The county commissioners appoint the first members of the board of joint control based upon the composition of the board proposed in the petition. The term of office of joint control board members ends on the first Monday in March in the year next following their selection, and until their successors are selected. In January of each year, the board of directors of each irrigation entity must designate in writing the names of the person or persons who will represent the entity on the board of joint control for the ensuing year. An irrigation entity is not entitled to representation on the board until it complies with the selection requirements.

The board of joint control selects its own chair and appoints a secretary. A majority of the membership of the board constitutes a quorum for transacting business, but an alternative voting scheme will be used if it was proposed in the petition and adopted by the board of county commissioners. All meetings of the board of joint control are public. At the option of the board of joint control, a person other than the county treasurer may be selected as treasurer of the board.

Members of the board of joint control may be reimbursed for their travel expenses and are compensated for

services and attending meetings at a rate not to exceed \$50 per day. The total amount of additional compensation may not exceed \$4,800 in a calendar year. The amount of compensation must be fixed by resolution and entered into the minutes of the board.

**Powers.** A board of joint control may administer the construction, operation, maintenance, betterments, and regulations of joint use facilities. "Joint use facilities" are defined as those works, including reservoirs, canals, hydroelectric facilities, pumping stations, drainage works, reserved works, and system interties that are determined by the board of joint control to provide common benefit to its neighbors. A board of joint control may also administer activities and programs that promote more effective and efficient water management for the benefit of its members.

A board of joint control has authority to enter into contracts, accept grants and loans, employ and discharge staff, and to sue and be sued as a board but without personal liability of the members. A board is authorized and encouraged to pursue conservation and system efficiency improvements to optimize the use of appropriated waters and either to redistribute the saved water within the jurisdiction or transfer the water to others. A board must consult with the Department of Ecology and receive permission from the Bureau of Reclamation, when applicable, before starting a water conservation or system efficiency project which will result in the redistribution of saved water. Any redistribution of water may not injure existing water rights outside the board's jurisdiction, including in-stream flow water rights. A board may not authorize a transfer of or change in a water right, or authorize a redistribution of saved water before July 1, 1997.

A board of joint control may not authorize a change in any water right that would change the point of diversion, purpose of use, or place of use outside the board's area of jurisdiction without the approval of the Department of Ecology. If the board's area of jurisdiction is within a United States reclamation project, the board must also obtain the approval of the Bureau of Reclamation.

A board of joint control is authorized to design, construct, and operate drainage projects and water quality enhancement projects. If a board is totally within a federal reclamation project, the board may accept operational responsibility for federal reserved works.

A board of joint control may not abridge existing rights of an individual irrigation entity, an existing board of control, or a water right within its area of jurisdiction without the consent of the party owning the water right.

A board of joint control using waters of the Yakima River must coordinate its conservation projects with federal and state programs adopted under the federal Yakima Basin Water Enhancement Project as funds are available. If there is no reasonable prospect of funding from federal or state government within three years of the publication of the Yakima River Basin Conservation Plan, the board may pursue projects under alternative funding.



Any changes to the resolution creating a board of joint control may be proposed through the same petition process for creating the board of joint control. A board of joint control is limited to the terms and conditions contained in the resolution file by the county commissioners.

The board of joint control must prepare a budget of its estimated expenses for the following calendar year each September. Notice of the hearing on the budget of a board of joint control must be published in at least two weekly issues of a newspaper of general circulation in the county. Any interested person may testify at the hearing on the budget and make objections and suggestions. After the budget is adopted, a copy is mailed to each irrigation entity showing the apportionment of the charge to each irrigation entity. Each irrigation entity must include in its levy for the ensuing year the amount apportioned and charged to it in the budget. The authority of a board of joint control to make a levy in any irrigation district that fails to include the charge adopted by the board in the irrigation district levy is repealed.

An irrigation entity under contract with a federal agency for the construction or operation of its irrigation system may not participate in a board of joint control if participation conflicts with the provisions of the contract.

When water is provided by an irrigation entity that is a member of a board of joint control, approval for a change in place of use for a water right is required only from the board, if the water continues to be used within the joint board's jurisdiction and the change does not injure existing rights.

Boards of joint control are made eligible for state grants and loans pertaining to water supply facilities.

**Votes on Final Passage:**

House	72	25	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**HB 2538**

C 214 L 96

Clarifying the authority of irrigation districts.

By Representatives Clements, Chandler, Mastin, Lisk, Schoesler, Honeyford, Foreman, Grant and Mulliken.

House Committee on Agriculture & Ecology  
Senate Committee on Government Operations

**Background:** The county treasurer acts as the ex officio treasurer of an irrigation district. An irrigation district board of directors in an irrigation district which lies in more than one county may designate another person having experience in financial matters as the treasurer of the district, if the district had assessments in each of two of the preceding three years equal to at least \$500,000. An irrigation district which lies entirely within one county may

designate some other person having experience in financial matters as the treasurer of the district only if the county treasurer approves.

When an irrigation district designates someone other than the county treasurer to act as treasurer for the district, the district must obtain a bond from a surety company in an amount and under such terms and conditions which it finds will protect the district against loss. The statutes do not specify the amount of the bond or the conditions for the bond.

The directors of the various irrigation districts throughout the state may designate a state-wide association to act as a coordinating agency for the districts and may pay dues or assessments, or both, to support the association's activities. The state association may affiliate and cooperate with other organizations and agencies engaged in the reclamation of lands in the state and make financial contributions to them. The association is not specifically authorized to enter into contracts with other entities, promote the development of agricultural water and power, or provide information to federal officials.

Units of local government may enter into interlocal agreements pursuant to the Interlocal Cooperation Act for joint or cooperative action. Irrigation districts may enter into such agreements, but the statutes do not specify how potential liability is handled during emergency situations.

**Summary:** The board of directors of an irrigation district that lies entirely within one county may designate a person other than the county treasurer to act as treasurer of the district, without the need for the county treasurer's approval, if the district had assessments, tolls, and miscellaneous collections in each of two of the preceding three years equal to at least \$2 million.

If an irrigation district board designates another person to act as the treasurer for the district, the board must obtain a bond from a surety company in the amount of \$250,000. The bond is conditioned that the treasurer will faithfully perform the duties as treasurer of the district.

The Association of Irrigation Districts is authorized to enter into contracts with the federal government, the state, irrigation districts, boards of control, municipal or quasi-municipal corporations, cooperatives, other public or private agencies, and associate organizations. The association may also advance funds to promote the development and utilization of agricultural water and power resources, and the association may employ technical and professional assistance to survey, plan, investigate, study, print, and publish information and literature to promote the development and utilization of such resources and provide and present information to members of Congress, any committee of Congress, and to other federal officials as an aid in securing needed legislation, contracts, and timely appropriations.

An irrigation district may enter into a mutual aid agreement with another irrigation district pursuant to the Interlocal Cooperation Act. The agreement may provide

for emergency interdistrict assistance to respond to a breach or other failure of an irrigation water conveyance system when the required response exceeds the existing resources available to the district requesting assistance. Assistance may be provided without compensation. The employees of the irrigation district providing the assistance have the same powers and immunities as if they were performing their duties in the district in which they are employed. Supervision of the assisting employees may be delegated pursuant to the agreement. The irrigation district being assisted is liable for any loss or damage to equipment and must pay any ordinary expenses incurred in the equipment's operation. No claim may be made unless an itemized notice is served upon the secretary of the district where the equipment was used within 60 days after the loss, damage, or expense.

**Votes on Final Passage:**

House	96	0
Senate	48	0

**Effective:** June 6, 1996

**SHB 2545**

C 215 L 96

Imposing additional notice requirements upon release of a sex offender.

By House Committee on Corrections (originally sponsored by Representatives Sehlin, Sheahan, Goldsmith, Robertson, L. Thomas, Mulliken, Sheldon, McMahan, Conway, Costa, Patterson, Chopp, Ogden, Hatfield, Hickel, Campbell, Mitchell, Morris, Johnson, Hymes, Thompson, Silver and McMorris).

- House Committee on Corrections
- House Committee on Appropriations
- Senate Committee on Human Services & Corrections

**Background:** Public Notification Regarding Sex Offenders. Public agencies are authorized to inform the public about sex offenders when doing so is necessary for public protection. This notification usually is left to the discretion of local law enforcement agencies. If an agency decides to notify the public, the agency is required to make a good faith effort to give the public at least 14 days' notice before the offender's release.

For local law enforcement agencies to have the necessary information to make this decision, some state agencies are required to give advance notice to local law enforcement agencies prior to releasing sex offenders from confinement. For example, the Department of Corrections (DOC) and the Juvenile Rehabilitation Administration (JRA) are each required to give at least 30 days' advance notice to a local law enforcement agency before releasing a sex offender.

County Jails. Unlike the DOC and the JRA, a county jail is not required to notify any law enforcement agency when it is about to release a sex offender.

Release and Supervision of Sex Offenders. The DOC supervises sex offenders, including some who are convicted of "sexually violent" offenses. Sexually violent offenses are a subset of the category of sex offenses. The DOC's discretionary decisions regarding the supervision of sexually violent offenders are to be based on considerations of public safety risk rather than the legal category of the sentences.

When a sex offender is about to be released to community placement, the offender's proposed residential location and living arrangements are subject to the DOC's prior approval, and the DOC's restrictions may continue during the period of community placement.

When a sex offender's release is pending, the DOC is required to notify certain individuals and agencies of the pending release. The individuals entitled to notice include the victim, any witnesses who testified against a violent offender, and persons specified in writing by the prosecutor.

**Summary:** County Jails. When an inmate is incarcerated in a county jail for a sex offense, the jail must obtain from the inmate the county in which the inmate will reside upon release.

For any sex offender confined in a county jail who upon release will reside in another county, the jail's chief officer must notify the other county's chief law enforcement agency at least 14 days prior to the offender's release. If the county jail officials do not know a sex offender's release date at least 14 days in advance, the jail's chief officer shall provide the notice no later than the day after the release.

Release and Supervision of Sex Offenders. The DOC is required to base all discretionary decisions regarding sex offender supervision and release plans on assessment of public safety risks.

The DOC must implement a policy on sex offender release plans that (a) creates a formal process for public input regarding the safety risks of particular offenders, and (b) provides for notification of certain people regarding a sex offender's proposed residence.

For a sex offender who offended against minor victims, the DOC must reject any release address that would place the offender in the same home or within close proximity to minor victims or children of similar age and circumstance of previous victims who may be put at substantial risk of harm by the placement. Also, the DOC may reject, for sex offenders who offended against minor victims, release addresses within close proximity to vulnerable populations.

When requiring supervised contact as a condition of community placement, the DOC must consider several specified criteria before approving the supervisor.

**Votes on Final Passage:**

House	97	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**HB 2551**

C 87 L 96

Regulating limousines.

By House Committee on Transportation (originally sponsored by Representatives Cairnes, Patterson, Ogden, Romero, Tokuda, Mitchell, Quall and K. Schmidt).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** In 1989 the Utilities and Transportation Commission (UTC) was given exclusive regulatory authority over limousines. The commission is charged with safety, equipment, and insurance requirements. Entry into the field is unlimited if the applicant can prove financial responsibility; no rate or route regulation may be imposed. Because of the broad statutory definition of limousines and the lack of enforcement by the UTC due to severe cutbacks in the agency, there is concern regarding the public safety of the passengers, the qualifications of the drivers, the conditions of the vehicles, and the types of vehicles being used as limousines.

Cities, counties, and port districts may regulate taxicab companies operating within their jurisdictions, and may control entry, rate, route, licensing, and safety. Both King County and the city of Seattle have chosen to regulate taxicabs and have imposed a moratorium on the number of taxicabs that may operate within their jurisdictions in order to stabilize the market. The city and county have developed stringent guidelines to enforce licensing, rates, routes, driver qualifications, safety, and vehicle inspection provisions. Because limousines may be operated in King County in a more relaxed regulatory environment than taxicabs, there has been a dramatic rise in the number of limousines in the city, county, and at SeaTac International Airport.

At the end of 1989 there were 94 limousine permits issued for use at SeaTac Airport; by 1995 the number had risen to 410. At SeaTac this increase in limousine traffic has resulted in frequent solicitation of passengers within the terminal and inconsistency in the type of vehicles used. There is evidence that some vehicles lack the insurance and operating authority required by the UTC.

**Summary:** The regulation of limousines is transferred from the Utilities and Transportation Commission (UTC) to the Department of Licensing (DOL). The department regulates entry, equipment, chauffeur qualifications, and operations. In addition, the Port of Seattle may regulate limousines with regard to entry, chauffeur qualifications,

operations, and equipment at SeaTac International Airport. No rate regulation may be imposed, but the carrier must file its rates and schedules with the port. King County may adopt ordinances to assist the port in enforcement at SeaTac Airport; this does not grant King County the authority to regulate limousines within its jurisdiction.

A new definition of limousine service is created, which divides the vehicles into four categories. A limousine is a for-hire, chauffeur-driven, unmetered, unmarked luxury motor vehicle that meets one of the following definitions:

- (1) "Stretch limousine" is an automobile whose wheelbase has been altered, has a seating capacity of no more than 12 passengers, and is equipped with amenities;
- (2) "Executive sedan" is a four-door sedan with a minimum wheelbase of 114.5 inches, a seating capacity of no more than three passengers behind the driver, and standard factory amenities;
- (3) "Executive van" is a van, minivan, or minibus with a seating capacity of seven to 14 passengers behind the driver; or
- (4) "Classic" is a fine and distinctive automobile that is 30 years old or older.

A limousine carrier must have an office; a vehicle cannot solely be used as an office. Arrangements for service are prearranged through the carrier's office and dispatched to the limo. Customers cannot make arrangements with the driver for immediate rental of a limousine, even if the driver is the owner. The single exception is stand-hail limousines at SeaTac Airport that are licensed by the port.

The Washington State Patrol (WSP) annually inspects each limousine licensed by DOL, except if the Port of Seattle chooses to regulate limousines within its jurisdiction; in that case, it is the port or King County (rather than the WSP) that is responsible for the annual inspection.

A limousine carrier must certify that each chauffeur (1) is 21 years of age, (2) holds a valid Washington driver's license, (3) has successfully completed a training course and written exam approved by DOL, (4) has passed a background check performed by the WSP, and (5) submits a medical certificate upon initial application and every three years thereafter validating the driver's fitness.

DOL may refuse, suspend, or revoke a license of a limousine carrier if it has good reason to believe that the carrier hired a chauffeur that (1) has been convicted of an offense that makes the driver unfit to qualify as a chauffeur, (2) has been found guilty of two or more offenses resulting in revocation of the driver's license, (3) has been convicted of vehicular homicide or assault, or (4) is intemperate or addicted to narcotics.

Limousine carriers must list their unified business identifier when advertising and specify the type of service offered (stretch limo, executive sedan or van, or classic auto). A limousine carrier cannot advertise as a taxicab company.

A vehicle operated as a limousine before April 1, 1996, is grandfathered into the new regulatory process if the

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owner is the same as the registered owner on April 1, 1996, and the vehicle and carrier otherwise comply with the new limousine statutes.

Unlawful operation of a limousine without a certificate is a misdemeanor on first offense and a gross misdemeanor thereafter. Violation of the insurance provisions and false advertising are gross misdemeanors.

Cities, counties, and port districts may regulate for-hire vehicles within their respective jurisdictions with regard to entry, rates, routes, safety, and licensing. (This is in addition to DOL's current licensing and insurance regulations.)

### Votes on Final Passage:

House	97	0
Senate	47	0

**Effective:** June 6, 1996

## HB 2559

C 216 L 96

Revising the allocation of child support day care and other child rearing expenses between parents.

By Representatives Lambert, Carrell, Patterson, Morris, Wolfe, Smith, Mitchell and Thompson.

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** Washington's child support schedule contains an economic table. The economic table establishes a presumptive basic child support amount based on the combined monthly net income of the parents and the number and ages of the children. Each parent's share of the presumptive amount is based on each parent's share of the combined monthly net income.

Day care and special child rearing expenses, such as tuition and long-distance transportation costs, are not included in the presumptive amount. The parents share those expenses in the same proportion as they share the basic child support obligation. The court may include extraordinary expenses such as day care in the monthly support payment that one parent (the "obligor") must make to the other parent (the "obligee"). In other cases, the obligor must pay his or her share when the extraordinary expense is incurred.

**Summary:** If an obligor pays court or administratively ordered day care or special child rearing expenses that are not actually incurred, the obligee must reimburse the obligor for the overpayment, if the overpayment amounts to at least 20 percent of the obligor's annual day care or special child rearing expenses.

The obligor may seek reimbursement by instituting an action in superior court or by filing an application for an adjudicative hearing with the Department of Social and Health Services. Any ordered reimbursement must be applied first as an offset to child support arrearages of the

obligor. If the obligor does not have child support arrearages, the reimbursement may be in the form of a direct payment by the obligee or a credit against the obligor's future support payments. If the reimbursement is in the form of a credit against future support payments, the credit must be spread over a 12-month period.

Unless agreed to by the obligee, an obligor may not pay more than his or her proportionate share of day care or other special child rearing expenses in advance and then deduct the overpayment from future support payments.

### Votes on Final Passage:

House	96	0
Senate	47	0

**Effective:** June 6, 1996

## HB 2567

C 254 L 96

Notifying the assessor of real property actions.

By Representatives Wolfe, Rust, Scheuerman, Scott, Costa, Chappell, Linville, Dickerson, Romero, McMahan, Murray, Tokuda, Morris and Conway.

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** In 1995, the Legislature enacted provisions to provide a coordinated process for evaluating and approving permit requests within the requirements of the Growth Management Act, the Shoreline Management Act, the State Environmental Policy Act, and other measures governing land use. The evaluation of a permit application is concluded with the issuance of a notice of decision by the local government. The notice must be provided to the permit applicant and any other person requesting a copy. There is no requirement that a notice of decision be provided to the county assessor.

There is no requirement that a city, town, or county planning under the Growth Management Act provide copies of its comprehensive plan or development regulations to the county assessor.

There is no requirement for a state agency that is participating in the coordinated permit process for environmental review of a project to notify the county assessor when the agency makes a final decision with respect to a permit being sought from the agency.

The county assessor is required to maintain a system for the revaluation of property on a continuous basis so that every parcel in the county is reviewed at least once every four years. The county assessor is not specifically authorized to interrupt this revaluation process and reevaluate property upon the receipt of a notice of decision on a permit application or upon receiving notice from a city, town, or county of an action affecting the value of real property.

**Summary:** A city, town, or county planning under the Growth Management Act must provide a notice of decision on a local project application to the county assessor. The notice provided to the property owner must also state that the property owner may request a change in valuation for property tax purposes.

A city, town, or county planning under the Growth Management Act must provide a copy of its comprehensive plan and development regulations to the county assessor by July 31 of each year, as well as any amendments to the plan and regulations that were adopted before July 31. Cities and counties must provide this information to the county assessors beginning July 1, 1997.

A state permit agency that is participating in the coordinated permit process for environmental review of a project must notify the county assessor when the agency makes a final decision with respect to a permit sought from the agency.

A county assessor is authorized, if requested by a property owner, notwithstanding any existing program of revaluation, to change the valuation of a parcel of property after receipt of a notice of decision or other information from a city, town, or the county affecting the value of the property.

**Votes on Final Passage:**

House	96	0	
Senate	47	0	(Senate amended)
House			(House refused to concur)
Senate	47	0	(Senate amended)
House	97	0	(House concurred)

**Effective:** June 6, 1996

## SHB 2579

C 123 L 96

Consolidating and enhancing services for victims of sexual abuse.

By House Committee on Law & Justice (originally sponsored by Representatives Costa, Ballasiotes, Radcliff, Sheahan, Romero, Dellwo, Chopp, Murray, Robertson, Hickel, Mitchell, Cooke, Conway and Cody).

House Committee on Law & Justice  
House Committee on Appropriations  
Senate Committee on Human Services & Corrections  
Senate Committee on Ways & Means

**Background:** Both the Department of Social and Health Services (DSHS) and the Department of Community, Trade and Economic Development (CTED) administer grant programs that provide treatment services to sexual assault victims.

**Victims of Sexual Assault Act:** The Victims of Sexual Assault Act requires DSHS to maintain a centralized office to coordinate programs relating to sexual assault, to facilitate dissemination of information relating to sexual assault,

and to develop a biennial statewide plan to aid organizations that serve sexual assault victims.

**CTED Grant Program:** Grants from CTED are available to local governments and nonprofit groups to provide treatment to victims of sex offenders. Applicants representing well-established programs or new programs in areas where no program exists receive funding priority. Grants are awarded based on purposes and criteria set forth in the chapter.

**Treatment Services for Sexually Abused Children:** DSHS must provide comprehensive sexual assault services by licensed professionals to sexually abused children. The department may use funds appropriated for this purpose for contracts or direct purchases of treatment services from community organizations and private service providers.

**Washington State Sexual Assault Services Advisory Committee:** The Washington State Sexual Assault Services Advisory Committee, which is composed of members of government, tribal, and nonprofit agencies that serve sexual assault victims, has made several recommendations about delivery of services to sexual assault victims: (1) consolidate administration and funding of sexual assault and abuse services in one agency; (2) adopt a funding allocation plan to pool all funds for sexual assault services and to distribute them across the state to ensure the delivery of core and specialized services; (3) establish service, data collection, and management standards and outcome measures for recipients of grants; and (4) create a data collection system to gather pertinent data concerning delivery of sexual assault services.

**Summary:** The Legislature adopts many of the recommendations of the Washington State Sexual Assault Services Advisory Committee.

**Amendments to the Victims of Sexual Assault Act:** The bill transfers responsibilities of DSHS to CTED.

Funding is made available to community sexual assault programs. Those programs are community-based social service agencies that provide "core services" to victims of sexual assault. Core services include information and referral, crisis intervention, medical advocacy, legal advocacy, support, and system coordination. Permissible uses of grant funds are expanded to include supervision of victims' advocates, and assistance of victims and their families in the treatment process following a sexual assault.

The definition of "sexual assault" under the act is expanded to include assault with intent to commit rape of a child, child molestation, sexual misconduct with a minor, and crimes with a sexual motivation.

**Amendments to CTED Grant Program:** The statement of the program's objectives is amended to emphasize a victim-focused mission and adoption of consistent standards and policies.

Grant funds will go to applicants that emphasize victim-focused sexual abuse services and are qualified to provide core services to victims of sexual assault. Grant applicants are required to demonstrate capacity to provide

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treatment services, and how the applicant will comply with service, data collection, and management standards established by the department.

Treatment Services for Sexually Abused Children: The powers of DSHS to provide services and funding for services to sexually abused children are transferred to CTED. CTED is required to provide services to the families of sexually abused children, as well as to the child victims.

### Votes on Final Passage:

House	97	0
Senate	48	0

**Effective:** July 1, 1996

## SHB 2580

C 124 L 96

Extending the period of time that a victim of crime may collect restitution from a juvenile.

By House Committee on Corrections (originally sponsored by Representatives Costa, Ballasiotes, Sheahan, Murray, Hickel, Cooke, Conway and Boldt).

House Committee on Corrections  
Senate Committee on Human Services & Corrections

**Background:** Background of the Juvenile Diversion Program. The juvenile diversion program allows a prosecutor to forego the filing of charges in the juvenile court and instead divert the case for alternative resolution. A diverted case is resolved by a contract between the juvenile and the local juvenile court's diversionary unit. This diversion agreement may last no longer than six months.

Some crimes are not eligible for diversion, including all Class A and Class B felonies and many of the more serious Class C felonies. A juvenile is eligible for diversion only twice. A juvenile who substantially violates the terms of the diversion agreement may be charged in court with commission of the original offense.

Restitution Under a Diversion Agreement. A diversion agreement may require the juvenile to pay restitution. The amount of this restitution, however, is limited in two ways. First, the amount may not exceed the victim's actual loss. Second, the amount may not exceed the juvenile's means or potential means to pay the restitution during the six-month period of the diversion agreement. Collection of this amount of restitution may occur during the six-month agreement period or during one six-month extension.

By comparison, restitution is less limited outside the diversion context. When a juvenile's case has not been diverted, and the court orders restitution after a finding of guilt, the court may look to a 10-year period in determining the juvenile's ability or potential ability to pay restitution. A judge may, however, waive restitution when committing a juvenile offender to a state juvenile facility for a period of confinement exceeding 15 weeks.

**Summary:** Any restitution required under a diversion agreement is no longer to be limited by any consideration of the juvenile's ability to pay restitution. Accordingly, the only upper limitation on the amount of restitution is the victim's actual loss.

If the amount of restitution required by the diversion agreement cannot be collected during the six-month period of the agreement or during the six-month extension, then the juvenile is to be referred to the juvenile court for entry of an order establishing the amount of restitution still owing. The juvenile may be required to pay full or partial restitution, depending on ability to pay, over a 10-year period. Jurisdiction over the juvenile is extended for a maximum term of 10 years after the juvenile's eighteenth birthday. The bill directs county clerks to make disbursements to victims, establishes the priority of restitution payments, and allows for modification of restitution orders.

A change is also made with regard to restitution in non-diversion cases. The bill removes the provision allowing a judge to waive restitution when committing a juvenile offender to a state juvenile facility for a period of confinement exceeding 15 weeks.

### Votes on Final Passage:

House	96	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

## HB 2589

C 45 L 96

Regulating unclaimed property procedures.

By House Committee on Finance (originally sponsored by Representatives B. Thomas, Dickerson and Boldt; by request of Department of Revenue).

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** The Uniform Unclaimed Property Act governs the disposition of property that is unclaimed by its owner. A business that holds unclaimed property must transfer it to the Department of Revenue after a holding period set by statute. The holding period varies by type of property, but for most unclaimed property, such as abandoned bank accounts, the holding period is five years. After the holding period is passed, the business in possession of the property must send a notice to the owner's last known address and transfer the property to the Department of Revenue. The notice must be sent not more than 120 days before the property is transferred to the department. If property is not transferred to the department on time, interest accrues at the maximum rate allowed under the usury statute.

The department's duty is to find the rightful owner of the property, if possible. The department sends notices to

the last known addresses of owners, places advertisements with names of owners in newspapers, sends press releases to television and radio stations, and undertakes other efforts to find owners. With some exceptions, the department will sell property that is still unclaimed five years after it is received by the department. The sale proceeds are deposited in the state general fund. However, the owner of unclaimed property may still come forward and obtain reimbursement from the state general fund at any time.

Stocks and bonds are considered unclaimed property if dividends have been unclaimed by the owner for seven years. A mutual fund account that includes automatic reinvestment of dividends is never considered unclaimed property, because the dividends are never unclaimed.

**Summary:** Stocks and bonds are considered unclaimed if the dividends are unclaimed for five years, rather than seven. A mutual fund with automatic reinvestment of dividends is considered unclaimed five years after the location of the owner becomes unknown to the fund administrators. The location of an owner is unknown when communications from the fund to the owner are returned by the postal service as undeliverable. The Department of Revenue will not sell any interest in a mutual fund that provides for automatic dividend reinvestment.

Three to six months before transferring unclaimed property to the department, the holder of the property must send a notice to the last known address of the owner.

The department may waive interest for late transfers of unclaimed property to the department if a delay is due to circumstances beyond the control of the property holder.

**Votes on Final Passage:**

House	97	0
Senate	46	0

**Effective:** July 1, 1996

## SHB 2590

C 148 L 96

Implementing excise tax changes needed as a result of *Jefferson Lines v. Oklahoma*.

By House Committee on Finance (originally sponsored by Representatives Van Luven, Dickerson and B. Thomas; by request of Department of Revenue).

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** Sales taxation of guided tours and guided charters. The sales tax is imposed on retail sales of most items of tangible personal property and some services. The state tax rate is 6.5 percent and is applied to the selling price of the article or service. In addition, local sales taxes

apply. The total rate is between 7 percent and 8.2 percent, depending on the location.

Wholesales of tangible personal property are exempt from sales tax. There is no similar exemption for wholesales of services, except for telephone services.

In 1993, the Legislature extended state and local retail sales taxes to sales of certain services, including guided tours and guided charters. Guided tours and guided charters often involve multi-state transactions. Part of the tour or charter may take place in Washington and part in another state. Tickets for a trip in Washington may be sold in another state. Tickets for trips in other states may be sold in Washington. The Department of Revenue drafted a proposed rule that addressed multi-state issues for guided tours and guided charters. Under this proposed rule

(a) If the guided tour or guided charter takes place entirely in this state, the total price of the guided tour or charter is subject to Washington's retail sales tax.

(b) If the guided tour or guided charter takes place both inside and outside of Washington, the percentage of the tour that takes place in this state is subject to Washington's retail sales tax if the percentage is more than 25 percent. Percentage of tour relates to the time spent on the tour.

The treatment of guided tours and guided charters under the Department of Revenue's proposed rule differed from the usual treatment of sales of goods. Sales of goods are generally treated as occurring solely in the state where the goods are delivered. Sales tax applies to the full price, if the goods are delivered in the state. Sales tax does not apply at all if the goods are delivered outside the state.

On April 3, 1995, the United States Supreme Court, in *Oklahoma Tax Commission v. Jefferson Lines*, held that sales of bus tickets should be taxed, based on the full price, in the state where agreement, payment, and delivery of some of the services occurs. The Department of Revenue subsequently withdrew its proposed rule.

B&O taxation of travel agents and tour operators. Washington's major business tax is the business and occupation (B&O) tax. This tax is imposed on gross income from business activities conducted within the state. There are several different B&O tax rates.

Travel agents are taxed under a special B&O tax rate of 0.287 percent. Tour operators are taxed under the service or other business rate of 1.829 percent.

**Summary:** Guided tours and guided charters are removed from the definition of retail sale and are replaced with day trips for sightseeing purposes. Wholesales of day trips and other amusement and recreation services, such as golf, pool, billiards, skating, bowling, and ski lifts, are exempted from sales tax.

The special B&O tax rate of 0.287 percent for travel agents is applied to tour operators.

## HB 2591

### Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House	80	18	(House concurred)

**Effective:** April 1, 1996

## HB 2591

C 88 L 96

Revising tax provisions that are obsolete or incorrect.

By Representatives Dickerson, Hymes and B. Thomas; by request of Department of Revenue.

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** In 1988, the Legislature enacted a mobile home park fee of \$1 per lot per year. This fee was never collected because it was immediately challenged in court and was declared unconstitutional in 1993.

In 1991, the Legislature enacted another mobile home park fee. This fee was assessed annually at \$5 per occupied lot per year. This fee was not enforced, was deemed unconstitutional, and was repealed in 1995.

The Pollution Liability Insurance Agency will disband on June 1, 2001. The program's supporting tax does not have a termination date in statute.

In 1995, the sales tax exemption for ride-sharing vehicles was amended to include a van that has "not less than four persons including the driver when at least two of those persons are confined to wheelchairs when riding." The complimentary use tax section was not amended at that time.

**Summary:** The mobile home park fee of \$1 per lot established in 1988 is repealed.

The Department of Revenue is directed not to collect any fees owed under the mobile home park fee statute enacted in 1991. No fees are to be collected, or are owed, for the period that the fee existed prior to the statute's repeal in 1995.

The petroleum products tax expires on June 1, 2001, coinciding with the expiration of the Pollution Liability Insurance Agency.

The ride-sharing use tax exemption is made consistent with the ride-sharing sales tax exemption by including in the exemption vans containing not less than four persons when two of those persons are confined to wheel chairs.

### Votes on Final Passage:

House	96	0
Senate	45	0

**Effective:** July 1, 1996

## ESHB 2592

C 149 L 96

Providing consistency to penalty and interest administration of the department of revenue.

By House Committee on Finance (originally sponsored by Representatives B. Thomas, Morris and Boldt; by request of Department of Revenue).

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** The Department of Revenue (DOR) administers a variety of tax programs. Each program provides for the application of interest and penalties when a taxpayer does not satisfy his or her reporting or tax obligations in a timely manner, or when a taxpayer overpays the amount of tax due. The interest rates and penalties applied are not uniform across all tax programs.

There are general administrative rules applicable to most of the existing tax programs. These general rules include rules on the imposition of interest and penalties.

**Interest.** A taxpayer who does not pay the entire amount of a tax obligation or a penalty on the due date must pay interest on the amount of the deficiency. The interest charged is equal to an annualized average of the federal short-term rate plus two percentage points. This rate is calculated by taking an arithmetical average of the federal short-term rate, compounded annually, for the months of January, April, July, and October of the preceding calendar year.

A taxpayer who pays taxes, penalties, or interest in excess of the amount due is entitled to a refund of the overpayment and interest on the amount of the overpayment. The interest rate applicable to refunds is equal to an annualized average of the federal short-term rate plus one percentage point.

The DOR may hold in abeyance the collection of any contested tax obligation. The taxpayer must pay interest at the rate of 0.75 percent of the amount of the tax for each 30-day period from the date the tax obligation became due. In addition, the taxpayer may obtain a stay of collection for a tax assessment under some circumstances by filing a bond. The taxpayer must pay interest on the tax assessment at the rate of 1 percent of the assessment for each 30-day period from the date the assessment became due.

**Penalties.** A taxpayer may be penalized for failing to pay a tax on a return when due, failing to pay an assessed tax when due, having a collection warrant issued, disregarding written instructions, or intentionally evading a tax obligation.

A taxpayer who fails to pay a tax due on a return on the date due must pay a penalty of 5 percent of the amount of the tax. A 10 percent penalty is imposed if the tax is not paid within 30 days of the date due, and a 25 percent penalty is imposed if the tax is not paid within 60 days of the date due.



A taxpayer who fails to pay the entire amount of a tax assessed by the DOR on the date due must pay a penalty of 10 percent of the additional tax obligation due.

A penalty of 5 percent of the tax due is imposed if the DOR issues a warrant for the collection of taxes, increases, and penalties.

A 10 percent penalty is imposed on any additional tax amount found to be due because of the taxpayer's disregard of specific written instructions concerning tax obligations.

A taxpayer who has failed to pay the entire tax due with intent to evade a tax liability must pay an additional penalty of 50 percent of the tax liability not paid. However, this penalty may not be imposed if the penalty for failing to comply with written instructions is imposed.

The aggregate amount of penalties that may be imposed for failure to pay a tax due on a return, for late payment of an assessed tax, or for the issuance of a warrant cannot exceed 35 percent of the tax due.

**Waiver.** The DOR is required to waive or cancel any interest or penalty imposed for failure to pay a tax by the date due or failure to pay the entire tax obligation if the failure to pay resulted from circumstances beyond the taxpayer's control. The DOR has the authority to prescribe rules for waiver and cancellation of interest and penalties.

The general administrative rules on interest and penalties do not apply to several tax programs. These tax programs have alternative procedures for calculating interest and imposing penalties.

**Summary:** General administrative rules for the calculation and imposition of interest and penalties on tax obligations are amended. Various amendments are made to provisions of specific tax programs.

**General Administrative Rules.** The DOR's authority to waive or cancel any interest imposed for the failure to pay a tax obligation on time when the failure to pay was the result of circumstances beyond the control of the taxpayer is removed. The imposition of interest must be waived by the DOR if the taxpayer's failure to pay on time resulted from directions given to the taxpayer by the DOR or if the extension of a due date was not at the request of the taxpayer and was for the DOR's convenience.

Requirements for the waiver and cancellation of penalties, in addition to circumstances beyond the control of the taxpayer, are provided. At the request of the taxpayer, the DOR must waive any penalty imposed for failure to pay a tax by the due date if (1) the request for a waiver is for required tax returns for business and occupation tax, retail sales tax, use tax, local retail sales and use taxes, public utility tax, oil spill response tax, enhanced food fish tax, leasehold excise tax, and timber and forest land taxes; and (2) the taxpayer had timely filed and paid on all tax returns due for that program during the two years preceding the return period for which a waiver is requested.

If a taxpayer fails to pay the entire amount of a penalty due, interest may not be charged against the additional

penalty that has not been paid. The interest rate chargeable against any tax obligation held in abeyance or stayed by the DOR after the effective date of this act is changed to an annualized average of the federal short-term rate plus two percentage points. The time periods for determining the amount of a penalty for late payment are changed from "30-day" periods to "monthly" periods. A definition of "return" is provided.

**Real Estate Excise Tax.** Real estate excise taxes are subject to the following general administrative penalty provisions: (1) 10 percent penalty for failure to pay a tax assessed by the DOR by the date due; (2) 5 percent penalty if a warrant is issued for the collection of taxes; (3) 10 percent penalty on additional tax due resulting from disregarding specific written instructions; (4) penalties for failure to pay a tax due on a return, failure to pay an assessed tax, and issuance of a warrant are limited to 35 percent of the tax; and (5) the DOR may not impose both an evasion penalty and the penalty for disregarding specific written instructions.

If the DOR determines that all or a portion of a real estate excise tax is unpaid, the DOR must notify the taxpayer, and the additional amount becomes due within 30 days from the date of notice.

**Cigarette Tax.** Interest may not be assessed against any penalty imposed for failure to affix the required stamps or pay any tax due. The interest rate that the taxpayer must pay on any seized property that is returned to the taxpayer is changed from 1 percent for each 30-day period to an annualized average of the federal short-term rate plus two percentage points.

**Unclaimed Property.** The interest rate applicable if a person fails to deliver unclaimed property to the DOR as required by law is changed from the maximum amount allowed under the usury law to an annualized average of the federal short-term rate plus two percentage points.

**Public Utility District Privilege Taxes.** The interest rate applicable for failure to pay the public utility privilege tax by the due date is changed from 6 percent per year to an annualized average of the federal short-term rate plus two percentage points. Penalties are provided for failure to pay the tax by the due date. A 5 percent penalty applies if the tax is not paid on or before the due date. A 10 percent penalty applies if the tax is not paid within one month of the due date. A 20 percent penalty applies if tax is not paid within two months of the due date.

**Estate and Transfer Tax.** The interest rate applicable to taxes not paid by the due date and to tax refunds, for periods after the effective date of this act, are changed to an annualized average of the federal short-term rate plus two percentage points.

**Use Tax.** The period of time during which a person may apply to the DOR for a refund is changed from two years after payment of the tax to the four-year statutory period for assessment of taxes, penalties, and interest. The gross misdemeanor offense of willfully misrepresenting, or

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failing or refusing to declare, the value of a vehicle on an application for registration is removed.

### Votes on Final Passage:

House	97	0	
Senate	44	0	(Senate amended)
House	89	0	(House concurred)

**Effective:** January 1, 1997

## HB 2593

C 150 L 96

Changing the taxation of railroad-related businesses.

By Representatives Schoesler, Mason, B. Thomas and Boldt; by request of Department of Revenue.

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** Public and privately-owned utilities, such as power and light, natural gas, and water distribution companies, pay a gross receipts public utility tax instead of the business and occupation (B&O) tax. Railroads, airlines, and trucking companies are also taxed under the public utility tax.

The principal difference between the B&O and public utility taxes is a higher rate schedule applied under the public utility tax. Although many businesses subject to public utility tax are also subject to regulation by the Utilities and Transportation Commission, there is no direct connection between regulatory status and tax status.

Public utility tax rates are as follows:

Railroad, express, telegraph, natural gas, and sewerage collection - 3.852 percent

Light and power - 3.873 percent

Water distribution - 5.029 percent

Taxicabs, limousine services, other urban transportation carriers, and marine vessels for hire under 65 feet (except tugboats) - 0.642 percent

Motor transportation (except urban transportation), tugboats, and public utilities not elsewhere classified - 1.926 percent

Railroad car businesses operate rail cars or rent rail cars that are used on another company's railroad. Railroad car businesses are taxed at the 3.852 percent rate.

The Federal Railroad Revitalization and Regulatory Reform Act of 1976 (often called the 4-R Act) prohibits tax discrimination against railroads. The state's public utility tax imposes a rate of 3.852 percent on railroad businesses and a rate of 1.926 percent on trucking and airline businesses. The public utility tax on railroads was challenged as discriminatory. The Department of Revenue settled the case and agreed to tax railroads at the lower 1.926 percent rate.

The sales tax is imposed on retail sales of most items of tangible personal property and some services. The state tax rate is 6.5 percent and is applied to the selling price of

the article or service. In addition, local sales taxes apply. The total rate is between 7 percent and 8.2 percent, depending on the location. The sales tax applies to the sale of most goods and some services. The rental of goods is subject to the sales tax.

**Summary:** The public utility tax rate for railroads and railroad car businesses is reduced to 1.926 percent. The rental of rail cars is removed from the public utility tax and made subject to sales tax.

### Votes on Final Passage:

House	91	0
Senate	49	0

**Effective:** March 25, 1996

## HB 2595

C 89 L 96

Harmonizing procedures for vehicle impoundment.

By House Committee on Transportation (originally sponsored by Representatives Robertson and Scott).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** Currently, when a police officer has ordered an impound for the operation of a motor vehicle without a valid driver's license, a license that has been expired for 90 days or more, or a suspended or revoked license, the officer must immediately serve upon the driver of the impounded vehicle a notice of the right to a hearing in district court to contest the validity of the impound or the amount of towing and storage fees. In other situations where impounds are authorized, RCW 46.55, the towing and impoundment chapter, prescribes that the registered tow-truck operator give written notice of the opportunity for a hearing to persons redeeming impounded vehicles.

Under RCW 46.55, when a district court finds that an improper impound has occurred, the agency that authorized the impound is liable for any towing, storage, or other impoundment fees.

**Summary:** When a police officer has ordered an impound for the operation of a motor vehicle without a valid driver's license, a license that has been expired for 90 days or more, or a suspended or revoked license, the registered tow-truck operator performing the impound, rather than the police officer ordering the impound, must give written notice of the opportunity for a hearing to persons redeeming impounded vehicles.

At a hearing to contest the validity of an impound or the amount of towing and storage fees, in lieu of the impounding officer's personal appearance, the court may consider a written report made under oath by the officer who authorized the impoundment.

**Votes on Final Passage:**

House 97 0  
 Senate 49 0

**Effective:** June 6, 1996

**HB 2604**  
**FULL VETO**

Providing vehicle owners' names and addresses to commercial parking companies.

By Representatives Silver, R. Fisher, Chopp and Tokuda.

House Committee on Transportation  
 Senate Committee on Transportation

**Background:** Commercial parking companies contact registered owners of motor vehicles to notify them of outstanding parking violations. Currently, the commercial parking companies receive registered owner information from the Department of Licensing (DOL) via printed forms.

In the section pertaining to public records, the public disclosure law prohibits agencies from providing access to lists of individuals for commercial purposes, unless specifically authorized or directed by law. Although RCW 46.12.380 does authorize the disclosure of the names and addresses of vehicle owners for commercial purposes, it prescribes the manner of production. Under the procedures in RCW 46.12.380, DOL currently prohibits the disclosure of this information electronically (for example, magnetic tape) to commercial parking companies except when said companies are acting on behalf of a municipality or other governmental entity.

**Summary:** The Department of Licensing (DOL) is permitted to furnish lists of the registered owners of motor vehicles electronically to commercial parking companies. If a registered owner list is used by a commercial parking company for any purpose other than notification of outstanding parking violations, DOL will deny further access to such information.

**Votes on Final Passage:**

House 96 0  
 Senate 48 0

**VETO MESSAGE ON HB 2604**

March 30, 1996

To the Honorable Speaker and Members,  
 The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, House Bill No. 2604 entitled:

"AN ACT Relating to lists of registered and legal owners of vehicles;"

House Bill No. 2604 provides the operators of commercial parking companies electronic access to the records of the Department of Licensing so that they may use those records to identify

the owners of automobiles who used their parking lots without providing sufficient payment. Presently, these companies can access these records only through means which they argue are more expensive and cumbersome.

House Bill No. 2604 raises a much larger issue than would appear on the surface. Our state has not developed a clear policy about how and why public records should be accessed for commercial purposes. The underlying law regarding the commercial use of records was established by an act of the people when they passed Initiative 276 in 1972. That initiative provided for access to public records in ways that would allow citizens to hold their government more accountable, but the use of lists for commercial purposes was generally prohibited. The initiative provided that "[t]his law shall not be construed as giving authority to any agency to give, sell or provide access to lists of individuals requested for commercial purposes, and agencies shall not do so unless specifically authorized or directed by law" (Initiative 276, Section 25 (5)). Specific legislative authorizations for the commercial use of lists have proliferated since 1972, a process that House Bill No. 2604 would continue.

The issue here is not only one of privacy, but also of the value and purpose of governmental records. The government collects an immense amount of information from its citizens and from businesses. Much of the information is required for specific purposes related to the administration of programs, the development of policies, and the collection of revenues - all things that promote the common good. As the economy becomes increasingly service-oriented and as the impact of electronic information systems becomes more pervasive, great pressure is placed on the government to relinquish public control over its data holdings to the benefit of private, commercial enterprises.

As state government responds to emerging technologies, it is likely that we will have to modify the way we control and disburse the information we hold. However, in order to protect the privacy of our citizens, we should change our policies with great care and only after the broadest possible debate.

House Bill No. 2604 may, by itself, be a policy change with limited consequences. However, when viewed in combination with the myriad requests for access to public records that are being introduced into each legislative session, this bill raises serious questions about what our policy should be regarding the commercialization of public records. Our state must develop a clear, comprehensive policy about this issue lest the passage of bills like this one erode away, in a piecemeal fashion, the policy established by the people by initiative in 1972.

In order that a comprehensive policy governing the commercial use of public records can be developed, I will soon appoint a task force to address this issue. Consideration also will be given to issues associated with privacy. This task force will consist of persons who can help advise the executive and legislative branches about this important matter. I will ask the task force to prepare recommendations that can be debated in the 1997 and in subsequent legislative sessions.

By raising the issue this year through the exercise of this veto and others, I am aware that I will be asking our policy makers to undertake a task that will bring into focus a complicated debate that will reveal conflicting values about the public record, privacy, the future of technology, and governmental accountability. However, I am determined that this important debate go forward and that important principles of government not be decided by a process wherein the slow accumulation of exceptions to the underlying law become so extensive that more data is available for commercial uses than is withheld.

## SHB 2605

*For these reasons, I have vetoed House Bill No. 2604 in its entirety.*

*Respectfully submitted,*



*Mike Lowry  
Governor*

## SHB 2605

C 46 L 96

Allowing importation of *Macrocystis* seaweed for the use in the herring spawn-on-kelp fishery.

By House Committee on Natural Resources (originally sponsored by Representatives Linville, Fuhrman, L. Thomas, Thompson, Regala, Basich, Quall, Hatfield, B. Thomas, Stevens, Sheldon and Buck).

House Committee on Natural Resources  
Senate Committee on Natural Resources

**Background:** Seaweed is used extensively by fish populations for protection and for spawning. Studies have shown that removal of seaweed, especially kelp, has a detrimental effect on salmon production. *Macrocystis* is a type of seaweed used in the herring spawn-on-kelp fishery.

Legislation enacted in 1993 limited entry into the herring spawn-on-kelp fishery. This legislation limited the total number of license holders to five for this fishery. Specified license holders are eligible to bid for the limited entry licenses on an annual basis. Persons in the herring spawn-on-kelp fishery typically harvest the tops of the *Macrocystis* plant, place it in a net, and introduce herring into the net. The herring eggs are then harvested from the seaweed, processed, and marketed. Because of the limited availability of *Macrocystis* in this state, the plant is generally imported from Canada for this fishery.

State law prohibits importation of seaweed species of *Macrocystis* after July 1, 1995, for use in the herring spawn-on-kelp fishery.

**Summary:** The general prohibition against importing *Macrocystis* for use in the herring spawn-on-kelp fishery is removed. The Department of Fish and Wildlife is directed to ban the importation of *Macrocystis* in specific areas where the presence of fish or shellfish diseases would make it likely that the disease would be imported along with the *Macrocystis*. The department is required to incorporate this importation policy into its policy for fish and shellfish disease control.

### Votes on Final Passage:

House	98	0
Senate	48	0

**Effective:** June 6, 1996

## EHB 2613

PARTIAL VETO

C 321 L 96

Enhancing school disciplinary measures.

By Representatives Sterk, Crouse, Carrell, Brumsickle, McMahan, Boldt, Honeyford, D. Sommers, Clements, Sherstad, Koster, Fuhrman, Sheahan, Huff, Mulliken and Thompson.

House Committee on Education  
Senate Committee on Education

**Background:** Acceptance of Nonresident Students: A student may apply for admission to a public school in a school district in which the student is not a resident. School districts are required to adopt policies that establish rational, fair, and equitable standards for acceptance and rejection of applications for admission from nonresident students and from students receiving home-based instruction. Nonresident students may be rejected if acceptance would impose a financial hardship on the school district.

Student Suspension and Expulsion: The State Board of Education adopts rules and regulations that prescribe the due process rights of students in the public schools. Due process rights include notice, an opportunity to be heard, and the right to an appeal. Informal due process procedures may be used in connection with short-term suspensions if the constitutional interests of the student are adequately protected. Long-term suspensions require stricter due process guarantees. A short-term suspension is defined as a suspension of from one to five consecutive school days.

A school district superintendent or the superintendent's designee may call for an emergency expulsion of a student if there is good and sufficient reason to believe that the student poses an immediate and continuing threat of substantial disruption to the educational process. No procedures for emergency suspensions are provided. A student who commits certain offenses against a teacher (including assault, kidnapping, false imprisonment, and certain crimes against property) is suspended from the classroom and may be suspended by the principal for up to 10 days.

When a long-term suspension or expulsion is appealed, the suspension or expulsion must not be imposed until the appeal is decided. Emergency expulsions may continue after an initial prehearing if the student poses an immediate and continuing danger or threatens a substantial disruption of the educational process.

Interference by Force or Violence: It is a gross misdemeanor for a person to interfere by force or violence or by threat of force or violence with a teacher, administrator, classified employee, or student.

**Summary:** Acceptance of Nonresident Students: A nonresident student's application to enter a school in a school district may be rejected if the student's disciplinary record

indicates a history of behavior disruptive to the educational process.

**Student Suspension and Expulsion:** A short-term suspension is defined as a suspension of from one to 10 consecutive school days.

During the appeal of a suspension or expulsion, the school district may impose the suspension or expulsion temporarily, after an initial hearing, for no more than 10 consecutive school days or until the appeal is decided, whichever is shorter. Temporary suspension or expulsion days must be applied as an offset to the term of the suspension or expulsion.

**Interference by Force or Violence:** A student who interferes by force or violence with a teacher, administrator, classified employee, contract employee, or student is subject to immediate suspension or expulsion.

**Partial Veto Summary:** The Governor vetoed the provision that allows a school district to reject the application of a nonresident student because of that student's disciplinary record.

**Votes on Final Passage:**

House	93	3	
Senate	45	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**VETO MESSAGE ON HB 2613**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 1, Engrossed House Bill No. 2613 entitled:

"AN ACT Relating to school discipline;"

Engrossed House Bill No. 2613 specifies that use of force or violence against school personnel is grounds for a student's immediate suspension or expulsion and allows school districts to impose a temporary suspension or expulsion for up to ten days pending an appeal.

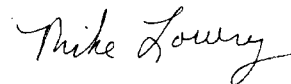
Section 1 of Engrossed House Bill No. 2613 contains a provision that would allow school districts to deny an application for admission from a nonresident student if the student's disciplinary record indicates a history of behavior that has been disruptive to the educational process.

I understand that several school districts are seeking this authority because they have been unable, in the past, to deny admission to nonresident students with long histories of serious disciplinary problems. While I appreciate the frustration of these districts in such cases, I am concerned that this broadly-worded provision would authorize school districts across the state to deny admission to nonresident students with any kind of disciplinary record. Such authority is clearly inappropriate and inconsistent with the responsibility of our public school system to provide educational services for all our children. A more targeted approach is necessary to address the concerns raised by these school districts.

For these reasons, I have vetoed section 1 of Engrossed House Bill No. 2613.

With the exception of section 1, Engrossed House Bill No. 2613 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**HB 2623**

C 255 L 96

Requiring the use of single name identifiers for persons obtaining controlled substances.

By Representatives Dyer, Hymes, Cody, Murray, Brumsickle, Casada, Conway, Skinner, Crouse, Morris, Sherstad and Scheurman.

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** Obtaining controlled substances by fraud is unlawful and punishable by imprisonment for not more than two years or a fine of not more than \$2,000. There is, however, no specific prohibition against using more than one name in order to obtain a prescription for a controlled substance from a practitioner or pharmacist.

**Summary:** It is unlawful to obtain a controlled substance by giving more than one name to a practitioner, including a pharmacist. When a person's name is legally changed, the person is required to inform all providers so that medical and pharmacy records may be filed under a single name identifier.

**Votes on Final Passage:**

House	96	0	
Senate	48	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**HB 2628**

C 47 L 96

Revising provision on payment of industrial insurance benefits to beneficiaries.

By Representatives Veloria, Conway and Cody.

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** If an injured worker suffers a permanent partial injury and dies of an unrelated cause before receiving his or her permanent partial disability award or dies before receiving a monthly benefit installment covering a period before the death, the surviving spouse or children of the worker are entitled to the award or installment owing to the worker. The spouse or children also receive the time

## SHB 2634

loss benefits covering the period before an injury-related death that were not received by the worker before death.

These benefits are not paid, however, to the spouse or children if the injured worker resided in the United States for as long as three years before the injury and the spouse or children were not residents of the United States at the time of injury.

**Summary:** The industrial insurance law's limitation on the payment to nonresident beneficiaries of permanent partial disability awards and monthly benefits owing to the injured worker prior to the worker's death is repealed. The limitation will no longer apply that prohibits these payments to a surviving spouse or child who was not a resident of the United States at the time of the worker's injury when the worker had resided in the United States for at least three years before the injury.

### Votes on Final Passage:

House	98	0
Senate	46	0

**Effective:** June 6, 1996

## SHB 2634 FULL VETO

Authorizing the sale of malt liquor in untapped kegs by class H licensees.

By House Committee on Commerce & Labor (originally sponsored by Representatives Scott, Mason, Linville, Schoesler, Sheldon, Jacobsen and Veloria).

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** Under the state's system of licensing the sale of alcohol, a Class H licensee may sell alcohol, including beer and wine, by the drink to the public who must consume it on the premises of the licensee. Class H licensees are typically restaurants with cocktail lounges where food is served along with alcohol. A Class H licensee may not hold any other retail license and may not sell alcohol in a closed container to be consumed away from the licensee's premises.

Taverns may sell beer to the public to be consumed on the premises (Class B license), or may sell beer to be taken off the premises in a closed container to be consumed elsewhere (Class E license). Under a Class B license the access to the premises is restricted to persons 21 years of age or older.

Restaurants, such as pizza parlors, may sell beer to the public to be consumed on the premises (Class A license) and may also sell beer to be taken off the premises for consumption (Class E).

Only Class A and Class B licensees (on-premises consumption) who also hold a Class E license (off-premises consumption) may sell malt liquor in kegs or

other containers that hold at least four gallons. Class H licensees may not hold Class E licenses (off-premises consumption) and may not sell beer in kegs.

**Summary:** A liquor licensee who has a Class A or B license in combination with a Class E license (sale of beer for consumption on or off the premises including kegs) and who converts those licenses to a Class H license may continue to sell beer in untapped kegs if authorized by the Liquor Control Board. This provision applies to licensees who converted after January 1, 1993.

### Votes on Final Passage:

House	93	5
Senate	37	8

### VETO MESSAGE ON HB 2634-S

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute House Bill No. 2634 entitled:

"AN ACT Relating to the sale of malt liquor in kegs;"

Substitute House Bill No. 2634 would allow certain establishments that obtained Class H liquor licenses after January 1, 1993, to sell beer in kegs for off-site consumption. These establishments must have previously held Class A or B beer and wine only licenses.

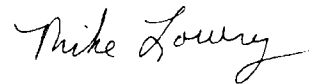
The state's liquor licensing structure has always carefully differentiated between on-site and off-site consumption of wine and beer and hard spirits. The Liquor Control Board's ability to regulate effectively is impaired when these functions overlap. Such is the case with this bill.

Substitute House Bill No. 2634 carves out a particular segment of Class H licensees and provides them with an economic advantage that is not available to other Class H licensees. For example, those who obtained their Class H licenses before January 1, 1993, or who were not previously holders of beer and wine only licenses, would not be able to sell kegs for off-site consumption. This is an unacceptable inequity.

However, Substitute House Bill No. 2634 does raise valid issues and calls into question the underlying rationale of the state's liquor licensing structure. For this reason, I have asked the Liquor Control Board to review the current licensing structure as a whole and to recommend improvements for the 1997 legislative session.

For these reasons, I have vetoed Substitute House Bill No. 2634 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**HB 2636**

C 217 L 96

Revising regulation of funeral directors and embalmers.

By Representatives Scott and Cairnes.

House Committee on Commerce & Labor  
Senate Committee on Government Operations

**Background:** The Department of Licensing and the Board of Funeral Directors and Embalmers license and regulate funeral directors, embalmers, and funeral establishments.

**License Requirements.** An applicant for a funeral director's license must meet certain requirements, including two years' course work at an accredited college. Applicants must also pass an exam that includes specified subjects.

An applicant for an embalmer's license must also meet certain requirements, including two years' course work at an accredited college plus a full course of instruction at an approved embalming school. Applicants must also pass an exam that includes specified subjects.

The requirement for two years of college course work for both funeral directors and embalmers includes courses in specified subjects, such as chemistry and biology or zoology.

For an applicant to pass the state exam, he or she must achieve a 75 percent passing grade in each subject of the exam. An applicant who fails to make a passing grade in a subject may be retested on that subject at the next scheduled exam. Exams are held at least once a year.

Licenses are issued in the individual's name and must be signed by the licensee for purposes of identification. Licenses are renewed annually.

Licensees from other states may be licensed in Washington if the license qualifications are comparable to those in Washington and the licensee pays the license fee.

**Business Practices.** Funeral establishments that sell services or merchandise through a prearrangement funeral service contract must establish a trust for collecting and holding money received under the contracts. Fees for administration of the trust may be deducted from the trust in an amount not to exceed 1 percent annually of the face amount of the contract.

A Funeral Directors and Embalmers Account is created in the custody of the State Treasurer for deposit of license and examination fees and fines and civil penalties. The account is a dedicated account. Expenses of the board are paid from this account only after legislative appropriation.

Statutes contain references to practices that have changed and are no longer relevant. For example, the board has authority to establish fees for crematories in conjunction with the Cemetery Board, but fees are no longer set in this manner. A requirement to post a statement containing the names of all licensees at the place of business is no longer necessary in that the individual's license must be

conspicuously displayed at the business. Licensees are required to report contagious diseases to the local health officer; however, this requirement has been removed from public health laws.

**Summary:** License requirements for funeral directors and embalmers are clarified and revised. Funeral director or embalmer applicants may meet the college course requirement by obtaining an associate of arts degree in mortuary science. Science courses are eliminated from the required curriculum for a funeral director's license. Required college and instructional course work for embalmers is reduced from three to two years.

The required examination must cover the funeral arts and the laws of Washington as they pertain to this field. Reference to specific subjects is eliminated. Applicants must obtain a 75 percent passing grade on the entire exam rather than a passing grade on each subject of the exam and may retake the exam if they fail to make a passing grade.

Licenses are no longer required to sign their licenses. The department is no longer required to renew licenses annually to provide flexibility should licenses be extended to cover a longer period.

Licenses from other states who may not have the education requirements necessary to be licensed in Washington may substitute five years of experience. In addition, licensees from states must pass an exam covering Washington State laws that pertain to this field.

The method of calculating fees for administering the trust account for money collected under prearrangement funeral services contracts is changed to reflect a maximum of 1 percent annually of the amount in the trust.

The Funeral Directors and Embalmers Account is redesignated as an account in the state treasury rather than an account in the custody of the State Treasurer.

The following obsolete references are eliminated as being inconsistent with current authorized practices: requiring the names of all licensees of the business to be displayed at the business; requiring licensees to report contagious diseases to the local health officer; and having the Board of Funeral Directors and Embalmers establish fees for crematories with the Cemetery Board.

**Votes on Final Passage:**

House	97	0
Senate	46	0

**Effective:** June 6, 1996

**ESHB 2637**

C 110 L 96

Changing provisions relating to the joint center for higher education.

By House Committee on Higher Education (originally sponsored by Representatives D. Sommers, Sheahan,

Jacobsen, Dellwo, Schoesler, Carlson and Grant; by request of Joint Center for Higher Education).

House Committee on Higher Education  
Senate Committee on Higher Education

**Background:** In 1985, the Legislature established the Joint Center for Higher Education in Spokane. The joint center's purpose is to coordinate programs offered in the Spokane area by Washington State University (WSU) and Eastern Washington University (EWU).

The mission of the joint center was expanded in 1989. During that year, the Legislature created the Spokane Intercollegiate Research and Technology Institute (SIRTI). The institute is a multi-institutional education and research center housing programs conducted in Spokane by WSU, EWU, the community colleges of Spokane, Gonzaga University, and Whitworth College. The joint center became the administrative and fiscal agent for the institute. The joint center was also responsible for coordinating programs and activities planned for SIRTI.

During 1989, the Legislature also approved a branch campus in Spokane for WSU and the co-location of EWU in the Spokane area. The joint center's role of coordinator was retained for programs offered by the two universities in Spokane. Money was provided to acquire land and to construct buildings for SIRTI, WSU, and EWU's program expansions.

Statutes related to the joint center were revised in 1991. The joint center became an independent, state-funded entity which acted as the fiscal and administrative agent for the Spokane Higher Education Park and SIRTI. The joint center has oversight responsibilities for all land and facilities in the Spokane Higher Education Park and SIRTI. The park is the location for the WSU branch campus and new classroom buildings for EWU. The joint center continues to coordinate programs offered by WSU and EWU in Spokane.

The joint center's governing board has 12 voting members. Three members are trustees or regents representing each of the public higher education institutions. Six members are citizens residing in Spokane County. The citizen members are appointed by the Governor and approved by the Senate. The presidents of Eastern Washington University, Washington State University, and the Spokane Community College district are the three remaining voting members. The executive director of the Higher Education Coordinating Board (HECB), the president of Gonzaga University, and the president of Whitworth College serve as non-voting members of the board.

**Summary:** The Joint Center for Higher Education's program coordination role is clarified. The joint center will coordinate degree programs offered jointly by WSU and EWU. The joint center will also coordinate degree programs offered by either of the universities with Gonzaga University and Whitworth College. In addition, the joint

center may mediate disputes among institutions about degree programs or courses.

The membership of the joint center's governing board is revised. The board will consist of 14 rather than 12 voting members. One of the new members will be from an independent, nonprofit university located in the Spokane area. The other will be from a separate independent, nonprofit institution of higher education located in the Spokane area. The two new members will be appointed by the Governor and confirmed by the Senate. They will serve four-year terms. Until these new members are appointed, either the president or the chancellor of Gonzaga University and the president of Whitworth college will continue to serve as non-voting members of the board. In addition, the president of WSU may send a designee to board meetings. The designee may be either the provost of WSU or the vice-president for research and dean of the graduate school.

The joint center may act as a sole agent for procuring printing and binding services and for the purchase and disposal of materials, supplies, services, and equipment when contracting with a public college or university that exercises this authority.

The joint center's board may hire a director and staff for SIRTI. It may delegate to the director any of its authority except its responsibility to adopt rules. The responsibility of the joint center for SIRTI is clarified. It will provide central administration services for the institute.

**Votes on Final Passage:**

House	98	0
Senate	39	0

**Effective:** June 6, 1996

**HB 2638**

C 74 L 96

Repealing the sunset of the department of information services.

By Representatives Reams, H. Sommers and Dellwo; by request of Office of Financial Management and Department of Information Services.

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** A sunset review schedule exists whereby the Legislative Budget Committee periodically reviews the operations of an agency and submits its recommendations to the Legislature regarding the continued existence of the agency and possible modifications of the statutes pertaining to the agency. The sunset review schedule includes a statute repealing the agency's statutes effective one year after the sunset review of the agency has been completed.

The Legislative Budget Committee just finished its sunset review of the Department of Information Services and recommends retaining that agency.



**Summary:** The Department of Information Services is retained. The statute is repealed that repeals statutes relating to the Department of Information Services.

**Votes on Final Passage:**

House	97	0
Senate	46	0

**Effective:** June 6, 1996

**ESHB 2640**

C 134 L 96

Changing truancy provisions.

By House Committee on Education (originally sponsored by Representatives Clements, Brumsickle, Radcliff, Poulsen, Hatfield, Linville, Dickerson, Basich and Cole).

House Committee on Education  
Senate Committee on Education

**Background:** Compulsory attendance laws were changed during the 1995 legislative session. A school district is required to file a truancy petition with the court if a student has five unexcused absences in one month or ten unexcused absences in one year.

The Governor vetoed sections of the bill that would have required compliance with compulsory attendance laws as a condition for obtaining a driver's license. The Governor urged in the veto message that a work group be formed to develop recommendations regarding compulsory attendance and truancy. Work groups from the Senate and House met jointly during the past interim to study the issue of truancy and to develop recommendations. Issues raised included the effect of the requirement to file petitions on school districts and courts; changes in truancy rates; definitions of unexcused absence; the age of compulsory attendance; the time needed to work with a student to reduce unexcused absences; and how the petition process was working in different counties.

As of December 1996, truancy petitions were filed in 29 counties, for a statewide total of 2,235 petitions.

**Summary:** The requirements are modified for both schools and courts in enforcing the compulsory attendance laws.

**Age of Compulsory Attendance:** The age when students may leave school if certain conditions are met is raised from 15 to 16. Students under 18 may no longer leave school simply because they complete the first nine grades. Students who are age 16 through 18 and who are gainfully employed may leave school only with parental consent or if the student is emancipated.

**School's Duty to Notify Parents and Hold Conference:** School districts must inform parents of the consequences of unexcused absences. The required conference after the second unexcused absence may be conducted without the parent, but the parent must be notified.

**Steps Taken to Reduce Absences:** In addition to the steps schools are required to take to reduce absences, schools may require the student to attend an alternative school or program. It is clarified that these actions and the petition process must be taken only with students enrolled in a public school district.

**Definition of Unexcused Absence:** An unexcused absence means not meeting a school district's definition of an excused absence and failing to attend the majority of hours or periods in a school day or failing to meet a more restrictive school attendance policy.

**Filing Petitions:** After five unexcused absences in a month or 10 unexcused absences in a year, the school district must (a) file a truancy petition; (b) enter into an agreement with the student and parent establishing attendance requirements; or (c) refer the student to a community truancy board or other board. However, the school district must file a truancy petition upon the seventh unexcused absence in a month even if it chooses to enter into an agreement or to refer a student to a truancy board.

A truancy action is a civil action. School districts, at the discretion of the court, may be represented by a person other than an attorney. The court may hold initial hearings without requiring the district, child, or parent to be represented by legal counsel, or to have a guardian ad litem appointed for the child. Courts and truancy boards are required to coordinate truancy proceedings with "at-risk youth" petitions and "child in need of services" petitions.

**Court's Duties:** The court must schedule a hearing when a truancy petition is filed unless other actions taken by the court would substantially reduce the child's unexcused absences. The actions that may be ordered by the courts are increased to include requiring the child to enroll in a variety of public and private education programs.

If a court orders enrollment of the child in a nonpublic school or program, the child's school district must contract with that school or program for services. The school district may not be required to contract at a rate that exceeds the amount received by the state for general apportionment. Before ordering a child to attend a private school or program, the court must consider available programs and determine that the child will be accepted at the school or program. The Administrator for the Courts is required to report to the Legislature annually on the number of truancy petitions filed and the number of contempt orders issued.

**School District Reports:** Reporting requirements for school districts are modified, eliminating requirements to report the number of excused absences and the disposition of cases by the court. The requirement to document steps taken to reduce absences is modified. A sample of districts must report on the steps taken to reduce truancy, and other districts may also be required to report. Districts must submit reports about programs developed to serve truant youth.

**Incentive Program for Alternative Schools:** A grant program is created, subject to funding, to provide

## HB 2652

incentives for school districts to plan and develop alternative schools or programs. The grant program expires June 30, 1997.

**Funds for Educational Services:** The Superintendent of Public Instruction, subject to funding, is directed to allocate funds for the provision of educational services for children who have been referred to community truancy boards and the courts. The amount of funds to be allocated per child is to be determined in the budget.

### Votes on Final Passage:

House	98	0	
Senate	46	0	(Senate amended)
House	89	0	(House concurred)

**Effective:** June 6, 1996

## HB 2652

C 125 L 96

Clarifying existing law on the costs of hospitalizing criminally insane patients.

By Representatives Ballasiotes, Costa and Scott.

House Committee on Corrections  
Senate Committee on Human Services & Corrections

**Background:** Victims of the Criminally Insane. A court may sometimes order persons found not guilty by reason of insanity to pay restitution or damages to the victims they have harmed.

Hospitalization Costs for the Criminally Insane. Defendants who are found not guilty by reason of insanity are hospitalized at a state mental hospital if they are found to be a substantial danger to other persons or to present a substantial likelihood of committing certain felonies.

The state hospitals housing these criminally insane persons are operated by the Department of Social and Health Services (DSHS). Criminally insane persons housed in state hospitals are responsible for reimbursing the DSHS for their hospitalization costs.

The DSHS investigates the financial condition of a criminally insane person and makes determinations regarding the person's ability to pay all or a portion of the hospitalization costs. The DSHS is authorized to develop general standards to guide its determination of ability to pay in individual cases. The general standards are to be recomputed periodically to take into account changes in the cost of living and other pertinent factors. The standards are to include provisions addressing unusual and exceptional circumstances. Washington's statutes do not specify what items are included in these "pertinent factors" or what constitutes "unusual and exceptional circumstances."

Once the DSHS finds that a particular criminally insane person has an ability to pay, the DSHS serves the finding on the person. The person has an opportunity to contest the finding before an administrative law judge.

After the finding becomes final, the DSHS may apply to a superior court to have a judgment entered against the person for the amounts identified in the finding. The DSHS can then collect on the judgment through enforcement procedures existing for civil judgments, including the filing of liens.

**Summary:** The language is clarified that directs the DSHS to take into account "pertinent factors" and "unusual and exceptional circumstances" when setting its reimbursement standards. These factors and circumstances are to take into account judgments owed by the criminally insane person to any victim of an act that would have resulted in a criminal conviction but for the finding of criminal insanity.

When the DSHS obtains a superior court judgment against a criminally insane person for payment of hospitalization expenses, the DSHS may not collect on the judgment until the victims have been fully compensated under their judgment against the criminally insane person.

### Votes on Final Passage:

House	96	0
Senate	49	0

**Effective:** June 6, 1996

## SHB 2656

C 218 L 96

Creating a new class of liquor license for sports entertainment facilities.

By House Committee on Commerce & Labor (originally sponsored by Representatives Cairnes, Romero and Thompson).

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** Sports entertainment facilities present a unique setting for the sale and service of alcohol.

Current law allows publicly-owned civic centers to serve alcohol through Class H licensees who operate at least one dining place in the facility. The dining place must offer full meal service.

Those licenses that allow beer, wine, and liquor to be served to the public for consumption on the licensee's premises each possess restrictions and limitations that do not fit the special needs of civic centers and conventions facilities offering a variety of events. For example, the Class H license allows the sale of liquor by the drink at a restaurant that meets certain criteria. The restaurant facility must offer food service at least five hours a day during days of operation and must offer service to the public at least five days a week. Alcoholic beverage service is restricted to the restaurant area. The requirements that accompany a Class H license are not designed to apply to a large arena facility that is used for a variety of events.

Stadium and arena facilities currently licensed under Class H licenses pay between \$2,300 and \$2,500 for licenses. The license fee for those facilities licensed to sell only beer pay significantly less.

Beginning July 1, 1996, employees of retail liquor licensees who sell alcohol for consumption on the premises must hold permits evidencing that they have received training on the effects of alcohol, legal liability relating to alcohol, and how to deal with customers.

**Summary:** A Class R license is created to be issued by the Liquor Control Board to an entity providing food and beverage service in a sports entertainment facility. A sports entertainment facility is a publicly- or privately-owned facility where sporting events are held and the public pays admission to attend.

The license allows the sale of beer, wine, and liquor for consumption on the premises of the facility. Additional conditions may be placed on the licensee such as requirements for the availability of food. The board may determine whether or not alcohol may be served depending on the type of event that is held. The board may also consider the seating accommodations, eating facilities, and circulation patterns in setting conditions on the licensee.

The license fee is \$2,500 annually.

Licensees holding Class R liquor licenses and alcohol servers who are employed by these licensees must comply with requirements for training and employment of alcohol servers.

Privately-owned civic or convention centers may serve alcohol through a Class H licensee who operates at least one dining place in the facility.

**Votes on Final Passage:**

House	93	3	
Senate	45	0	(Senate amended)
House	89	5	(House concurred)

**Effective:** June 6, 1996

**ESHB 2657**

C 168 L 96

Redefining the term "public works project."

By House Committee on Capital Budget (originally sponsored by Representatives Silver and Costa).

House Committee on Capital Budget  
Senate Committee on Government Operations

**Background:** The public works assistance account, commonly known as the public works trust fund, was created by the Legislature in 1985 as a revolving loan program to assist local governments and special purpose districts with infrastructure projects. The Public Works Board, within the Department of Community, Trade and Economic Development, is authorized to make low-interest or interest-free loans from the account to finance the repair,

replacement, or improvement of the following public works systems: bridges, roads, water systems, and sanitary and storm sewer projects.

The Rural Natural Resources Program (RNRP) within the Public Works Trust fund provides loans to non-metropolitan counties and non-urbanized areas experiencing job losses in the lumber, wood products, and commercial salmon fishing industries, and having unemployment rates 20 percent or more above the state average. Loans under the RNRP may be used for public works projects that support new or expanded public works facilities and stimulate economic growth or diversification. In contrast, the regular Public Works Trust Fund program cannot be used for growth-related projects. Loan repayments under the RNRP may be deferred for up to five years, though the loan must be repaid within 20 years.

Local planning for solid waste and recycling facilities is conducted by counties in cooperation with cities located within the counties. State law requires that local solid waste management plans include a six-year construction and capital acquisition program, a financing plan for capital and operational expenses, an inventory of solid waste collection needs and operations, a comprehensive waste reduction and recycling program, and an assessment of the plan's impact on the cost of solid waste collection. Solid waste management plans must be reviewed and revised, if necessary, at least every five years.

**Summary:** Solid waste facilities, including recycling facilities, are added to the list of projects eligible to receive funding from the public works assistance account. Eligible solid waste and recycling projects include remedial actions related to landfill closure; repair, replacement, or restoration of existing solid waste and recycling facilities, including transfer facilities; and opening new cells in existing and permitted landfills. To qualify for loan funding for a solid waste or recycling facility, a city or county must demonstrate that the facility is consistent with and necessary for implementation of the comprehensive solid waste management plan adopted by the city or county.

Loans under the Rural Natural Resources Program (RNRP) are permitted for zip code areas immediately adjacent and contiguous to rural natural resource impact areas within the same county if workers living in impact areas benefit from the loan, and if a project benefitting from the loan is expected to receive within six years at least \$800 million in private sector investment.

**Votes on Final Passage:**

House	96	0
Senate	49	0

**Effective:** June 6, 1996

**HB 2659**

C 90 L 96

Computing special fuel tax on a mileage basis.

By Representatives Skinner, R. Fisher and Cairnes; by request of Department of Licensing.

House Committee on Transportation  
Senate Committee on Transportation

**Background:** The fuel tax division of the Department of Licensing (DOL) is responsible for auditing special fuel users to determine if the appropriate amount of special fuel tax is being remitted to the state. Special fuel licenses are issued to persons who are authorized to purchase fuel without paying tax. If the fuel is used in a non-exempt vehicle and the taxpayer's records are inadequate to prove the number of miles actually traveled, the department can presume the calculation of fuel used based on four miles per gallon for vehicles over 40,000 pounds gross weight; seven miles per gallon for vehicles 12,001 to 40,000 pounds gross weight; 10 miles per gallon for vehicles 6,001 to 12,000 pounds gross weight; and 16 miles per gallon for vehicles 6,000 pounds or less gross weight. Because the users of special fuel are required to maintain detailed mileage records showing both on-highway and off-highway usage, the imposed calculations are intended to be punitive.

The language pertaining to the calculation of the miles traveled in the absence of records was challenged and the court found for the plaintiff. The court indicated that the language was not specifically punitive and disallowed the four miles per gallon for vehicles over 40,000 pounds gross weight if it was proved that the vehicle averaged better than four miles per gallon.

**Summary:** The language is restated that, in the absence of operation records, vehicle miles per gallon "must be calculated" using the above schedule instead of "presuming" the vehicle miles per gallon on the above schedule.

**Votes on Final Passage:**

House 96 0  
Senate 46 0

Effective: June 6, 1996

**HB 2660**

C 91 L 96

Revising procedures for refund of certain fees and taxes.

By Representatives Cairnes and R. Fisher; by request of Department of Licensing.

House Committee on Transportation  
Senate Committee on Transportation

**Background:** Persons who discover they have overpaid their motor vehicle excise taxes (MVET) may request refunds from the Department of Licensing (DOL), no

matter how small the amount of overpayment. In addition to these requested refunds, the department, on its own initiative, issues automatic MVET refunds to persons who have overpaid by \$5 or more. However, the administrative cost of processing an automatic (non-requested) refund is greater than \$5.

**Summary:** The threshold for an automatic (non-requested) refund is raised from \$5 to \$10. The department must continue to issue refunds to persons requesting one, no matter how small the amount.

**Votes on Final Passage:**

House 96 0  
Senate 43 3

Effective: July 1, 1996

**HB 2661**

PARTIAL VETO

C 256 L 96

Regulating public funds.

By Representatives L. Thomas and Wolfe; by request of State Treasurer.

House Committee on Financial Institutions & Insurance  
Senate Committee on Financial Institutions & Housing

**Background:** Public funds can be deposited only in commercial banks and thrift institutions that have been designated as public depositories by the Public Deposit Protection Commission (PDPC). This commission was created in 1969 and is composed of the Governor, the Lieutenant Governor, and the State Treasurer. The State Treasurer chairs the commission and provides administrative support. The PDPC is responsible for protecting all public funds deposited in Washington banks and savings associations. Public funds are those moneys belonging to or held for the state, its political subdivisions (local governments), municipal corporations, agencies, courts, boards, commissions, or committees, and includes moneys held in trust.

To be approved as a public depository, a bank or thrift must meet the minimum requirements of the PDPC and must pledge securities as collateral to protect public funds on deposit in all public depositories (not just for that particular institution). If deposit insurance and collateral pledged by a failed institution are insufficient to reimburse all public depositors, the other public depositories are each assessed a proportionate share of the shortfall.

The PDPC can authorize state and local government entities to establish demand accounts in out-of-state and alien banks. No single government entity can hold more than \$50,000 in one account, and the aggregate cannot exceed \$1 million. These accounts are not secured by the PDPC, but are the sole responsibility of the government entity establishing the account.

**Summary:** Washington branches of out-of state banks and savings associations may be approved as public depositories. The Public Deposit Protection Commission (PDPC) may adjust net worth requirements to account for interstate branching of Washington banks into other states and out-of-state banks into Washington. The chair of the PDPC, when delegated the authority by the PDPC, can allow state and local government entities to establish demand accounts in out-of-state and alien banks.

All public depositories must enter into depository pledge agreements. This is a tri-party agreement between the financial institution, the PDPC, and the institution's trustee. The types of securities that may be used as collateral are changed and clarified.

Technical changes and clarifications are made. For example, references to "qualified public depository" are changed to "public depository," incorrect references to the director of the Department of Financial Institutions are corrected, and public corporations are included in references to public funds.

**Partial Veto Summary:** The partial veto removed the emergency clause.

**Votes on Final Passage:**

House	96	0
Senate	47	0

**Effective:** June 6, 1996

**VETO MESSAGE ON HB 2661**

March 29, 1996

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 19, House Bill No. 2661 entitled:

"AN ACT Relating to public funds;"

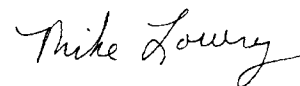
House Bill No. 2661 makes several technical changes to 39.58 RCW to update public deposit protection provisions in response to changes in interstate banking and FDIC requirements.

This legislation includes an emergency clause in section 19 which was included to coordinate implementation of these changes with Substitute House Bill No. 2125, regarding the authorization of interstate banking. Since the emergency clause on Substitute House Bill No. 2125 was vetoed, the rationale for including an emergency clause in this bill has been eliminated. As with Substitute House Bill No. 2125, this legislation is not necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions. The inclusion of an emergency clause prevents this bill from being subject to a referendum under Article II, section 1 (b) of the state Constitution and unnecessarily denies the people of this state their power, at their own option, to approve or reject this bill at the polls.

For this reason, I have vetoed section 19 of House Bill No. 2661.

With the exception of section 19, House Bill No. 2661 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**SHB 2664**

C 257 L 96

Authorizing municipalities to utilize competitive negotiations in the acquisition of electronic data processing or telecommunication systems.

By House Committee on Government Operations (originally sponsored by Representatives Hargrove, Sheahan, Reams, Cairnes, Hymes and Thompson).

House Committee on Government Operations  
Senate Committee on Energy, Telecommunications & Utilities

**Background:** Local government competitive bidding statutes do not specifically address the purchase of computer or telecommunication systems. As a result, many local governments are unsure whether other statutory exemptions from competitive bidding, such as the purchase of special services, apply to these purchases. Many municipalities purchase these systems through competitive negotiations, but there are no statutory guidelines for how these competitive negotiations are to be conducted.

**Summary:** Municipalities may acquire electronic data processing or telecommunication equipment, software, or services either through competitive negotiation or competitive bidding.

If competitive negotiation is used, then a request for proposal must be prepared and submitted to an adequate number of qualified sources as determined by the municipality, to permit reasonable competition for the procurement.

Notice of the request for proposal must be published in a newspaper of general circulation in the municipality at least 13 days before the last date upon which proposals will be received. The request for proposal must identify significant evaluation factors, including price, and their relative importance.

The municipality must provide reasonable procedures for technical evaluation of the proposals received, identification of qualified sources, and selection for awarding the contract. The contract must be awarded to the qualified bidder whose proposal is most advantageous to the municipality, with price and other factors considered. The municipality may reject any and all proposals for good cause and request new proposals.

## EHB 2672

### Votes on Final Passage:

House 97 0  
Senate 47 0

**Effective:** June 6, 1996

## EHB 2672

C 252 L 96

Prohibiting greyhound racing.

By Representatives Van Luven, Romero, Sheahan, Tokuda, Schoesler, D. Sommers, Murray and L. Thomas.

House Committee on Trade & Economic Development  
Senate Committee on Labor, Commerce & Trade

**Background:** Washington regulates gambling under the Gambling Act of 1973. The state has not authorized either live or simulcasts of greyhound racing for the purpose of public exhibition, parimutuel betting, or special exhibition events.

**Summary:** Greyhound racing for gambling purposes is prohibited in the state of Washington. If conducted for gambling purposes, a person may not (1) hold, conduct, or operate live greyhound racing in the state for public exhibition, parimutuel betting, or special exhibition events, or (2) transmit or receive intrastate or interstate simulcasting of greyhound racing for commercial, parimutuel, or exhibition purposes.

Violation of these provisions is a class B felony (professional gambling in the first degree), which is punishable by confinement in a state correctional institution for a maximum term up to 10 years, or by a maximum fine up to \$20,000, or both confinement and a fine.

### Votes on Final Passage:

House 91 7  
Senate 49 0 (Senate amended)  
House (House refused to concur)  
Senate 47 0 (Senate amended)  
House 91 2 (House concurred)

**Effective:** June 6, 1996

## SHB 2682

C 258 L 96

Authorizing elections to create library capital facilities areas at any general or special election.

By House Committee on Capital Budget (originally sponsored by Representatives Hymes, Wolfe, Honeyford and Reams).

House Committee on Capital Budget  
Senate Committee on Government Operations

**Background:** Library systems may be operated by various types of library districts or by cities, towns, or counties. A library district may be established in part of a county, may be county-wide, or may include several counties. A library district is governed by a five- or seven-member board of library trustees appointed by the legislative authority of the county or counties in which the library district is located.

Construction of new library facilities may be financed by a district-wide levy, or by a city or town which has been annexed into a larger library district. Before 1995, a community smaller than the library district, or not contiguous with a city or town, had no method to finance the construction or acquisition of a new library facility.

In 1995, legislation was enacted to authorize the establishment of library capital facilities areas to finance the construction or acquisition of library facilities. A library capital facilities area must be approved by the majority of voters in the proposed area voting at a general election. The election is called by the legislative authority of the county or counties in which the area is located upon the receipt of a petition from the library district board. In the petition, the governing bodies must agree to the allocation of election costs.

The library capital facility area may issue bonds paid through an excess levy on property in the area. Excess levy elections may occur only at general elections.

**Summary:** The 1995 legislation authorizing library capital facilities areas is amended in two ways. First, the phrase library capital "facilities" area is changed to library capital "facility" area. Second, a proposition to establish the library capital facility areas and authorize excess levies may be placed on the ballot at a general or special election. County legislative authorities are encouraged to request such elections at general elections or already scheduled special elections.

### Votes on Final Passage:

House 98 0  
Senate 47 0 (Senate amended)  
House 94 0 (House concurred)

**Effective:** June 6, 1996

## HB 2687

C 92 L 96

Revising regulation of vehicle size and load.

By House Committee on Transportation (originally sponsored by Representatives Robertson, R. Fisher and K. Schmidt; by request of Department of Transportation).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** The Department of Transportation's (DOT's) vehicle oversize and overweight fines and

penalties are intended to discourage the overloading of vehicles. The purpose is to preserve the road surface and slow the deterioration of state highways.

The current fine structure for an oversize or overweight violation is not less than \$50 on first offense, \$75 on second offense, and \$100 on third and subsequent offenses. For weight violations there is an additional fine of 3 cents per pound of excess legal weight.

Several studies conducted by the Washington State Transportation Center concluded that the combination of the capture rate (the likelihood of being caught by enforcement), the permit fee structure, and the current fine structure provides an economic incentive to overload. In other words, it is cheaper to get caught and pay the fine than it is to obtain a permit or stay within the legal weight limits.

Special permits (oversize, overweight, additional tonnage, and log tolerance permits) are issued by the DOT at headquarters and maintenance area offices and by the Washington State Patrol (WSP) at the ports of entry. In addition, the department may appoint independent agents (county auditors, insurance companies, small operators) to issue these permits. The independent agents may retain \$3.50 of the permit fee for their services.

The department is seeking greater flexibility in contracting for the issuance of its special permits. Through advanced technologies permitting services are now available that further the "one-stop-shop" concept, for example, expanded payment options for the carriers, electronic fund transfers for speedy revenue collection, etc. Expanding the contracting requirements would give the department more options when negotiating with the private sector for permit issuance.

**Summary:** The additional fine of 3 cents per pound in excess of the legal weight is replaced with a graduated fine structure. The fine structure consists of a set dollar amount, plus a certain number of cents per pound. The penalty, designed as a deterrent, dramatically rises as the amount of illegal weight increases:

- 1-4000 pounds overweight, no additional penalty, 3 cents per pound;
- 4,001-10,000 pounds overweight, \$120 additional penalty, 12 cents per pound;
- 10,001-15,000 pounds overweight, \$840 additional penalty, 16 cents per pound;
- 15,001-20,000 pounds overweight, \$1,640 additional penalty, 20 cents per pound;
- Over 20,000 pounds overweight, \$2,640 additional penalty, 30 cents per pound.

The DOT is given more latitude when contracting with the private sector for the issuance of its special permits. The department may select a third-party contractor, by means of competitive bid, to issue DOT special permits. A third-party contractor is a business entity authorized by the department to issue the permits. In selecting a third-party

contractor, the department will consider the benefits to the DOT, the trucking industry, and the overall level of permit service. The Transportation Commission may adopt qualification rules for third-party contractors.

**Votes on Final Passage:**

House	97	0
Senate	48	1

**Effective:** June 6, 1996

## SHB 2689

### PARTIAL VETO

C 259 L 96

Defining the practice of oral and maxillofacial surgery.

By House Committee on Health Care (originally sponsored by Representatives Dyer, Cody, Campbell and Conway).

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** The Dental Practice Act defines the scope of practice of dentists licensed for practice in the state. The scope generally involves the diagnosis and treatment of diseases, injuries, deformities, and the physical condition of the teeth, gums, and jaw. Dentists are not limited by the medical scope of practice.

Physicians share with dentists some dental procedures. Physicians may perform oral surgery and extract teeth, as well as diagnose and make x-ray interpretations of the shadows of the teeth, alveolar process, maxilla, mandible, or adjacent soft tissue. Parties disagree as to whether dental oral surgeons may treat the hard and soft tissues adjacent to the jaw.

**Summary:** The dental scope of practice is clarified to include any dental or oral and maxillofacial surgery. "Oral and maxillofacial surgery" means the specialty of dentistry that includes the diagnosis and surgical and adjunctive treatment of diseases, injuries, and defects of the hard and soft tissues of the oral and maxillofacial region.

**Partial Veto Summary:** The Governor vetoed section 2 which contained an emergency clause.

**Votes on Final Passage:**

House	96	0	
Senate	45	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

### VETO MESSAGE ON HB 2689-S

March 29, 1996

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 2, Substitute House Bill No. 2689 entitled:

"AN ACT Relating to the practice of oral and maxillofacial surgery;"

Substitute House Bill No. 2689 clarifies the dental scope of practice to include oral and maxillofacial surgery.

This legislation includes an emergency clause in section 2. Although clarifying the dental scope of practice is important, it is not a matter necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions. Preventing this bill from being subject to a referendum under Article II, section 1 (b) of the state Constitution unnecessarily denies the people of this state their power, at their own option, to approve or reject this bill at the polls.

For this reason, I have vetoed section 2 of Substitute House Bill No. 2689.

With the exception of section 2, Substitute House Bill No. 2689 is approved.

Respectfully submitted,

Mike Lowry  
Governor

**SHB 2690**

**FULL VETO**

Authorizing the collection of fees and prepayment penalties for consumer loans.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Pelesky, Benton, Dyer, L. Thomas, Huff, D. Sommers, Kessler and Grant).

House Committee on Financial Institutions & Insurance  
Senate Committee on Financial Institutions & Housing

**Background:** Consumer loan companies are regulated by state law. The maximum interest rate consumer loan companies can legally charge is 25 percent per year. Other statutory provisions limit the amount of fees these companies may charge for originating a loan and prohibit a prepayment penalty from being assessed when the borrower pays the loan off early.

**Summary:** The loan origination fee limitation is removed for real estate loans made by consumer loan companies.

**Votes on Final Passage:**

House	94	0
Senate	47	1

**VETO MESSAGE ON HB 2690-S**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute House Bill No. 2690 entitled:

"AN ACT Relating to authorizing the collection of fees and prepayment penalties for consumer loans;"

Substitute House Bill No. 2690 deregulates the origination fee that consumer loan companies may charge on loans secured by real estate and removes restrictions on the types of third party fees consumer loan companies can charge on loans secured by real estate.

The market for providing consumer loans, especially those secured by real estate, has changed in recent years, and there is a great deal more competition for this business. Especially over the last year, the opportunity to secure a loan has improved for individuals whose credit history might previously have prohibited them from more desirable borrowing opportunities. While consumer loan companies are now competing for business with other financial institutions, the regulations between these institutions are not the same.

While I am generally supportive of creating a favorable climate for financial institutions, in weighing the proposed changes relative to the merits for both lenders and the borrowers, I am troubled by the detrimental impact of this measure for consumers. As written, these loans will now cost less sophisticated or debt-burdened consumers — the very group who will most likely approach a consumer loan company — more money. Only those with the knowledge and bargaining position sufficient to negotiate with these lenders will hypothetically realize any benefit. I find this scenario unlikely.

By deregulating origination fees and by allowing broad language on third party fees, consumers are susceptible to the kind of financial disadvantages present law was designed to prevent. RCW 31.04.005 recognizes that certain borrowers represent a higher risk to lenders who, in turn, should be allowed to charge higher interest rates in extending credit. When we expand this borrower distinction to allow various separate costs and fees in addition to a higher rate of interest, I have concerns with the potential for abuse.

For these reasons, I have vetoed Substitute House Bill No. 2690 in its entirety.

Respectfully submitted,

Mike Lowry  
Governor

**HB 2691**

**C 11 L 96**

Correcting obsolete references in the state even start program.

By Representatives Brumsickle, Cole, Carlson, Radcliff, Quall and Hatfield; by request of State Board for Community and Technical Colleges.

House Committee on Higher Education  
Senate Committee on Higher Education

**Background:** In 1987, the Legislature created Project Even Start to assist parents who have dropped out of school. The program provides parents with basic academic and parenting skills.

In 1991, the Legislature passed the workforce training and education bill which moved Project Even Start from the Office of the Superintendent of Public Instruction to the



Office of Adult Literacy at the State Board for Community and Technical Colleges.

Legislation in 1995 attempted to make the statutory language consistent with this transfer of responsibility. However, there were two statutory sections in which the necessary changes were omitted.

**Summary:** In the statutes governing the Even Start Program, the term vocational technical institutes is changed to technical colleges. The term Superintendent of Public Instruction is changed to the State Board for Community and Technical Colleges.

**Votes on Final Passage:**

House	96	0
Senate	46	0

**Effective:** June 6, 1996

**HB 2692**

C 93 L 96

Correcting RCW internal references.

By Representatives Sheahan, Dellwo, Appelwick and Hickel; by request of Statute Law Committee.

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** Sometimes legislation results in the reordering or renumbering of provisions within a particular statute. Other bills enacted during the same legislative session may inadvertently refer to subsection numbers within the statute that are no longer correct. Similarly, sometimes as a bill goes through the legislative process, particular provisions within the bill are reordered, and other bills attempting to refer to a particular provision in the bill may ultimately fail to refer to the intended provision. When these events occur, the code reviser may ask for legislation making technical corrections to statutory internal references.

During the 1995 session, the Legislature enacted Initiative 159, which amended numerous statutes addressing penalties for armed crime. The initiative applied deadly weapon enhancements to all felonies, except specified offenses that necessarily involve the use of a firearm. The initiative established one set of enhancements if the deadly weapon is a firearm, and a different set of enhancements if the deadly weapon is other than a firearm. Those provisions are contained in different subsections.

In separate legislation, the Legislature also amended a sentencing statute to create a special drug offender sentencing alternative. The alternative is not to be available to offenders whose violations involve a "deadly weapon" enhancement. This provision fails to cross-reference both subsections concerning deadly weapons as passed in the initiative.

Finally, in recent years, the Legislature enacted new definitions regarding business and occupation taxes. A current statute referring to those definitions by statutory citation is now incomplete.

**Summary:** References to renumbered sections and subsections are corrected.

An offender is ineligible for the special drug offender sentencing alternative if the violation involves a deadly weapon enhancement under either subsection of the law as it passed in Initiative 159.

The reference to definitions regarding business and occupation taxes is expanded.

**Votes on Final Passage:**

House	97	0
Senate	46	0

**Effective:** June 6, 1996

**ESHB 2695**

FULL VETO

Changing the timelines for development and implementation of the student assessment system.

By House Committee on Education (originally sponsored by Representatives Brumsickle and B. Thomas; by request of Joint Select Committee on Education Restructuring, Board of Education and Commission on Student Learning).

House Committee on Education  
Senate Committee on Ways & Means

**Background:** The Commission on Student Learning (commission) was created by the Legislature in 1992 to identify the knowledge and skills needed by all public school students to develop student assessment and school accountability systems, and to take other steps necessary to improve student learning in the state.

The assessments developed by the commission for all grade levels must be available for reading, writing, communication, and mathematics for voluntary use by school districts in the 1996-97 school year, unless the Legislature takes action to prevent or delay implementation of the assessments. The assessments developed for all grade levels for the social sciences, physical and life sciences, civics, history, geography, arts, health, and fitness are required to be available for voluntary use by the 1998-99 school year. All school districts will be required to administer the assessments beginning in the 2000-2001 school year.

Once the state Board of Education finds that the high school assessments are valid and reliable, successful completion of the high school assessments will lead to a "Certificate of Mastery," which is required to graduate from high school.

**Summary:** Reading, writing, communications, and mathematics. The timeline for the voluntary implementa-

tion of the assessments being developed by the Commission on Student Learning for reading, writing, communications, and mathematics is modified.

The initial voluntary implementation of these assessments in the elementary grades is not changed from the 1996-97 school year. The assessments for the middle grades are postponed one school year, from the 1996-97 school year until the 1997-98 school year. The assessments for the high school grades are postponed two years, from the 1996-97 school year until the 1998-99 school year.

Assessments in elementary grades. The implementation of the science assessment in the elementary grades is not changed. The elementary grade assessments in history, civics, geography, health, fitness, and the arts are made voluntary. The voluntary assessments are to be classroom-based. The state Board of Education is to make recommendations to the Legislature in 2001 as to whether state-level assessments in these content areas should be required.

Goal 2 (except math) timeline. The Commission on Student Learning is directed to recommend to the Legislature a revised timeline for assessments in science, history, civics, geography, health, fitness, and the arts by December 15, 1996.

Certificate of Mastery. A provision is removed that requires a student to achieve a "Certificate of Mastery" to graduate from high school. However, the state Board of Education and the Commission on Student Learning are directed to make recommendations regarding the implementation timeline for the certificate, and whether it should be reinstated as a graduation requirement or be used in other ways to raise standards in schools and for students. The initial recommendations to the Legislature from the board and the commission are due by December 15, 1996. The certificate is not to be a graduation requirement unless legislation is enacted making it a graduation requirement.

Approval of "essential academic learning requirements." The Commission on Student Learning is authorized to modify the "essential academic learning requirements," as needed, after the learning requirements are initially adopted.

**Votes on Final Passage:**

House	91	0
Senate	44	5

**VETO MESSAGE ON HB 2695-S**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington  
Ladies and Gentlemen:

I am returning herewith, without my approval, Engrossed Substitute House Bill No. 2695 entitled:

"AN ACT Relating to modifying the timelines for the development and implementation of the student assessment system;"

Engrossed Substitute House Bill No. 2695 amends our state's historic 1993 school reform legislation.

The 1993 law, codified as RCW 28A.630.885, established four clear learning goals for all students and a process for creating clear, rigorous academic standards that all students will be required to meet as they move through elementary, middle, and high school. It also called for the creation of a Certificate of Mastery which all high school students would be required to earn before graduating from high school. These reforms were historic because, for the first time in our state's history, they made schools and students accountable for learning — not just for following regulations or sitting through the required number of classes.

The 1993 legislation also made schools accountable to local communities by requiring all schools to publish the results of statewide assessments showing whether students are meeting the academic standards we have set. This public accountability for learning will allow local communities to recognize and reward schools that excel and to intervene and improve schools where students are not learning as much as they should.

Engrossed Substitute House Bill No. 2695 was originally requested by the Commission on Student Learning to extend deadlines for the development of some academic assessments. That is a supportable and reasonable request. The commission has worked diligently over the past three years, and it makes sense to take as much time as necessary to produce the very clearest standards and assessments. As passed, however, this bill goes beyond the commission's request.

This legislation eliminates state assessments in the early elementary grades in history, geography, civics, health, fitness, and the arts. There are reasonable arguments to be made for this change given the focus on reading, writing, and mathematics in elementary grades. There are also arguments for establishing strong statewide assessments for all subjects for all grade-levels as a way to assess student progress. There is no argument, however, that elementary school teachers need a period of time to adjust to higher standards and to build the foundation for the basic skills that provide the basis for all further learning.

Engrossed Substitute House Bill No. 2695 also eliminates the Certificate of Mastery as a graduation requirement unless and until further legislation is enacted. This is an unwise retreat from the high standards which parents, employers, and the general public expect from our schools. It is totally unacceptable.

The Certificate of Mastery's role as a prerequisite to high school graduation is what makes education reform meaningful. It says to educators and employers that we will never again give high school diplomas to students who have not mastered the skills and knowledge they will need to succeed in post-secondary education or to succeed in the workplace. It also tells students that what matters is how much they learn — not how fast or how slow they learn.

The Certificate of Mastery and the essential learning requirements are the fundamental elements of education reform. The essential learning requirements represent what parents, employers, educators, and community members believe children should know and be able to do. Assessments tell students, teachers, parents, and the public how well our students are learning and serve as a measurement of student progress. They serve as consumer information, giving students and parents an evaluation of current performance and letting all of us know how well our schools are doing at educating young people. The requirement that young people achieve the Certificate of Mastery before graduation is what ultimately makes education reform meaningful as a way to raise the achievement levels of all our students, not just those who are the best learners. In our education reform process, no other element has the effect of pushing all students toward these higher levels of achievement.

Existing law does not treat this change in educational practice lightly. Once the Commission on Student Learning has completed its development of essential learning requirements, assessments, and the Certificate of Mastery, the State Board of Education is required to determine whether and when the system is ready for

the certificate of mastery to be used as a graduation requirement. The board has treated this challenge with great seriousness. They understand that implementation of the essential learning requirements and assessments must be successful and that student achievement levels must rise before the Certificate of Mastery is required for graduation.

The process of developing educational reform was extensive, involved many people, and took a number of years. Any change in the implementation of education reform must involve broad debate and must not be rushed.

We know that today's students will need a higher level of skill and knowledge than ever before to succeed in the complex fast-changing world of the 21st Century. We also know that Washington State can only prosper if our students are prepared to compete and win in a global economy.

I recognize the value of adjustments to the assessment timeline made in Engrossed Substitute House Bill No. 2695. I am aware that this veto will make it impossible for the Commission on Student Learning to fully comply with the current statutory timeline. I encourage the commission and the legislature to address this specific issue again in the next legislative session.

For these reasons, I have vetoed in Engrossed Substitute House Bill No. 2695 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**ESHB 2703**

C 260 L 96

Limiting department of labor and industries authority when the department of agriculture has authority to prescribe or enforce occupational safety and health standards.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Clements, Chappell, Chandler, Koster, Lisk, Thompson and Johnson).

House Committee on Agriculture & Ecology  
Senate Committee on Labor, Commerce & Trade

**Background:** The registration and use of pesticides are regulated at the national level under the Federal Insecticide, Fungicide, and Rodenticide Act. The act is administered by the U.S. Environmental Protection Agency (EPA). Under the act, the EPA has adopted a worker protection standard. The EPA's rules state that the standard is designed to reduce the risks of illness or injury resulting from workers' and handlers' occupational exposures to pesticides used in the production of agricultural plants on farms or in nurseries, greenhouses, and forests, and also from the accidental exposure of workers and other persons to such pesticides. The rules also state that the standard requires workplace practices designed to reduce or eliminate exposure to pesticides and establishes procedures for responding to exposure-related emergencies. The standard includes provisions that require the posting of warning signs regarding the application of pesticides on a farm or nursery and that prohibit workers from being in the area

sprayed during the application and during any restricted entry interval associated with the application. The use of pesticides in this state is regulated under the state's Pesticide Application Act administered by the state's Department of Agriculture.

The Washington Industrial Safety and Health Act (WISHA) is administered by the Department of Labor and Industries. A safety standard for agriculture has been adopted under the act.

State legislation enacted in 1989 requires the posting of warning signs with regard to certain applications of pesticides to labor-intensive agricultural crops and requires employees to vacate the area to be sprayed.

**Summary:** No rule adopted under WISHA or the Pesticide Application Act may impose requirements that make it impossible to comply with the EPA's worker protection standard for agricultural workers and handlers of agricultural pesticides. With regard to the activities governed by the EPA's worker protection standard, the Department of Labor and Industries and the Department of Agriculture must adopt by rule safety standards that are at least as effective as the EPA's standard, and the two departments' rule adoption must be coordinated.

If the EPA's standard or a related state rule is violated, joint investigations are to be conducted by the two departments, if feasible, and relevant information is to be shared. An investigation conducted by the Department of Labor and Industries solely with regard to industrial insurance is not to be considered an investigation for this purpose. The agencies may not issue duplicate citations for a violation. The two agencies must identify differences in their respective jurisdictions and penalty structures and publish those differences.

By December 1, 1996, the two departments must jointly establish a formal agreement that identifies the roles of each in conducting investigations of activities governed by the EPA's standard. The agreement must provide for protection of workers and enforcement of standards at least as effective as provided to all workers under WISHA and at least as effective as provided for other enforcement under the Pesticide Application Act. By December 1, 1996, the two departments must report to the Legislature regarding the implementation of these requirements and identify the number of multiple on-site investigations conducted and the reasons they were not coordinated.

A section of law is repealed that requires the posting of certain warning signs if a pesticide with a reentry interval of more than 24 hours is applied to a labor-intensive agricultural crop and that requires employees to vacate the area to be sprayed.

**Votes on Final Passage:**

House	97	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** March 29, 1996

**SHB 2708**

C 299 L 96

Requiring a warehouse tax study.

By House Committee of Finance (originally sponsored by Representatives Sheldon, Schoesler, Hatfield, Van Luven, B. Thomas, Silver, D. Schmidt, Cairnes, Cooke and Johnson).

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** The sales tax is imposed on retail sales of most items of tangible personal property and some services. The state tax rate is 6.5 percent and is applied to the selling price of the article or service. In addition, local sales taxes apply. The total rate is between 7 percent and 8.2 percent, depending on the location.

Sales tax applies when items are purchased at retail in the state. Sales tax is paid by the purchaser and collected by the seller. Use tax is imposed on the use of an item in this state, when the acquisition of the item has not been subject to sales tax. Use tax applies to items purchased from sellers who do not collect sales tax, items acquired from out of state, and items produced by the person using the item. Use tax is equal to the sales tax rate multiplied by the value of the property used.

Generally, businesses pay sales and use tax on machinery, equipment, and construction of industrial facilities. However, sales and use tax exemptions are available for certain investments.

Buildings, machinery and equipment, and installation labor are exempt on manufacturing, research and development, and computer-related businesses in distressed areas. An exemption is available for new or expanded facilities and machinery and equipment for research and development and pilot-scale manufacturing businesses involved in biotechnology, advanced computing, electronic device technology, advanced materials, and environmental technology. The manufacturing sales and use tax exemption is available statewide for new and replacement machinery and equipment used directly in a manufacturing operation, including installation labor and services.

These exemptions do not include buildings and machinery and equipment used in a warehouse facility.

Washington's major business tax is the business and occupation (B&O) tax. The B&O tax is imposed on the gross receipts of business activities conducted within the state, without any deduction for the costs of doing business. The B&O tax is a multi-stage tax. The B&O tax generally applies at the wholesale and retail levels. There are several different B&O tax rates. The principal rates are

Manufacturing, wholesaling, extracting - 0.506 percent

Retailing - 0.471 percent

Services:

Business Services - 2.0 percent

Financial Services - 1.6 percent

Other activities - 1.83 percent

**Summary:** The Department of Revenue is required to study the impact of warehouse and distribution activity on the Washington economy. The study will analyze and evaluate the following factors as they relate to warehouse and distribution activity: the current tax structure; alternative methods of taxation; the effects of tax incentives; and the impact of potential tax changes on equity among other industries and on the overall state tax structure.

The department is required to form an advisory study committee with representation from warehouse and distribution interests, local government, and other interest groups. The advisory committee must include at least two members from the House of Representatives and two members from the Senate.

The department is required to present a final report to the legislative committees that deal with revenue matters by December 31, 1996. The study is contingent upon a contribution of \$45,000 towards the study's cost from public and private sources other than the state.

**Votes on Final Passage:**

House	96	0	
Senate	47	0	(Senate amended)
House	98	0	(House concurred)

**Effective:** June 6, 1996

**HB 2716**

C 322 L 96

Concerning waste discharge permits.

By Representatives Chandler and Chappell.

House Committee on Agriculture & Ecology  
Senate Committee on Ecology & Parks

**Background:** Wastewater Discharge Permits. Any person who conducts a commercial or industrial operation which results in the disposal of waste into the waters of the state is required to obtain a wastewater discharge permit from the Department of Ecology. The permit generally specifies the type, quantity, and concentration of pollutants that may be discharged. The permit is valid for up to five years.

The State Environmental Policy Act (SEPA). SEPA is a process intended to identify whether or not a proposed project has probable significant adverse environmental impacts. SEPA applies when a state or local governmental agency undertakes a development or issues a permit for a development. If impacts are probable, an environmental impact statement must be completed.

The SEPA rules, adopted by the Department of Ecology, provide a categorical exemption for the issuance, reissuance, or modification of a waste discharge permit that contains conditions no less stringent than federal effluent limitations and state rules. The exemption does not apply to new source discharges. The Department of

Ecology's use of the categorical exemption on wastewater discharge permits issued to Washington pulp and paper mills is currently being challenged in court.

**Summary:** A statutory exemption from SEPA is created for the issuance, reissuance, or modification of a waste discharge permit that contains conditions no less stringent than federal effluent limitations and state rules. The exemption applies to existing discharges only.

**Votes on Final Passage:**

House	96	1	
Senate	32	16	(Senate amended)
House			(House refused to concur)
Senate	32	14	(Senate receded)

**Effective:** June 6, 1996

**SHB 2720**

C 261 L 96

Allowing consortiums of counties to acquire correctional facilities.

By House Committee on Corrections (originally sponsored by Representatives Ballasiotes, Schoesler, Sheahan, Fuhrman, Foreman, Mastin, D. Sommers, Sterk, Crouse, Campbell, L. Thomas, Silver, Morris, Cooke, Mulliken, Blanton, McMorris, Thompson and Elliot).

House Committee on Corrections  
Senate Committee on Human Services & Corrections

**Background:** Many counties need additional capacity for housing juvenile offenders and adult inmates. Regional projects have been discussed under which groups of counties would act together in acquiring shared facilities.

One such example is known as the Martin Hall project, on the Medical Lake campus of Eastern State Hospital. Nine counties have formed a consortium and have been negotiating with the Department of Social and Health Services (DSHS) to acquire Martin Hall so they can convert it into a shared facility for housing the counties' juvenile offenders.

The Public Lands Act requires the DSHS and other state agencies to transfer real property that is no longer needed for state-provided residential care, custody, or treatment purposes to an account known as the "charitable, education, penal, and reformatory institution" (CEP&RI) account. Property in this account may then be transferred to other entities, but the Public Lands Act requires the transfer to be for full market value.

Consortiums of counties organized to acquire or construct correctional facilities for adults or juveniles are interested in acquiring property for this purpose from state agencies at a nominal cost.

**Summary:** When state property is being leased to a consortium of three or more counties organized for purposes of acquiring or constructing adult or juvenile correctional

facilities, the property is no longer required to be transferred to the charitable, educational, penal, and reformatory institution (CEP&RI) account. Accordingly, any such real property is not subject to the requirement that land in the CEP&RI account be transferred at full market value.

Consortiums of three or more counties may lease from state agencies, including the Department of Social and Health Services, real property and improvements for the purpose of building or acquiring correctional facilities for juveniles or adults. The initial term of the lease cannot exceed 20 years. During the initial term, the lease may not charge more than one dollar per year for the land value and facilities value. Any lease renewal must charge for the fair market value of the land and facilities. Any lease may include charges for the reasonable operation and maintenance expenses incurred by the state.

The net proceeds from any lease involving land and facilities on the grounds of Eastern State Hospital must be used solely for the benefit of Eastern State Hospital's programs for the long-term care needs of patients with mental disorders.

**Votes on Final Passage:**

House	97	0	
Senate	45	1	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**SHB 2724**

C 151 L 96

Providing for payment of job modification or accommodation costs for injured workers.

By House Committee on Commerce & Labor (originally sponsored by Representatives McMorris, Cole and Costa).

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** The Department of Labor and Industries is authorized to pay up to \$5,000 for job modification at an injured worker's previous job or a new job. The statute provides that the purpose of the program is to encourage employers to modify jobs to accommodate retaining or hiring workers with job-related disabilities and that the program is intended to be a cooperative effort with the employer.

Under this program, the department was funding modifications at on-the-job training facilities. This type of funding was discontinued after the department determined that it was not authorized by the statute.

The department also pays for vocational rehabilitation services for an injured worker when these services are necessary and likely to enable the injured worker to become employable at gainful employment. These expenditures may not exceed \$3,000 in a 52-week period and are for books, tuition, fees, supplies, equipment, transportation,

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child or dependent care, and other necessary expenses. The department may extend the period of benefits for an additional 52 weeks.

**Summary:** The Department of Labor and Industries' authority to fund vocational rehabilitation services for injured workers is modified. Under the new authority, the department may spend an additional \$5,000 to

(1) accommodate an injured worker when the accommodations are medically necessary for the worker to participate in an approved retraining plan; and

(2) provide accommodations that are necessary to perform the essential functions of an occupation in which the worker is seeking employment, consistent with the retraining plan or the vocational evaluation.

The need for these accommodations must be verified by the worker's attending physician.

The total of the expenditures for an injured worker for these accommodations and for any job modification may not exceed \$5,000.

**Votes on Final Passage:**

House	97	0
Senate	49	0

**Effective:** June 6, 1996

## HB 2726

C 48 L 96

Moving school bond election resolution provisions.

By House Committee on Education (originally sponsored by Representatives Radcliff and Blanton).

House Committee on Education  
Senate Committee on Education

**Background:** The board of directors of any school district has the authority to borrow money and issue negotiable bonds for certain stated purposes. The school district must get approval from the voters to issue bonds above the school district's non-voter-approved debt limit. School districts also are eligible for state assistance for capital construction.

In 1995 the Legislature enacted SHB 1777. The bill requires that, prior to an election on a bond measure, the school district must adopt a resolution specifying the purposes of both the measure and any state financing assistance. The resolution must include a description of any specific buildings to be constructed or remodeled. The school board may amend the resolution or adopt a new resolution after conducting a public hearing and receiving public testimony concerning changed circumstances. The school board must determine that alterations are in the best interest of the school district, and the amendments or new resolution must be adopted at a public meeting.

SHB 1777 was codified into a section of the Revised Code of Washington (RCW) dealing with the district's

authority to validate and ratify indebtedness instead of into the section dealing with the district's authority to borrow money and issue bonds.

**Summary:** The requirement that districts adopt resolutions specifying the purposes of a bond measure is moved from the section of the RCW relating to validating indebtedness to the section of the RCW authorizing bond issuance.

**Votes on Final Passage:**

House	96	0
Senate	48	0

**Effective:** June 6, 1996

## SHB 2727

C 262 L 96

Establishing a state infrastructure bank.

By House Committee on Transportation (originally sponsored by Representatives K. Schmidt and Blanton).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** In November 1995, as part of the national highway system bill, Congress authorized a pilot program that would establish state infrastructure banks in up to 10 states. A state infrastructure bank (SIB) is a mechanism that allows states to use federal-aid highway and transit funds to leverage other forms of investment in transportation infrastructure by expanding the eligible uses of those funds. For example, funds could be used to support the issuance of public or private debt to construct facilities, to provide credit enhancement for such debt, or for direct loans to public or private entities building transportation facilities.

If chosen for the pilot program, a state could deposit up to 10 percent of its federal apportionments for two years into the SIB. State, local, and private dollars could also be deposited.

The Department of Transportation has submitted an application to be accepted as one of the states in the pilot program. The department has identified two possible projects for funding through the infrastructure bank: a group of surface transportation improvements in the south downtown Seattle area and participation in the SR 16 capacity expansion project.

**Summary:** The transportation infrastructure account is created in the transportation fund, and the highway infrastructure account is created in the motor vehicle fund. Money from public or private entities or from bonds may be deposited into the accounts. Funds from the accounts may be used to support the issuance of public or private debt, to provide credit enhancement for such debt, for direct loans to public and private entities, or for other

purposes necessary to facilitate investment in surface transportation facilities in the state.

**Votes on Final Passage:**

House	97	0
Senate	49	0

**Effective:** March 29, 1996

**HB 2729**

C 49 L 96

Making housekeeping changes in transportation improvement board statutes.

By Representatives Sterk and K. Schmidt; by request of Transportation Improvement Board.

House Committee on Transportation  
Senate Committee on Transportation

**Background:** In 1995 the Legislature transferred administration of two grant programs and project selection for another program from the Department of Transportation to the Transportation Improvement Board and made some changes to board membership. The transferred programs included the Central Puget Sound public transportation account and the public transportation systems account programs, which provide grants for transit-related capital projects, and competitive grants from the federal Surface Transportation Program which may be used for a variety of transportation purposes. The legislation effecting the changes included some technical errors.

**Summary:** Technical corrections are made in the Transportation Improvement Board statutes.

**Votes on Final Passage:**

House	97	0
Senate	46	0

**Effective:** June 6, 1996

**SHB 2730**

C 94 L 96

Adjusting deductions to the city hardship assistance account.

By House Committee on Transportation (originally sponsored by Representatives McMahan, Sterk and K. Schmidt; by request of Transportation Improvement Board).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** Based on recommendations of a committee of state, city, and county officials, the Legislature in 1991 shifted jurisdictional responsibility for several state and local roads. The state took over responsibility for some local roads, and some cities and counties took over state high-

ways. The city hardship assistance account (CHAA) was created to help fund preservation projects on roadways taken over by cities with a population under 20,000. Twelve cities currently are eligible for grants from the account. Since April 1992, 2 percent of the state gas tax allocated to cities has been deposited into the account. This allocation generates about \$1.4 million per year, about twice the amount needed for the program. The fund balance in the account at the end of the 1995-97 biennium will be about \$4 million.

**Summary:** The percentage of city gas tax revenue going to the CHAA is reduced from 2 percent to 1 percent. Any fund balance in the account that is not required to carry out the program shall be returned to cities and towns, according to the normal city gas tax distribution. The amount to be redistributed shall be determined as of July 1, 1996, and July 1 of each odd-numbered year thereafter, and shall be provided to the treasurer within 60 days.

**Votes on Final Passage:**

House	97	0
Senate	49	0

**Effective:** June 6, 1996

**SHB 2733**

C 12 L 96

Extending for four years the authority to delegate portions of well drilling administration and enforcement to local governments.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Johnson, Sheldon, Koster, Honeyford, Linville, Boldt, McMahan, Hymes, Stevens, Cooke, Mulliken, McMorris, Hargrove and Elliot).

House Committee on Agriculture & Ecology  
Senate Committee on Ecology & Parks

**Background:** In 1992, legislation was enacted to permit certain qualified local agencies to administer portions of the state's water well construction laws. Upon request, the Department of Ecology (DOE) is authorized to delegate to the governing body of a health district or county the power to administer and enforce the well sealing and decommissioning portions of the water well construction program. Well tagging was expressly added to these delegable authorities in 1993.

This express authority to delegate is scheduled to expire June 30, 1996.

**Summary:** The expiration of the express authority granted to the DOE to delegate portions of the well construction program to qualified health districts and counties is postponed to June 30, 2000. With regard to such a program administered by a local agency, the agency may

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exercise only the authority delegated to it under these well construction laws.

### Votes on Final Passage:

House	97	0
Senate	46	0

**Effective:** June 6, 1996

## EHB 2735

C 50 L 96

Exempting from certificate of need review certain nursing facilities that undertake renovations.

By Representatives Dyer, D. Sommers, Sherstad and Scheuerman.

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** The certificate of need program is a cost containment program regulated by the Department of Health. The purpose of the program is to ensure the construction and development of only those new health care facilities and services that promote access to high-quality, needed care at a reasonable cost.

A certificate of need is required prior to the commencement of construction or operation of new hospitals, nursing homes, home health and hospice agencies, kidney dialysis centers, and ambulatory surgical centers. With regard to nursing homes specifically, a certificate of need is required for any increase in the number of licensed beds and any capital expenditure exceeding \$1.2 million.

No certificate of need is required for nursing homes, however, for construction which involves physical plant facilities, including administrative and support facilities that are not used for the provision of health services.

**Summary:** The exemption from certificate of need requirements for nursing homes is expanded to include renovation of dining, kitchen, laundry, and therapy areas at an existing facility by a licensee who has operated the facility for at least one year. Only those changes that are needed to maintain state licensure are exempted. Technical changes are made.

### Votes on Final Passage:

House	98	0
Senate	47	0

**Effective:** June 6, 1996

## SHB 2746

C 95 L 96

Changing the rates or terms of an insurance policy.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives L. Thomas, Sheldon, Wolfe and Benton).

House Committee on Financial Institutions & Insurance  
Senate Committee on Financial Institutions & Housing

**Background:** An insurance policy is a contract between an insurance company and the policyholder. These contracts are regulated by statute and by rules adopted by the Office of the Insurance Commissioner. A binder is often issued as a temporary summary of the agreement until the actual policy is delivered to the policyholder. The Insurance Commissioner's rules limit the ability of insurance companies to correct incorrect premiums without notice to and agreement of the policyholder.

**Summary:** Premium discrepancies between the binder and the actual policy that are less than \$10 do not require notice to the policyholder, and the insurer may use the policy amount as the premium.

### Votes on Final Passage:

House	97	0
Senate	47	0

**Effective:** June 6, 1996

## SHB 2755

C 51 L 96

Promoting economic development.

By House Committee on Trade & Economic Development (originally sponsored by Representatives Van Luven, Sheldon, Silver and Hatfield; by request of Department of Community, Trade and Economic Development).

House Committee on Trade & Economic Development  
House Committee on Capital Budget  
Senate Committee on Labor, Commerce & Trade

**Background:** The Community Economic Revitalization Board Program (CERB) was created by the Legislature in 1982 to provide low-interest loans and grants to political subdivisions of the state (cities, towns, counties, port districts, and special purpose utility districts). The financial assistance is used to finance public infrastructure required for business and industry expansion or retention. Typical projects financed through CERB include sewer, water, roads, and industrial buildings.

CERB operates under policy guidelines and project selection developed by its board. The board consists of legislators and representatives of local governments, large and small businesses, port districts, and an economist. The



Governor appoints the non-legislative members for three-year terms and selects the chair.

CERB is funded through legislative appropriations in the capital budget and through a portion of the revenue from the repayment of loan principal and interest. The payments are deposited into the public facilities construction loan revolving account. The repayments are also re-appropriated for CERB use by the Legislature.

**Summary:** Revisions are made to the Community Economic Revitalization Board Program regarding the amount of grant assistance to local governments and program definitions.

Governor-appointed members who miss more than 50 percent of the scheduled meetings are considered withdrawn from the board and may be replaced by the Governor. The CERB board cannot award more than 20 percent of its biennial appropriation as grants to local governments.

“Local government” includes municipal corporations or quasi-municipal corporations that provide public facilities.

“Public facilities” are defined to mean bridges, roads, domestic and industrial water, sanitary sewer, storm sewer, railroad, electricity, natural gas, buildings or structures, and port facilities.

Technical corrections are made to (1) change the term “loan and grant” to “financial assistance”, and (2) change the term “timber impact areas” to “rural natural resource impact areas.”

**Votes on Final Passage:**

House	96	0
Senate	49	0

**Effective:** July 1, 1996 (Sections 1-9 and 11)  
June 30, 1997 (Section 10)

## SHB 2757

C 263 L 96

Littering in state parks.

By House Committee on Natural Resources (originally sponsored by Representative Pennington).

House Committee on Natural Resources  
Senate Committee on Ecology & Parks

**Background:** The penalty for littering is a civil infraction. Littering in amounts of one cubic foot or less is subject to a penalty of \$50 and any other statutory assessments. Littering in amounts greater than one cubic foot is subject to penalty of up to \$250, a cleanup fee of \$25 per cubic foot of litter, and any other statutory assessments. A judge may require a litter violator to remove the litter from the property as an alternative to or in addition to the monetary penalty and cleanup fee.

State litter law requires the Director of the Department of Ecology to develop procedures for the collection and

distribution of litter penalties, including a provision allowing half the collected penalties to be distributed to local governments. These procedures were never developed. Local governments that enforce litter laws generally do so under their local ordinances.

**Summary:** A person who litters in a state park must perform 24 hours of community service in the park where the litter violation occurred. The Parks and Recreation Commission must adopt a policy for supervising and evaluating community service activities. Each state park must notify the commission if it intends to participate in the community service program. The commission must transmit a list of state parks that elect to participate in the community service program to the district courts.

The Director of the Department of Ecology is authorized but not required to develop procedures for the collection of litter penalties. The director is not authorized to include provisions for disbursing litter penalties to local governments.

**Votes on Final Passage:**

House	92	5
Senate	48	0

**Effective:** June 6, 1996

## SHB 2758

C 152 L 96

Measuring state fiscal conditions.

By House Committee on Appropriations (originally sponsored by Representatives Huff, Cooke and Silver).

House Committee on Appropriations  
Senate Committee on Ways & Means

**Background:** The Economic and Revenue Forecast Council provides the official state economic and revenue forecast four times per year. The six-member council consists of four legislators and two appointees of the Governor. The legislators are selected by the chairs of the party caucuses in the Senate and the House of Representatives. Currently, the Governor’s appointees are the directors of the Office of Financial Management and the Department of Revenue.

The Economic and Revenue Forecast Council employs a forecast supervisor and staff for the preparation of the forecasts. The forecasts are subject to approval by the members of the council. The council staff monitors daily changes in the economic outlook throughout the year and advises the council on anticipated shifts in tax collections. The official forecasts are submitted to the Governor, the fiscal committees of the House of Representatives and Senate, and the Legislative Transportation Committee on a regular basis.

**Summary:** The Economic Climate Council is established. The Economic Climate Council is to select no more than

## SHB 2762

10 benchmarks that characterize the competitive environment of the state. General criteria are provided for the selection of benchmarks. These criteria include the availability of comparative data from other states, the timeliness of obtaining benchmark data, and the accuracy and validity of the benchmarks as indicators of the economic climate.

The Economic Climate Council is to report to the Legislature on the selected benchmarks by September 30, 1996. The council will also prepare an official state economic climate report twice per year on the status of the benchmarks and will note any changes since the previous report. The report is to be submitted to the Governor and fiscal committees of the Legislature by March 31 and September 30 every year. The first report is due by September 30, 1996.

The Economic and Revenue Forecast Council will act as the Economic Climate Council until July 1, 1997. In that role, the Economic and Revenue Forecast Council will make a recommendation to the Legislature by September 30, 1996, regarding the permanent structure, composition, and staffing of the Economic Climate Council. The Economic and Revenue Forecast Council will create an advisory committee to assist the Economic Climate Council in selecting benchmarks and developing reports. The advisory committee is to provide a process to ensure public participation in the selection of the benchmarks.

### Votes on Final Passage:

House	97	0
Senate	49	0

**Effective:** June 6, 1996

## SHB 2762

C 264 L 96

Ensuring that the community and technical college forest reserve is managed like other state forests for sustainable commercial forestry and potential multiple use.

By House Committee on Natural Resources (originally sponsored by Representatives Sehlin, Ogden, Cooke and Silver).

House Committee on Natural Resources  
Senate Committee on Natural Resources

**Background:** In 1990, the Legislature appropriated \$7 million to the Department of Natural Resources for the following purpose:

"The appropriation is provided solely for the purchase, including related administrative costs, of forest lands suitable for sustainable commercial forestry in areas: (a) in danger of being parceled or converted to nonforest uses; (b) where state acquisition is the most prudent means of retaining such lands in forest uses; and (c) where there is potential for multiple use of the lands consistent with RCW 79.68.050" (SSB 6407, Section 310).

The legislation also provided that up to 25 percent of the revenue from the lands could be deposited in the Forest Development Account to reimburse that account for expenditures made from that account for the management of these lands. The remainder of the revenue from these lands was to be deposited in a new account created by the legislation, the Community College Forest Reserve Account. The Legislature could appropriate the moneys in this new account exclusively for the capital construction needs of the state's community colleges. The department used the appropriation to purchase 3,233 acres of land in Snohomish County.

The Legislature has not codified a management direction and structure for these forest lands, and technically the quoted budget language expired with the end of that biennium. The department has suggested investing funds on silvicultural practices on the property, and, although timber harvest is still some years away, there have been proposals for gravel extraction. Decisions about what would constitute appropriate management of the property are complicated by the lack of statutory direction.

**Summary:** A new section is added to statute directing the management of the community and technical college forest reserve land base. The land base is forever removed from sale; however, timber and other products may be sold or the land may be leased in the same manner and for the same purposes as authorized for the state's granted lands. The lands are to be managed for sustainable commercial forestry and for multiple use. The lands are also to be managed to provide an outdoor education and experience area for organized groups. Although the land base is reserved from sale, the department may exchange and otherwise reposition the land base in the same way that county forest board lands may be repositioned.

The department may use funds in the Forest Development Account for management of these forest lands. Up to 25 percent of the revenues from the lands will be deposited in the Forest Development Account to reimburse the account for management expenditures. The remainder of the revenues from the lands will be deposited in the re-named Community and Technical College Forest Reserve Account. The Legislature may appropriate the funds for community and technical college capital improvement needs or to acquire additional forest reserve lands.

### Votes on Final Passage:

House	93	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

## SHB 2772

C 265 L 96

Raising the amount that must be exceeded by the cost of dock construction for the construction to be considered substantial development under the Shoreline Management Act of 1971.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Kessler and Buck).

House Committee on Agriculture & Ecology  
Senate Committee on Ecology & Parks

**Background:** The Shoreline Management Act requires that a development conducted on the shorelines of the state be consistent with its policies and with the applicable guidelines, rules, or master program created under it.

In general, a development for which the cost or market value is greater than \$2,500, or which materially interferes with the normal public use of the water or shorelines of the state, is considered to be a "substantial development." Several exceptions and clarifications to the definition of a substantial development are provided, including one for recreational docks. The construction of such a dock, including a community dock, is not considered to be a substantial development if it is designed for pleasure craft, non-commercial use for single or multi-family residences, and costs not more than \$2,500. This exemption was, in the main, established in 1973.

A substantial development may not be undertaken on the shorelines of the state without a substantial development permit. Thus, an exemption from the definition of "substantial development" affords an exemption from the substantial development permit requirement.

**Summary:** The Shoreline Management Act exemption from the definition of a substantial development for a recreational dock is amended to distinguish between salt waters and fresh waters. If the dock is in salt waters, the exemption applies if the fair market value of the dock does not exceed \$2,500. If it is in fresh waters, the exemption applies if the fair market value of the dock does not exceed \$10,000. The exemption does not apply, however, to a subsequent construction occurring within five years that has a fair market value exceeding \$2,500.

**Votes on Final Passage:**

House	92	4	
Senate	49	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

## SHB 2778

C 117 L 96

Providing sales and use tax exemptions for farmworker housing.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Mastin, Chappell, Chandler, Honeyford, Foreman, Mulliken, Lisk, Clements, Sheldon and Thompson; by request of Department of Health and Department of Agriculture).

House Committee on Agriculture & Ecology  
House Committee on Finance  
Senate Committee on Financial Institutions & Housing  
Senate Committee on Ways & Means

**Background:** The sales tax is imposed on retail sales of most items of tangible personal property and some services. The state sales tax rate is 6.5 percent and is applied to the selling price of the article or service. The use tax is imposed on the use of an item in this state when the acquisition of the item has not been subject to sales tax. The use tax is imposed at the same rate as the sales tax and is applied against the value of the property used.

There are a number of exemptions from the sales and use taxes. For example, the sales tax does not apply to labor and services rendered in respect to constructing or improving ferry vessels. Sales and use taxes do not apply to sales to or use of form lumber by a person engaged in constructing, repairing, decorating, or improving new or existing building or structures.

There is no exemption from the sales tax for labor and services rendered on agricultural employee housing. Tangible personal property that becomes an ingredient or component of agricultural employee housing is not exempt from the sales or use taxes.

**Summary:** The sales tax does not apply to labor and services rendered in constructing, repairing, decorating, or improving new or existing buildings or other structures used as agricultural employee housing.

The sales tax does not apply to sales of tangible personal property that become ingredients or components of new or existing agricultural employee housing, if the buyer provides the seller with an exemption certificate prescribed by the Department of Revenue. The use tax does not apply to sales of tangible personal property that become ingredients or components of new or existing agricultural employee housing.

The sales and use tax exemptions apply only to year-round housing for agricultural employees, if that housing is built according to the state building code. Agricultural employee housing must be used to house agricultural employees for at least five years from the date the housing is approved for occupancy. Housing built for family members and people with an ownership in the farm is not eligible for the tax exemptions. Agricultural employee

## ESHB 2781

housing is defined to include year-round and seasonal housing.

### Votes on Final Passage:

House	92	0
Senate	49	0

**Effective:** March 20, 1996

## ESHB 2781

### PARTIAL VETO

C 300 L 96

Providing for veterans' preferences.

By House Committee on Appropriations (originally sponsored by Representatives Basich, Regala, Conway, Reams, Grant, Elliot, Quall, Linville, Chandler, Hatfield, D. Sommers, Scheuerman, Stevens, McMahan, Buck, Sheldon, Tokuda, Poulsen, Cole, Chopp, Kessler, Costa, Thompson, D. Schmidt, Robertson and Cooke).

House Committee on Appropriations  
Senate Committee on Labor, Commerce & Trade

**Background:** For purposes of seeking certain benefits through retirement systems, personnel systems, and license and property tax benefits. The definition of veteran includes military and certain civilian personnel serving in World Wars I and II, the Korean conflict, the Vietnam era, and any other declared war.

For purposes of seeking employment with the state or its political subdivisions, a scoring preference is given to a veteran in the examination process until his or her first employment appointment, as follows:

- 1) a 10 percent increase in the veteran's passing score, if he or she is not receiving veteran's benefits; or,
- 2) a 5 percent increase in the veteran's passing score, if he or she is receiving veteran's benefits.

In addition, a veteran who was employed by the state or a political subdivision and was called to active military service for a period of one year or more receives a 5 percent scoring preference on his or her first promotional examination.

Examination scoring preferences are available to a veteran for eight years after his or her release from service.

**Summary:** The definition of veteran is amended to include persons who served in the Persian Gulf War and other armed conflicts (Lebanon, Grenada, Panama, Somalia, Haiti, and Bosnia).

For purposes of civil service examinations, the definition of veteran will also include any person who has served 180 days of active duty not for training and who was not dishonorably discharged. The civil service scoring preference scheme is amended:

- 1) 10 percent preference is provided for a veteran who served in a combat zone and is receiving no military retirement benefits. A scoring preference may be added in the

first promotional examination if such a veteran was called to military service from employment with the state or political subdivision.

- 2) A 5 percent scoring preference is provided to a veteran who did not serve in a combat zone or who is receiving military retirement benefits. A scoring preference may be added in the first promotional examination if such a veteran was called to military service from employment with the state or political subdivision.

Veteran examination scoring preferences are extended for two years, for a total of 10 years, after a veteran's release from service.

**Partial Veto Summary:** The Governor vetoed the provision which extends veteran civil service examination preferences to individuals who served in the armed forces for at least 180 days of active duty, not for training, who were not dishonorably discharged. Also vetoed were several changes in the scheme for scoring veteran civil service exams, and a provision to extend veteran examination scoring preferences from eight years to a total of 10 years after a veteran's release from service.

### Votes on Final Passage:

House	96	0
Senate	47	0

**Effective:** June 6, 1996

## VETO MESSAGE ON HB 2781-S

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 2, Engrossed Substitute House Bill No. 2781 entitled:

"AN ACT Relating to veterans' benefits;"

Engrossed Substitute House Bill No. 2781 amends statutes that give preference in public employment to veterans who have served during specific armed conflicts since the Vietnam era. This bill also adds categories of veterans to those who currently receive preferences.

Section 1 of the bill recognizes veterans who have served in armed conflicts since 1975 for the purpose of receiving public employment preferences in the form of additional percentage points on competitive and promotional exams. I am very supportive of this portion of the bill, which provides well-deserved recognition to these men and women.

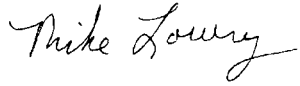
Because section 2 of Engrossed Substitute House Bill No. 2781 contains substantial ambiguities which would make implementation extremely difficult, I have reluctantly vetoed this section. Furthermore, inconsistent interpretation and application by the public entities covered by the statute would make application of this section unnecessarily susceptible to legal challenges. Clear and consistent laws are particularly critical for those programs granting rights and benefits to any identified group.

The legislature should make the updating of these statutes relating to our state's veterans an early priority in the next legislative session. Carefully tailored language based on the goals of this legislation should be enacted at the earliest opportunity.

For these reasons, I have vetoed section 2 of Engrossed Substitute House Bill No. 2781.

*With the exception of section 2, Engrossed Substitute House Bill No. 2781 is approved.*

*Respectfully submitted,*



*Mike Lowry  
Governor*

## SHB 2785

C 219 L 96

Providing a bidding procedure for public works projects in counties.

By House Committee on Government Operations (originally sponsored by Representatives Reams, Chopp, Cairnes, Thompson and Elliot).

House Committee on Government Operations  
Senate Committee on Government Operations

**Background:** In each county with a purchasing department, the purchasing department must contract on a competitive basis for all public works. When a county contracts for public works, regardless of whether there is a purchasing department, the contracting must be done on a competitive basis according to statutory procedures. The county legislative authority may dispense with competitive bidding for contracts with an estimated value of less than \$10,000 and may use a small works roster to award contracts with an estimated value of \$10,000 up to \$100,000.

Some units of local government are specifically authorized to use their own employees (day labor) to perform public works. First-class cities are authorized to have public works performed by city employees in any annual or biennial budget period equal to a dollar value that does not exceed 10 percent of the public works construction budget. If a first-class city exceeds this limitation and does not reduce the amount of public works performed by its employees for two consecutive years, then 20 percent of the motor vehicle excise tax distribution to that city must be withheld. The amount withheld can be distributed to the city if it demonstrates to the State Auditor that it has reduced the amount of public works performed by its employees.

In addition to this overall limit, first-class cities may not use public employees to perform a public works project in excess of a specific dollar amount, depending upon the size of the city and whether a single craft or more than one craft involved on the project.

Counties are not specifically authorized in statute to use their own employees to perform public works, except for county road projects. A recent state Supreme Court decision held that counties with purchasing departments do not have authority to use day labor.

**Summary:** Counties with a population of one million or more are specifically authorized to use their own employees to perform public works in a manner similar to the way that first-class cities may use their own employees to perform public works.

A county with a population of one million or more may have public works performed by county employees in any annual or biennial budget period equal to a dollar value not exceeding 10 percent of the public works construction budget. If a county exceeds the permitted amount of public works performed by its employees, the amount in excess is reduced from the permitted amount of public works that may be performed by public employees in the county for its next budget period. If the county fails to reduce the amount of public works performed by public employees for two years following an excess, 10 percent of the motor vehicle fuel tax distribution must be withheld from the county. The amount of motor vehicle fuel tax withheld is distributed to the county later once it has demonstrated to the State Auditor that the amount of public works performed by public employees has been reduced as required.

In addition to the overall limitation on the amount of public works that may be performed by county employees in a budget period, counties with a population of one million or more may not have public employees perform a public works project in excess of \$70,000 if more than a single craft or trade is involved, or a public works project in excess of \$25,000 or more if only a single craft or trade is involved.

Counties may use public employees without limitation for emergency work. Technical and professional services rendered by public employees in connection with a public works project do not count towards the county's day labor limits.

The State Auditor is required to report to the State Treasurer any county that exceeds the amount of work authorized to be performed by public employees and the extent to which the county has reduced the amount of work performed by these employees in subsequent years.

Every county which uses public employees to perform public works must prepare an annual report to the State Auditor indicating the total dollar amount of the county's public works construction budget for the year and the total dollar amount of public works performed by public employees for that year.

Counties subject to this legislation must contract on a competitive basis for all public works done by contract. Procedures are established for the advertisement, filing, and awarding of bids. The contract must be awarded to the lowest responsible bidder. Any and all bids may be rejected for good cause. Additional provisions are added pertaining to emergency public works, the use of a small works roster, and exemptions from competitive bidding.

## HB 2789

### Votes on Final Passage:

House	66	31	
Senate	49	0	(Senate amended)
House	82	13	(House concurred)

Effective: June 6, 1996

## HB 2789

C 111 L 96

Simplifying tax reporting and registration requirements for small businesses.

By Representatives Van Luven, Sheldon, Schoesler, Morris, Silver, Ogden, Thompson, Blanton, Patterson, Tokuda, Romero, Conway, Cole and Poulsen; by request of Governor Lowry.

House Committee on Trade & Economic Development  
Senate Committee on Ways & Means

**Background:** The Department of Revenue (DOR) is responsible for the administration of the state's tax system. The state imposes a business and occupation (B&O) tax, a retail sales tax, a use tax, and a public utility tax. Local governments are authorized to impose local retail sales and use taxes.

Any person who engages in a business or performs an act that is taxable must have a registration certificate issued by the DOR. Registration is not required for a person whose income from all business activities is less than \$12,000 per year. There are no similar provisions for a person or business subject to the public utility tax.

Businesses with gross incomes that exceed \$12,000 per year, public utilities with gross incomes that exceed \$6,000 per year, or businesses that collect sales tax are required to file an annual tax return with the DOR.

**Summary:** The Department of Revenue's certificate of registration process and annual tax filing requirements for small businesses are revised.

A person or business, subject to the public utility tax, with a gross income from the business of less than \$12,000 per year, is exempt from obtaining a certificate of registration. Only gross income generated from business activities subject to business and occupation taxation (B&O) is considered income.

The threshold for a person or business filing an annual tax return with the department is raised from \$12,000 per year to \$24,000 per year. This applies to businesses subject to the B&O tax or the public utility tax. This exemption does not apply to a person or business that is a retailer or is required to collect state or local sales tax.

### Votes on Final Passage:

House	92	0
Senate	48	0

Effective: July 1, 1996

## HB 2790

FULL VETO

Authorizing the distribution of certain governmental lists of public information to private companies for use by federal, state or local governments.

By Representatives Dyer, Hymes, Scott, Wolfe, Honeyford, D. Schmidt and B. Thomas.

House Committee on Trade & Economic Development  
Senate Committee on Government Operations

**Background:** Under the state Public Disclosure Law, state agencies must make certain kinds of records and information public. The law exempts certain personal and other records from public disclosure.

The Department of Licensing is authorized to provide lists of registered and legal owners of motor vehicles to (1) manufacturers of motor vehicles for notifying of safety-related defects; (2) any governmental agencies of the United States and Canada, or their political subdivisions regarding enforcement of motor vehicle or traffic laws; and (3) businesses that make loans to other persons to finance the purchase of motor vehicles.

The Department of Revenue may not give, sell, or provide access to any list of taxpayers for any commercial purpose.

**Summary:** A state agency is authorized to furnish lists of public information to private companies that provide on-line computer data base services with data bases consisting primarily of public records. The state agency may provide information that is made available only to other federal, state, or local government agencies, including law enforcement agencies. The state agency must obtain a written agreement that the lists will be provided only to federal, state, or local government agencies solely for law enforcement or governmental purposes.

The Department of Licensing (DOL) may furnish lists of registered and legal owners of motor vehicles to private companies that provide on-line computer data base services to federal, state, and local agencies for law enforcement or government purposes. The DOL must obtain a written agreement that the lists will be provided only to persons authorized to receive the information.

The Department of Revenue (DOR) may furnish lists of taxpayer names, entity types, business addresses, mailing addresses, revenue tax registration numbers, a business standard industrial classification code, and dates of opening and closing of a business to companies that provide on-line computer data base services. The DOR must obtain a written agreement that the lists will be provided only to federal, state, or local governments solely for law enforcement or governmental purposes.

A violation of these written agreements is considered an unfair or deceptive act in trade or commerce under the state's Consumer Protection Act.

**Votes on Final Passage:**

House	97	0	
Senate	39	10	(Senate amended)
House	93	1	(House concurred)
House	94	0	(House reconsidered)

**VETO MESSAGE ON HB 2790**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, House Bill No. 2790 entitled:

“AN ACT Relating to distribution of certain governmental lists and information;”

House Bill No. 2790 expands the permitted use of public records for commercial purposes. In certain circumstances it allows the Departments of Licensing and Revenue, as well as other agencies, to release information to private companies that provide on-line computer services to government agencies. This information would include lists in computer readable form or on magnetic tape.

The underlying law regarding the commercial use of records was established by an act of the people when they passed Initiative 276 in 1972. That initiative provided for access to public records in ways that would allow citizens to hold their government more accountable, but the use of lists for commercial purposes was generally prohibited. The initiative provided that “[t]his law shall not be construed as giving authority to any agency to give, sell or provide access to lists of individuals requested for commercial purposes, and agencies shall not do so unless specifically authorized or directed by law” (Initiative 276, Section 25 (5)). Specific legislative authorizations for the commercial use of lists have proliferated since 1972, a process that House Bill No. 2790 would continue.

The issue here is not only one of privacy, but also of the value and purpose of governmental records. The government collects an immense amount of information from its citizens and from businesses. Much of the information is required for specific purposes, but we try to limit those purposes to the administration of programs, the development of policies, and the collection of revenues - all things that promote the common good. As the economy becomes increasingly service-oriented and as the impact of electronic information systems becomes more pervasive, there is great pressure placed on government to relinquish public control over its data holdings to the benefit of private, commercial enterprises.

In the instance of House Bill No. 2790, the state is being asked to provide its information at cost or for nothing. The company is then contemplating selling that information back to the state for a profit. This raises serious issues that state policy now fails to answer. Does the governmental data base have a commercial value that should be considered an asset of the state? If it is to be used for commercial reasons at all, should the state share in whatever profit comes from the use of its data? Should the individual citizen who supplied the data or who is the subject of the file or list have a right to decide what commercial use should be made of his or her records?

House Bill No. 2790 may, by itself, promote a useful purpose. However, when viewed in combination with the myriad of requests for access to the public record that are being introduced into each legislative session, this bill raises serious questions about what our policy should be regarding the commercialization of the government’s data holdings. Our state must develop a clear, comprehensive policy about this issue lest the passage of bills like this one continue to erode away, in a piecemeal fashion, the policy established by a vote of the people in 1972.

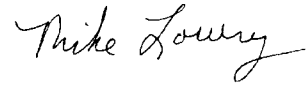
In order that a comprehensive policy governing the commercial use of public records can be developed, I will soon appoint a task

force to address this issue. Consideration also will be given to issues associated with privacy. This task force will consist of persons who can help advise the executive and legislative branches about this important matter. I will ask the task force to prepare recommendations that can be debated in the 1997 and in subsequent legislative sessions.

By raising the issue this year through the exercise of this veto and others, I am aware that I will be asking our policy makers to undertake a task that will bring into focus a complicated debate that will reveal conflicting values about public records, privacy, the future of technology, and governmental accountability. However, I am determined that this important debate go forward and that important principles of government not be determined by a process wherein the slow accumulation of exceptions to the underlying law become so extensive that more data is available for commercial uses than is withheld.

For these reasons, I have vetoed House Bill No. 2790 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**HB 2791**

C 266 L 96

Clarifying assault in the third degree to include county fire marshal’s office.

By Representatives Lambert, Costa, Sterk, Campbell and Smith.

House Committee on Law & Justice  
Senate Committee on Law & Justice

**Background:** An assault is any intentional offensive touching or striking of another person, regardless of whether injury results. Assault crimes are categorized into four degrees, depending on the offender’s state of mind, the seriousness of the injury to the victim, the status of the victim, and the use of a weapon.

Fourth-degree assault, also called “simple assault,” is a gross misdemeanor. Any assault that does not fall within the definition of one of the other degrees of assault is fourth-degree assault. Third-degree assault is a class C felony and generally requires that the assault resulted in bodily harm caused by a weapon or bodily harm accompanied by substantial pain for a period of time sufficient to cause considerable suffering. The Legislature has also provided that a “simple assault” of certain victims will be a felony third-degree assault rather than a gross misdemeanor fourth-degree assault, even if no bodily harm resulted. A fourth-degree assault becomes a class C felony if committed against any of the following victims while the victim is engaged in his or her official duties:

- a public or private transit vehicle driver;
- a public or private school bus driver;
- a firefighter;

## ESHB 2793

- a law enforcement officer;
- personnel or volunteers at a juvenile corrections facility;
- personnel or volunteers at an adult corrections facility; and
- personnel or volunteers involved in community corrections.

**Summary:** It is a class C felony, rather than a gross misdemeanor, to commit a simple assault on an employee of a county fire marshal's office or county fire protection bureau while the employee is performing his or her official duties.

### Votes on Final Passage:

House	95	0
Senate	46	1

**Effective:** June 6, 1996

## ESHB 2793

C 267 L 96

Providing for implementation of Referendum 45.

By House Committee on Natural Resources (originally sponsored by Representatives Fuhrman, Jacobsen, Basich, Thompson, Grant and L. Thomas).

House Committee on Natural Resources  
Senate Committee on Natural Resources

**Background:** Prior to 1993, a statute provided for six members on the Wildlife Commission. A companion statute required approval of four commission members to adopt rules. During the 1993 legislative session, the Legislature merged the former departments of Fisheries and Wildlife. The merger bill increased the number of members on the re-named Fish and Wildlife Commission from six to nine. The companion statute regarding the number of members' approval necessary for rule-making was not amended.

With the passage of Referendum 45 in the November 1995 general election, voters turned over primary control of the Department of Fish and Wildlife to the Fish and Wildlife Commission. The referendum takes effect July 1, 1996. This is the same date by which the commission is to report to the Legislature on the statutory changes needed to implement the referendum fully. The proposed changes could then be considered during the 1997 legislative session. However, if the Legislature wishes to make any changes prior to the referendum effective date, the changes must be addressed during the 1996 legislative session.

**Summary:** The approval of a majority of, rather than four, members of the Fish and Wildlife Commission is required in order for the commission to adopt rules.

Some statutory changes necessary to implement Referendum 45 are made. One statute from the 1993 merger bill regarding the appointment of the department director

by the Governor is repealed. Two statutes describing the duties of the director are amended to reflect the commission's responsibility for determining the director's duties. In a number of places in the Fisheries Code, references to "rules of the director" are replaced with "rules of the department."

### Votes on Final Passage:

House	98	0	
Senate	47	0	(Senate amended)
House	89	0	(House concurred)

**Effective:** July 1, 1996

## HB 2810

C 13 L 96

Regulating check cashier and check seller licenses and small loan endorsements.

By Representatives Wolfe, Beeksmas and Thompson; by request of Department of Financial Institutions.

House Committee on Financial Institutions & Insurance  
Senate Committee on Financial Institutions & Housing

**Background:** Check cashers and sellers are licensed and regulated by the Department of Financial Institutions. Check cashers and sellers are authorized to make loans of up to \$500 for a period of 31 days or less, and may accept postdated checks from borrowers as security for loans. Check cashers and sellers who wish to make small loans must obtain an endorsement on their licenses for each location where they will make these loans.

Licenses and small loan endorsements are generally for a five-year period.

**Summary:** A check cashier and seller license and a small loan endorsement are effective until surrendered. The fees charged by the Department of Financial Institutions cover the department's cost of regulation of this industry and are assessed annually.

### Votes on Final Passage:

House	97	0
Senate	47	0

**Effective:** June 6, 1996



**HB 2811**

C 268 L 96

Authorizing community and technical college districts and the state board for community and technical colleges to participate with the state in investing surplus funds.

By Representatives L. Thomas, Robertson, Hickel, Pelesky, Mitchell, Kessler, Keiser, Blanton, Wolfe, Boldt and Thompson.

House Committee on Financial Institutions & Insurance  
Senate Committee on Ways & Means

**Background:** Local governments may have the State Treasurer invest their surplus funds, pooling them to maximize return. The State Treasurer must keep a separate account for each participant in the investment pool.

**Summary:** Community and technical college districts and the State Board for Community and Technical Colleges are authorized to participate in the investment pool managed by the State Treasurer for local governments.

**Votes on Final Passage:**

House	96	0
Senate	47	0

**Effective:** June 6, 1996

**HB 2814**

C 220 L 96

Regulating the disposal of property by self-storage facilities.

By Representatives McMorris, D. Sommers, Schoesler, Thompson, Romero, Brown and Hargrove.

House Committee on Commerce & Labor  
Senate Committee on Labor, Commerce & Trade

**Background:** Current law creates a lien for rent, labor, or other charges necessary to preserve, sell, or dispose of personal property in a self-service storage unit. If rent for a self-service storage unit is not paid when due, the owner or lessor of the unit may proceed after a specified period to secure the unit, remove the personal property, and sell the property to recover unpaid rent and other associated charges.

If, in an action to enforce this lien, the renter was not personally served with notice of the lien sale, the renter may reclaim the property after the property is sold. The purchaser at a lien sale and a subsequent purchaser may be required to return the property to the renter if, within six months, the renter pays the original purchase price and costs incurred by the first purchaser.

If the renter receives notice of the lien sale by personal service, there is no right to repurchase property once it is sold at a lien sale.

If the renter's property is valued less than \$100, the property need not be disposed of at a sale, but in any reasonable manner.

**Summary:** The right of a person who rents a self-service storage unit to reclaim personal property sold at a lien sale for up to six months after sale is eliminated. If the renter's property is valued at \$300 or less, the property need not be disposed of by sale, but by any reasonable method.

**Votes on Final Passage:**

House	87	10
Senate	48	0

**Effective:** June 6, 1996

**ESHB 2828**

C 323 L 96

Regulating wireless telephone services.

By House Committee on Energy & Utilities (originally sponsored by Representative Crouse).

House Committee on Energy & Utilities  
House Committee on Appropriations  
Senate Committee on Energy, Telecommunications & Utilities

**Background:** The wireless industry reportedly signs up 28,000 new customers daily and, as of February 1995, had a 10-percent market penetration. As the demand for cellular services has increased, the need for additional, smaller cell sites has increased correspondingly.

Small, numerous cell sites help the cellular industry address two major concerns: (1) capacity (more users wanting to use a cellular system at a given time than the system can accommodate); and (2) coverage (providing coverage in all areas and preventing "dropped calls" because cell sites do not overlap). The emerging microcell technology potentially will use several small microcells to replace and provide greater capacity than a single cellular tower.

A cell site consists of radio transmitters, receivers, and antennas. Most cell sites are created by placing antennas on existing structures. Other sites are created by placing antennas on cellular towers or monopoles. The receivers and transmitters usually are housed in small equipment shelters or rooms. The transmitters operate at low power levels and transmit ultra-high frequency radio waves. A cell site connects with other facilities by transmitting radio waves to a mobile switching office, which routes calls to the intended destinations.

Wireless companies consider a variety of factors when selecting sites for antennas, such as the proximity of adjacent cell sites, engineering and topographical considerations, community response, and the existence of a willing property owner. Antenna siting is often

contentious, in large part due to neighborhood concerns about possible health, safety, and aesthetic effects.

Some persons have suggested siting only microcells in residential areas or near schools, in the belief that exposure to radiofrequency electromagnetic radiation is lower near microcells than near other cellular antennas. Few citizens have expressed concern about the siting of antennas in nonresidential areas away from schools. Some citizens are frustrated with the difficulty of locating and interpreting reports of studies concerning the health or behavioral effects of exposure to radiofrequency radiation.

**Current Regulatory Structure.** Each cell site is subject to State Environmental Policy Act (SEPA) review, land use laws and ordinances, and state building and barrier-free access codes.

Each cell site also is subject to the federal Americans with Disabilities Act or "ADA." Current state barrier-free access regulations have been certified as meeting ADA requirements.

Wireless service providers would like unstaffed cell site equipment shelters to be exempt from state building insulation and barrier-free access requirements.

**Summary:** The Legislature makes the following findings: (1) concerns have been raised over possible health effects from exposure to some wireless telecommunications facilities; (2) exposures from these facilities should be kept as low as reasonably achievable while still allowing the operation of these networks; and (3) the Department of Health (DOH) should be the state agency that follows the issues and compiles information about potential health effects from wireless telecommunications facilities.

"Personal wireless services" and "personal wireless service facilities" are defined using federal definitions. "Microcell" is defined as a wireless communications facility consisting of an antenna that is either (1) four feet in height and with an area of not more than 580 square inches, or (2) if a tubular antenna, no more than four inches in diameter and no more than six feet in length.

The siting of personal wireless service antennas is exempted from SEPA requirements if the antennas to be sited (1) are microcells to be attached to an existing structure that is not a residence or school and does not contain a residence or school; (2) are other antennas to be attached to an existing structure (that may be an existing tower) that is not a residence or school and does not contain a residence or school, and that is not located in a residential zone; or (3) involve constructing a cellular tower less than 60 feet in height that is not located in a residential zone. In addition, the project must not be in a designated environmentally sensitive area, and the project must not consist of a series of actions, some of which are not categorically exempt from SEPA requirements, or that together may have a significant adverse environmental impact.

The siting of such antennas is still subject to the local land-use permitting process.

When a telecommunications service provider applies to site several microcells in a single geographical area, local governments are encouraged to (1) allow the applicant to file a single set of SEPA documents, if applicable, and a single set of land use permit documents, that will apply to all the microcells to be sited; and (2) render decisions in a single administrative proceeding.

The Department of Ecology is directed to adopt rules that create a categorical exemption from SEPA for the siting of personal wireless service facilities meeting specified conditions.

The State Building Code Council is directed to exempt equipment shelters from state building envelope insulation requirements. Also, the council is directed to amend its rules concerning barrier-free access requirements to the extent practicable while still maintaining the certification of those rules under the ADA, to exempt equipment shelters, rooms, or enclosures housing equipment for personal wireless service facilities that meet two conditions: (1) the shelter is not staffed, and (2) in order to conduct maintenance activities, employees who visit the shelter must be able to climb.

Unless preempted by federal law, DOH may, in residential zones or areas, require personal wireless service companies to provide random power density test results showing radiofrequency levels before and after the siting of antenna facilities other than microcells.

When funds are appropriated for that purpose, DOH is directed to survey scientific literature regarding possible adverse effects of human exposure to the radiofrequency part of the electromagnetic spectrum. The department must report the survey results to the Legislature, prepare a summary of that survey, and make the summary available to the public. The department is to update the survey and summary periodically.

**Votes on Final Passage:**

House	97	0	
Senate	39	10	(Senate amended)
House	71	23	(House concurred in part)
Senate	36	11	(Senate receded)

**Effective:** June 6, 1996

**ESHB 2832**

C 129 L 96

Reinstating rail service in the Milwaukee Road corridor.

By House Committee on Transportation (originally sponsored by Representatives Chandler, K. Schmidt, Scheuerman and Blanton).

House Committee on Transportation  
Senate Committee on Transportation

**Background:** In 1980 the Milwaukee Road (railroad) declared bankruptcy, sold some of its properties, and salvaged its track. The old Milwaukee Road had operated rail

service in Washington since 1909, including a portion of line extending from the Washington/Idaho border at Tekoa, across the state, and over the Columbia River. During bankruptcy proceedings, the railroad offered to sell the state its right of way in eastern Washington.

In 1981 the Legislature appropriated \$3.5 million from the Outdoor Recreation Account (general fund) to purchase the right of way. In 1982 the Department of Natural Resources (DNR) acquired 213 miles of right of way for about \$2.2 million. The acquired corridor consists of two main segments: (1) land running from Easton across the Columbia River to Royal City Junction (89 miles); and (2) land running from Warden easterly to the Idaho line at Tekoa (124 miles). There is a 35-mile segment running from Royal City Junction to Warden that was not purchased by DNR. This segment is currently owned and operated as a rail line, with the Washington Central Railroad Company (WCRC) providing freight rail service.

Almost immediately after the purchase of the old Milwaukee Road corridor, questions arose about the permissible uses of the land. Because the land was not acquired under the federal rail banking statute (this federal law was not enacted until 1983, after DNR's purchase), there were no guarantees that the land could be converted to rail use. An unofficial memorandum from an assistant attorney general opined that further legislative action would be required in order to return the Milwaukee Road corridor to use as a rail line. At about the same time, DNR conducted a study to determine the most appropriate use of the land. The study concluded that the corridor should be maintained as a recreational trail.

In 1985 rights of way west of the Columbia River were transferred to the state Parks and Recreation Commission. The remaining rights of way east of the Columbia River remained under the management and control of DNR.

To date, the ownership of the land formerly comprising the old Milwaukee Road is fractured, with three different state agencies owning portions, the WCRC owning a segment, and private landowners owning parcels. Intended to be used as a cross-state recreational trail, these gaps in the corridor, along with vandalism of critical train trestles needed for passage, illegal barricades, legal challenges by adjacent property owners, and six-month trail closures, have prevented the trail from being utilized in a cross-state fashion. The heaviest usage of the trail occurs on the western half, which constitutes Iron Horse State Park.

In 1993 the United States Army announced plans to condemn a segment of the corridor from Kittitas to the Columbia River to expand the Yakima Firing Center. This reduces the remaining trail by another 18 miles.

In 1995 the Burlington Northern Sante Fe (BNSF) railroad announced its plan to reinstitute rail service over the Stampede Pass line. Reopening Stampede Pass became feasible due to the growing demand for freight rail transportation. Other than Stampede Pass, there are only two train routes across the Cascade Mountains: BNSF's

Stevens Pass route in the northern part of the state and the route in southwest Washington along the Columbia River gorge. Both these routes suffer from serious capacity constraints, and expansion techniques (double tracking, additional sidings, etc.) are limited because of the geography in these areas.

With intermodal (containerized) freight at Puget Sound ports projected to double by the year 2015, the importance of creating additional capacity on the state's freight rail system is magnified. If BNSF reopens the Stampede Pass rail line as expected, additional freight trains will be routed through Yakima and down to the Pasco rail yard, which is already a congestion point. Delays caused by routing intermodal trains through the Yakima Valley could jeopardize the Puget Sound ports' attractiveness as a major destination for Asian and other Pacific shipping companies and importers. In 1994 the Freight Rail Policy Advisory Committee, consisting of public and private entities with an interest in improving freight transportation, recommended that the old Milwaukee Road corridor's potential for relieving this congestion be explored. During the 1995 legislative interim, the Legislative Transportation Committee convened a Freight Rail and Freight Mobility Task Force to examine these and other issues. After public meetings in Olympia, Ellensburg, and Spokane, the task force recommended reopening the Stampede Pass line and reinstating rail service over the portion of the old Milwaukee Road railroad running from Ellensburg to Lind.

**Summary:** A transportation corridor is created. State-owned portions of land running from Ellensburg to Lind are consolidated into a single owner, the Department of Transportation (DOT). DOT is charged with management and control of the corridor, and is directed to negotiate a franchise agreement with a qualified rail carrier to operate service over the line.

DOT negotiates the franchise agreement, with input from DNR, the state Parks and Recreation Commission, the Attorney General's Office, and the Legislative Transportation Committee (LTC). Any franchise agreement entered into must be approved by LTC.

\$11.5 million is provided for the acquisition and development of a cross-state trail. This amount will be derived from franchise fees, unless the Legislature makes a specific appropriation to reduce the amount owed from franchise fees.

The franchise agreement must address payment of franchise fees and other considerations. The agreement requires adequate rail service to local shippers along the corridor. The agreement also requires the franchisee to provide service over the Stampede Pass rail line.

Revenues from franchise fees are distributed (in order of priority): (1) to DOT for costs of administration; (2) to DNR for federally-granted trust lands used by the rail corridor; (3) to the cross-state trail account to acquire, construct, and maintain a replacement trail; and (4) the remainder to the essential rail assistance account.

## HB 2836

If the Department of Transportation does not enter into a franchise agreement by June 30, 1999, this act is null and void.

### Votes on Final Passage:

House	96	1	
Senate	48	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** July 1, 1996

## HB 2836

C 52 L 96

Authorizing speed limits set according to engineering and traffic studies.

By Representatives K. Schmidt, R. Fisher and Blanton.

House Committee on Transportation  
Senate Committee on Transportation

**Background:** The Secretary of the Department of Transportation (DOT) may increase the speed limit on any state highway to a maximum of 70 miles per hour (mph) based on an engineering and traffic investigation. For the past 21 years this authority has been preempted by federal law.

In January 1974, Congress set the national speed limit at 55 mph for energy conservation purposes. States that did not achieve a 50 percent compliance rate with the 55 mph limit were subject to a withholding of federal highway construction dollars.

In April 1987, the Federal Surface Transportation Assistance Act authorized the states, at their discretion, to set the speed limit along the rural interstate system at a maximum of 65 mph. In anticipation of this move, the 1987 Legislature enacted a measure which stated that if the national speed limit was modified for the rural interstate, the secretary of the DOT would raise the speed limit to 65 mph on those segments determined to be safely posted above 55 mph. In addition, a Senate floor amendment was adopted, which stated that the speed limit on I-5 between Everett and Olympia could not be increased above 55 mph.

Effective December 8, 1995, the national maximum speed limit was repealed and control was returned to the states. The DOT is currently investigating the feasibility of raising the speed limit along the Everett-to-Olympia corridor to 60 mph.

**Summary:** Obsolete language allowing the secretary to raise the speed limit to 65 mph on the rural interstate system is removed. The limitation on raising the speed limit above 55 mph on the I-5 Everett-to-Olympia corridor is deleted. (Current law allows the secretary of the DOT to adjust speed limits after engineering and traffic investigations.)

Note: The DOT began posting new speed limits on March 8, 1996. The speed limit on the I-5 Everett-to-Olympia corridor was increased to 60 miles per hour.

Other portions of the interstate system were raised to 65-70 miles per hour.

### Votes on Final Passage:

House	97	0	
Senate	47	0	

**Effective:** June 6, 1996

## EHB 2837

C 269 L 96

Modifying the definition of medicare supplemental insurance or medicare supplement insurance policy.

By Representatives Dyer, Cody and Murray; by request of Insurance Commissioner.

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** Medicare coverage is available to persons over the age of 65, persons suffering from end-stage renal disease, or persons who have disabilities. In many cases, persons covered by Medicare choose to have additional insurance to pay for health care not covered by Medicare. Such additional coverage, called Medicare supplemental insurance coverage, is designed as a program that supplements reimbursements under the Medicare program. The Medicare program is established under federal law and is administered under both federal and state law. State programs must comply with minimum federal standards. Federal law defining Medicare supplemental insurance has been revised.

**Summary:** Changes are made to Washington's definition of Medicare supplemental insurance to conform to changes in federal law.

### Votes on Final Passage:

House	97	0	
Senate	45	1	(Senate amended)
House	94	0	(House concurred)

**Effective:** March 29, 1996

## EHB 2838

C 270 L 96

Limiting mediation of health care injury disputes.

By Representatives Dyer, Cody, Foreman, McMahan, Goldsmith, Huff, Carlson and Robertson.

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** Washington has several provisions in law dealing with medical malpractice actions. These health care actions, like other actions, are limited by a statute of

limitations. A statute of limitations requires that court actions be brought within a specific time or be barred.

Health care actions are subject to mandatory mediation.

If a written, good faith request for mediation is made prior to filing the action, the statute of limitations is tolled while the mediation occurs.

**Summary:** If a written, good faith request for mediation is made prior to filing a health care related action, the statute of limitations is tolled for one year, rather than for an unspecified period of time.

**Votes on Final Passage:**

House	97	0
Senate	49	0

**Effective:** June 6, 1996

**HB 2849**

C 271 L 96

Modifying nursing home administrator licensing.

By Representatives Dyer, Cody, Casada, Conway, Hymes, Murray, Skinner, Morris, Crouse, Sherstad, Backlund, H. Sommers and Silver.

House Committee on Health Care

Senate Committee on Health & Long-Term Care

**Background:** The Christian Science churches in Washington maintain over 60 congregations. Christian Scientists believe that health care is effected through prayer. Spiritual treatment is relied upon as the most effective healing method, and Christian Scientists generally choose to rely on spiritual means alone for their care.

Christian Scientists have nursing home facilities for persons relying on Christian Science spiritual treatment, but whose basic physical needs cannot be met at home. The physical care provided in a Christian Science nursing home is non-medical and non-invasive, consisting of assistance with feeding, grooming, and providing general comfort. The only remedial treatment furnished is prayer or spiritual treatment in accordance with the Christian Science faith.

There is one Christian Science nursing home facility in Washington. It is licensed as a nursing home. This nursing home, however, is exempt by statute from state supervision, regulation, or control of the remedial care or treatment of patients. The Christian Science nursing home receives Medicare and Medicaid funds. All nursing homes, including Christian Science facilities, must have a full-time, on-site, licensed administrator. The administrator may be granted a limited license to administer a facility such as the Christian Science nursing home, without meeting the requirements for medical training, education, or background normally required of nursing home administrators. The Christian Science facility must be certified by the Christian Science church.

The Christian Science church has decided not to maintain the certification program due to a belief that such administrative functions are inconsistent with its ecclesiastical mission. A Commission for Accreditation of Christian Science Nursing Organizations/Facilities has been chosen to replace the certification program. Because of this change in church procedures transferring certification to accreditation, the only Christian Science nursing home facility in Washington could be required to remove its current administrator.

**Summary:** Nursing homes that specifically provide care and healing for its residents through prayer and spiritual means are no longer required to have a church or denominational certification program as long as they comply with any other federal requirements. A limited license may be granted to applicants who work as administrators in nursing home facilities that rely upon treatment by prayer or spiritual means in accordance with the creed of any well recognized church or religious denomination.

**Votes on Final Passage:**

House	97	0	
Senate	48	0	(Senate amended)
House	94	0	(House concurred)

**Effective:** June 6, 1996

**2SHB 2856**

C 131 L 96

Establishing the office of the child, youth, and family ombudsman.

By Representatives Cooke, D. Schmidt, Wolfe, Reams, Tokuda, Chopp, Stevens, Costa, Mulliken, Hymes, Hatfield, Silver, Scheuerman, Kessler, Conway and Cole; by request of Governor Lowry.

House Committee on Children & Family Services

House Committee on Appropriations

Senate Committee on Human Services & Corrections

Senate Committee on Ways & Means

**Background:** In September 1995, the Governor convened a child protection roundtable to advise him on the problems related to protecting children. One of the roundtable's recommended options for increasing the safety of children and for improving the effectiveness of the Department of Social and Health Services (DSHS) was the creation of an independent ombudsman. The ombudsman's duties would be to identify problems in the child protection and welfare system and to assist children, youth, and families who are experiencing problems with DSHS or state-licensed facilities.

Several other states have established an ombudsman office to address issues related to state services for children and families. Washington State has created other ombuds-

## HB 2861

man offices to provide assistance in issues related to long-term care, small businesses, and mobile home parks.

**Summary:** The Office of Children, Youth and Family Ombudsman is established in the Office of the Governor. The purpose of the ombudsman is to monitor and ensure that DSHS and state-licensed facilities comply with statutory requirements relating to children and families.

The ombudsman's specific duties include providing to the public information relating to children and family services, investigating cases involving DSHS or state-licensed agencies, monitoring DSHS practices and procedures, conducting periodic review of all state institutions and licensed facilities, reviewing investigative reports of children who die while receiving DSHS services, and recruiting and training volunteers to assist the ombudsman. The ombudsman is appointed by the Governor for a three-year term. The ombudsman must report to the Governor and Legislature annually.

The ombudsman's investigations and records are confidential and may be disclosed only as necessary to perform his or her duties.

A legislative children's oversight committee is created to monitor and ensure compliance with administrative acts, relevant statutes, rules, and policies pertaining to family and children services and the placement, supervision, and treatment of children in the state's care.

**Votes on Final Passage:**

House	97	0	
Senate	49	0	(Senate amended)
House	97	0	(House concurred)

**Effective:** June 6, 1996

March 21, 1996 (Sections 1-3)

## HB 2861

C 272 L 96

Exempting sales of academic transcripts from B&O, sales, and use taxes.

By Representatives Carlson, Mulliken, Jacobsen, Van Luven, Blanton, Benton, Scheuerman, Basich, Goldsmith, Delvin and Quall.

House Committee on Finance  
Senate Committee on Ways & Means

**Background:** Washington's major business tax is the business and occupation (B&O) tax. This tax is imposed on gross income from business activities conducted within the state. There are several different B&O tax rates.

The sales tax is imposed on retail sales of most items of tangible personal property and some services. The state tax rate is 6.5 percent and is applied to the selling price of the article or service. Sales tax applies when items are purchased at retail in the state. Sales tax is paid by the purchaser and collected by the seller.

Use tax is imposed on the use of an item in this state, when the acquisition of the item has not been subject to sales tax. Use tax applies to items purchased from sellers who do not collect sales tax, items acquired from out of state, and items produced by the person using the item. Use tax is equal to the sales tax rate multiplied by the value of the property used.

**Summary:** The sale and use of academic transcripts is exempted from the business and occupation tax and the sales and use tax.

**Votes on Final Passage:**

House	96	0
Senate	49	0

**Effective:** July 1, 1996

## ESHB 2875

C 138 L 96

Changing water quality provisions.

By House Committee on Agriculture & Ecology (originally sponsored by Representative Chandler).

House Committee on Agriculture & Ecology  
Senate Committee on Ecology & Parks  
Senate Committee on Ways & Means

**Background:** The Puget Sound Water Quality Authority was created by the Legislature in 1985. The authority's principal purpose was to develop a comprehensive plan for the protection and clean-up of Puget Sound in a manner that coordinated the activities of the hundreds of local, regional, and state jurisdictions within the Puget Sound basin.

The authority is comprised of 11 members: nine citizen members appointed by the Governor, and the director of the Department of Ecology and the Public Lands Commissioner serving ex officio. Three of the citizen members represent cities, counties, and tribal governments. The Director of Department of Ecology chairs the authority. The authority's 1993-1995 biennial operating budget was \$2,500,000, and it had approximately 20 full-time staff. It administered another \$1,700,000 in grants to local governments and citizen groups in that biennium.

The initial Puget Sound Water Quality Management Plan was adopted in 1986 and revised in 1989, 1991, and 1994. The plan contains numerous elements, addressing subjects such as nonpoint source pollution, municipal and industrial discharges, contaminated sediments, storm water and combined sewer overflows, spill prevention and response, wetlands protection, research, and monitoring. The plan developed by the authority is implemented by appropriate state and local agencies subject to available funding. Ten state agencies have responsibilities for implementing the plan. In the 1995-97 biennium, approximately \$21 million was appropriated by the Legislature for plan

implementation, including funding for approximately 200 agency staff.

Other duties of the authority include implementation of a Puget Sound long-term monitoring program (authorized in 1990); biennial reporting on the state of the sound, the status of plan implementation, and state and local actions affecting the sound; review of state agency budgets relating to Puget Sound; making recommendations to the Governor and Legislature; encouraging research on Puget Sound's water quality; and administering a public involvement and education program.

Originally scheduled for sunset in 1991, the 1990 Legislature reauthorized the authority until June 30, 1995. The reauthorizing legislation expanded the authority's membership, required its offices to be located in Olympia, and clarified that the plan was to be implemented by appropriate agencies subject to available funding. The legislation also required the Governor's proposed biennial budget to identify Puget Sound funding levels, and directed the authority to prepare a strategy for implementing the plan that includes setting priorities. The Legislature also directed that the plan was to continue beyond the agency's sunset, with future plan implementation to be assigned by the Legislature.

The Legislative Budget Committee completed its latest sunset review of the authority in September 1994. It recommended that the authority be continued and that the composition of the authority be changed to include an industrial discharger. It recommended legislative changes to focus the authority upon plan implementation, to de-emphasize plan revisions, and to omit unnecessary reporting requirements. The Legislative Budget Committee also recommended that the authority distribute funds to implement the plan as a means to improve agency compliance with the plan.

**Summary:** The Puget Sound Water Quality Authority is not reauthorized. The Puget Sound Action Team is created, consisting of the executives of 10 state agencies, and three members, one each to represent cities, counties, and the Governor's office.

The action team is responsible for a number of functions related to developing and implementing a biennial work plan and budget to protect and restore Puget Sound. In developing the work plan and budget, the action team must meet the following objectives:

- (1) use of the plan elements of the 1994 Puget Sound Water Quality Management Plan to protect and restore Puget Sound;
- (2) consideration of the problems and priorities identified in local plans; and
- (3) coordination of the work plan activities with other relevant activities, including local watershed plans and volunteer watershed restoration activities.

The work plan and budget must include the following elements:

- (1) an identification and prioritization of the state and local actions necessary to address the water pollution problems in five specified areas around Puget Sound as follows: Area 1 includes Island and San Juan Counties; Area 2 includes Skagit and Whatcom Counties; Area 3 includes Clallam and Jefferson Counties; Area 4 includes Snohomish, King, and Pierce Counties; and Area 5 includes Kitsap, Mason, and Thurston Counties;

- (2) funding for staff to characterize watersheds, provide technical assistance, and implement state responsibilities identified in the workplan;

- (3) funding to implement an ambient monitoring program for Puget Sound;

- (4) funding for local watershed action plans; and

- (5) funding to provide staff for the action team for administration and oversight.

The Puget Sound Council is created. The council is to consist of nine members, representing the Senate, the House of Representatives, agriculture, business, environment, tribes, the shellfish industry, cities, and counties. The council is responsible for making recommendations to the action team on workplan contents, plan amendments, and overall coordination.

The person representing the Governor's office is the chair of the action team and the Puget Sound Council. The chair is responsible for coordinating the overall activities of the action team and the council. The chair of the action team is responsible for reporting to the Legislature. Each proposed work plan must be submitted to the Legislature by December 20 of each even-numbered year. Beginning in 1998, the chair of the action team must submit a report to the Legislature evaluating the progress made on the current work plan. The chair of the action team is also required to hold public hearings on the work plan.

The Puget Sound ambient monitoring program must include research and monitoring programs, including performance measures useful to the Governor and the Legislature as a means to track the progress of restoring the health of Puget Sound. Local governments are required to implement local elements of the work plan subject to the availability of funding. All proceedings of the action team are subject to the Open Meetings Act.

The action team must adopt a rule, previously adopted by the Puget Sound Water Quality Authority, that establishes planning guidelines for local watershed restoration efforts. The powers and duties of the Puget Sound Water Quality Authority are transferred to the action team. Four sections of law, added subsequent to the 1985 creation of the Puget Sound Water Quality Authority, are repealed. Two sections are recodified into a new chapter: a section relating to the Senior Environmental Corps and a section clarifying that the Puget Sound Water Quality Management Plan is valid after termination of the authority.

One million dollars is appropriated from the water quality account for the Department of Ecology to provide grants to local jurisdictions for on-site sewage disposal

## E2SHB 2909

projects. In making these grants, the department is to give preference to areas that have established shellfish protection districts and that meet other specified criteria.

### Votes on Final Passage:

House	59	36	
Senate	32	16	(Senate amended)
House			(House refused to concur)
Senate	42	7	(Senate amended)
House	97	0	(House concurred)

**Effective:** June 6, 1996  
March 25, 1996 (Section 5)  
June 30, 1996 (Section 11)

## E2SHB 2909

C 273 L 96

Improving reading literacy.

By House Committee on Appropriations (originally sponsored by Representatives Johnson, Brumsickle, Cole, Talcott, Quall, Radcliff, McMahan, Hymes, Smith, Lambert, Thompson, Hatfield, Stevens, Boldt, Koster, McMorris, Elliot, Silver, Pelesky, Clements, Cooke, Benton, Carrell, Sheldon, Basich, Linville, Skinner, Robertson, Blanton, Huff, Hickel, Goldsmith, Campbell and Casada).

House Committee on Education  
House Committee on Appropriations  
Senate Committee on Education

**Background:** The Subcommittee on Reading Literacy was established in the summer of 1995 with a threefold purpose: to gather information from throughout the state and country on successful methods of teaching reading; to receive input from parents, communities, and educators on the teaching and learning of reading; and to propose legislation by January 1996 on the teaching of reading.

The subcommittee held six meetings around the state between September 1995 and January 1996. The subcommittee discovered that a number of successful programs exist, using a variety of teaching methods. Teachers are asking for information on specific programs that are field-tested or proven effective for the teaching of reading, but there is no avenue for teachers to share information about their successful programs and methods. The Office of the Superintendent of Public Instruction has information to send to teachers, but lacks adequate staff for consultation.

**Summary:** The Center for the Improvement of Student Learning, or its designee, is directed to develop and implement a process for identifying programs that have been proven to be effective in teaching elementary students to read. The initial identification of effective reading programs is to be prepared by December 31, 1996. The identification process is to be ongoing, to allow the review

of additional programs after the initial identification of programs is complete.

The Center for the Improvement of Student Learning, or its designee, is to consult primary education teachers, statewide reading organizations, institutions of higher education, the Commission on Student Learning, legislators, parents, and other appropriate individuals and organizations when identifying effective reading programs. The following criteria are established for identifying effective reading programs: whether the program helped students meet the state-level and classroom-based assessments for reading; whether the program achieved documented results for students on valid and reliable assessments; whether the program achieved documented results that have been replicated at other locations; whether the requirements for implementing the program are clear; whether the program is cost-effective and addresses differing student populations; and other appropriate criteria and considerations.

The Office of the Superintendent of Public Instruction is directed to establish a grant program to provide incentives for teachers, schools, and school districts to use the identified and approved programs in grades kindergarten through four. Schools, school districts, and educational service districts may apply for the grants, which are to be used for in-service training and instructional material. Priority is given to schools and school districts with the lowest reading scores. The section of the bill containing the grant program is null and void if not funded in the budget.

The Center for the Improvement of Student Learning is directed to establish a training program in reading instruction and assessment for educators in the primary grades. The training program is to be designed to prepare educators to use the classroom-based assessments developed by the Commission on Student Learning to determine how children are reading, to select and implement appropriate instructional strategies and effective programs to improve reading instruction, and to involve parents in helping their children learn to read.

After effective programs have been identified, the Center for the Improvement of Student Learning, is directed to provide information on these programs to elementary school teachers, principals, curriculum directors, superintendents, school board members, college and university reading instruction faculty, and others. The center is also directed to develop and implement strategies to improve reading instruction in the state, with a special emphasis on the instruction of reading in the primary grades. The strategies may include expanding and improving reading instruction in teacher preparation programs, expanding in-service training, the training of paraprofessionals and volunteers, improving classroom-based assessment of reading, and increasing statewide and regional technical assistance.



**Votes on Final Passage:**

House 95 0  
 Senate 48 0 (Senate amended)  
 House 96 0 (House concurred)

**Effective:** March 29, 1996

**HB 2913**

C 53 L 96

Changing the future teachers conditional scholarship program.

By Representative Fuhrman.

House Committee on Higher Education  
 Senate Committee on Higher Education

**Background:** The future teachers' conditional scholarship program was created in 1987. The program is designed to attract into the teaching profession individuals who demonstrate outstanding academic achievement and who are likely to be good role models for students. The program is administered by the Higher Education Coordinating Board (HECB).

Through the program, a small number of students who wished to become teachers could receive up to \$3,000 per year for up to five years to attend an accredited public or independent college or university in Washington. Participants incurred an obligation to repay the scholarship, with interest, unless they taught in Washington's public schools for 10 years.

The annual budget of the program was \$300,000. The program was scheduled to expire June 30, 1995. Although the program was allowed to continue, no funds were appropriated for scholarships for the 1995-97 biennium.

**Summary:** Participants in the future teacher conditional scholarship program may repay their service obligations by teaching in approved education programs. Approved education programs are education programs offered in Washington for knowledge and skills generally learned in preschool through 12th grade. The programs include, but are not limited to the common schools, early childhood education and assistance programs, Head Start, education centers, approved private schools, tribal schools, English as a second language, and high school completion or equivalency programs offered by community and technical colleges.

Instead of being required to teach for 10 years in a public school, each participant in the program may meet his or her service obligation by teaching in an approved program for two years for each year of scholarship received. The HECB may cancel the repayment obligation of a recipient if the recipient dies or becomes totally disabled.

**Votes on Final Passage:**

House 98 0  
 Senate 47 0

**Effective:** July 1, 1996

**HB 2932**

FULL VETO

Allowing the human rights commission to offer alternative dispute resolution to parties involved in a claim of illegal discrimination.

By Representatives Sheahan and Smith.

House Committee on Law & Justice  
 Senate Committee on Law & Justice

**Background:** The Human Rights Commission is charged with administering and enforcing the state's law against discrimination. That law declares it is a person's civil right to be free from discrimination based on race, creed, color, national origin, sex, or the presence of any sensory, mental, or physical disability, or on the use of a trained guide dog or service dog by a disabled person. The right extends to

- employment;
- public accommodations;
- real estate transactions;
- credit transactions;
- insurance; and
- commerce.

When a person files a complaint with the Human Rights Commission, the commission is to investigate and determine if there is reasonable cause to believe discrimination has occurred. If a finding of reasonable cause is made, the commission's staff is to "immediately endeavor to eliminate the unfair practice by conference, conciliation, and persuasion."

If through this process an agreement is reached for the elimination of an unfair practice, the agreement is to be reduced to writing and entered by the commission.

If no such agreement can be reached, a finding to that effect is to be made and a copy of the finding is to be given to the complainant and the respondent. In such a case, the chairperson of the commission is to request the appointment of an administrative law judge under Title 34 RCW to hear the complaint through a formal hearing process.

In other contexts, the Legislature has provided for the creation and use of alternative dispute resolution centers as a means of reducing the use of formal court proceedings. In doing so, the Legislature has declared that

- the resolution of many disputes can be costly and complex in a judicial setting where the parties involved are necessarily in an adversary posture and subject to formalized procedures; and

- alternative dispute resolution centers can meet the needs of Washington’s citizens by providing forums in which persons may voluntarily participate in the resolution of disputes in an informal and less adversarial atmosphere.

Alternative dispute resolution involves use of a third-party mediator or other person to facilitate agreement between the disputants.

**Summary:** The Legislature finds that

- equal protection under the law is essential;
- government entities should not violate the law against discrimination;
- government entities should review their policies to ensure that employment-related discrimination does not occur; and
- existing methods of resolving discrimination claims are difficult, lengthy, and costly.

The Human Rights Commission is authorized to use alternative dispute resolution methods.

**Votes on Final Passage:**

House	95	1	
Senate	48	0	(Senate amended)
House	90	3	(House concurred)

**VETO MESSAGE ON HB 2932**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, House Bill No. 2932 entitled:

“AN ACT Relating to resolving claims of illegal discrimination;”

The purpose of this bill is to allow the Human Rights Commission to use alternative dispute resolution to resolve complaints of discrimination. While I strongly support this approach, the manner in which this authority is granted to the commission presents two problems.

First, subsection (1) inserts language in law that is neither necessary nor appropriate to achieve this goal. This language is not helpful in the understanding and application of the law against discrimination.

Subsection (2) authorizes the Human Rights Commission to offer alternative dispute resolution as a process through which parties can attempt to resolve claims. However, the commission is already conducting this type of dispute resolution, and nothing in current law prohibits it from doing so. For this reason, subsection (2) is unnecessary.

For these reasons, I have vetoed House Bill No. 2932 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

Exempting food storage facilities from building code requirements relating to ammonia usage.

By House Committee on Commerce & Labor (originally sponsored by Representatives Clements, Chandler, Lisk, Foreman, Honeyford, Grant, Skinner and Mastin).

House Committee on Commerce & Labor  
Senate Committee on Agriculture & Agricultural Trade & Development

**Background:** The State Building Code Council adopted by reference the 1994 version of the uniform mechanical code and the uniform fire code. With the adoption of these codes, the rules were revised relating to the use of ammonia for cold storage facilities. The rules require an ammonia system to be equipped with an emergency discharge into a tank of water, meeting certain specifications, for ammonia absorption. Discharge to the atmosphere is allowed only through an approved flaring device that is designed to incinerate the entire discharge. Under the 1991 code, ammonia was allowed to be dispersed to the atmosphere through required safety relief valves that were designed to release enough pressure to prevent an explosion in an emergency situation.

**Summary:** The State Building Code Act is amended with regard to ammonia refrigeration systems or systems using A-1 refrigerants in cold storage warehouses and controlled atmosphere storage warehouses used to store fruit or vegetables. These systems need not comply with sections of the uniform mechanical code or uniform fire code, as adopted by the State Building Code Council or amended by local jurisdictions, that require specified methods of ammonia dispersal.

The State Building Code Council is directed to adopt rules consistent with these limitations.

**Votes on Final Passage:**

House	98	0	
Senate	48	0	(Senate amended)
House	92	0	(House concurred)

**VETO MESSAGE ON HB 2936-S**

March 30, 1996

To the Honorable Speaker and Members,  
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute House Bill No. 2936 entitled:

“AN ACT Relating to fruit and vegetable storage;”

Substitute House Bill No. 2936 attempts to resolve a highly complex and technical issue regarding regulation of ammonia refrigerants. It would exempt refrigeration systems using ammonia in cold storage and controlled atmosphere warehouses used to store fruit and vegetables from certain portions of the Uniform Mechanical Code and the Uniform Fire Code, as adopted by the Building Code Council.

*In general, I believe the interests of the public and of the legislature are best served if these issues are handled through the Building Code Council. The council has a grasp of the technical issues associated with code policies that neither the legislature nor the governor possess. The Building Code Council was, in fact, created to minimize the need to address highly technical building code issues in the legislative arena. The existing process should be used.*

*Process notwithstanding, I am not convinced that the health and safety of the public will be adequately protected if Substitute House Bill No. 2936 becomes law. If these types of refrigeration systems are exempt from code requirements, densely populated areas could be exposed to an unacceptable risk of ammonia gas releases in case of fire or other mishap.*

*However, I do not believe the specific mitigation that has been required in some instances under the 1994 Building Code is necessary to protect the health and safety of the public. In rural, sparsely populated areas of the state, sparsely populated by definition, a release of ammonia into the atmosphere would not seem to pose a hazard in many instances.*

*I believe that an opportunity exists to address the concerns which resulted in this bill and to ensure that public safety issues receive adequate attention in the state building code. Therefore, I am directing the Building Code Council to examine the issues raised in this legislation and to take appropriate action immediately to include drafting amendments to the current state mechanical and fire codes.*

*I am impressed by the fruit and vegetable storage industry's 95 year record of safe use of ammonia as a refrigerant. This record should be considered as the Building Code Council and other interested parties proceed to examine this issue.*

*For these reasons, I have vetoed Substitute House Bill No. 2936 in its entirety.*

Respectfully submitted,



Mike Lowry  
Governor

**SHB 2939**

C 274 L 96

Examining credit unions.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representative L. Thomas).

House Committee on Financial Institutions & Insurance  
Senate Committee on Financial Institutions & Housing

**Background:** State-chartered credit unions are regulated by the Department of Financial Institutions' Division of Credit Unions. The department is authorized to conduct examinations and investigations and to recover the actual costs of these examinations and investigations.

Initiative 601 requires that increases in existing discretionary fees which exceed the fiscal growth factor as defined in the initiative be specifically authorized by the Legislature.

**Summary:** The Department of Financial Institutions is authorized to charge fees to credit unions, the Washington Credit Union Share Guaranty Association, and central

credit unions to cover the operating costs of the Division of Credit Unions, and to establish a reasonable reserve for the division. The department is authorized to impose a special assessment of \$184,000. The fees cannot result in more than \$1,120,000 in revenue to the Credit Unions Examination Fund, plus the special assessment, in fiscal year 1997.

**Votes on Final Passage:**

House	97	0
Senate	47	0

**Effective:** June 6, 1996

**SHJM 4014**

Requesting that federal law be amended to allow foreign-flagged cruise ships between U.S. ports.

By House Committee on Trade & Economic Development (originally sponsored by Representatives Valle, Van Luvan, Sheldon, D. Schmidt, Mason, Hickel, Veloria, Hatfield, Kessler, Blanton and Radcliff).

House Committee on Trade & Economic Development  
Senate Committee on Labor, Commerce & Trade

**Background:** The Federal Passenger Service Act of 1886 prohibits foreign-flagged vessels from transporting passengers between United States ports. The original intent of the act was to protect domestic passenger vessels from foreign competition.

Washington's economy is heavily dependent upon international trade and tourism. The state has an opportunity to increase tourism in Washington through the expanding cruise ship industry. The direct impact of the Federal Passenger Service Act of 1886 is that the northwest cruise ship trade, which features Alaska, does not include ports in the state of Washington.

Congress is considering legislation to establish a United States coastal cruise ship trade through the use of financial incentives and operating provisions.

**Summary:** The President and Congress are requested to establish a United States cruise ship industry using necessary financial incentives and operating provisions.

**Votes on Final Passage:**

House	97	0
Senate	47	0

HJM 4017

Requesting Congress to control or eradicate nonnative noxious weeds.

By Representatives Thompson, Fuhrman, Stevens, G. Fisher, Elliot, Sheldon, Cairnes, B. Thomas, Beeksma, Schoesler and Horn.

House Committee on Agriculture & Ecology  
Senate Committee on Agriculture & Agricultural Trade & Development

**Background:** The Federal Noxious Weed Act of 1974, as amended, directs each federal agency to establish and fund adequately an undesirable plants management program through the agency's budgetary process, to complete and implement cooperative agreements with state agencies regarding the management of undesirable plant species on the agency's federal lands, and to establish integrated management systems to control and contain undesirable plant species targeted under cooperative agreements. These requirements apply if similar programs are being implemented generally on state or private lands in the same area. Other federal law requires federal agencies to permit an agricultural or other appropriate state agency to enter federal lands to destroy noxious plants under a procedure approved by the agency if, among other conditions, the state has a similar procedure for private lands.

This state has programs for controlling noxious weeds at the state, county, and district level. These programs include obligations of owners of private lands to control certain noxious weeds and, if an owner fails to control the weeds, requirements for such weeds to be controlled at the owner's expense.

**Summary:** Congress is asked to direct all federal instrumentalities and agencies managing or controlling property within this state to comply with all relevant laws and regulations regarding the control or eradication of non-native noxious weeds in this state.

**Votes on Final Passage:**

House	92	0
Senate	46	0

HJM 4043

Petitioning Congress to restore Mitchell Act funding.

By Representatives Pennington, Basich, Fuhrman, Hatfield, Regala, Johnson, Robertson, Jacobsen, Hankins, Morris, Buck, Beeksma, Smith, Pelesky, Hargrove, Schoesler, Foreman, Hickel, Mitchell, Silver, Blanton, Ballasiotes, Carrell, Mulliken, Radcliff, Skinner, Hymes, Goldsmith, McMahan, Linville, D. Sommers, Conway, Scheurman, Keiser, McMorris and Stevens.

**Background:** Congress passed the Mitchell Act in 1938 to compensate the Northwest region for salmon losses

caused by the federal hydropower system being developed on the Columbia River. The hydropower dams prevented fish from traveling to reach their natural spawning grounds. The Mitchell Act established a fish hatchery system along the Columbia River and its tributaries in Oregon and Washington. Mitchell Act facilities produce coho, fall and spring chinook, steelhead, and searun cutthroat. There are 27 hatcheries in the system.

The federal budget for federal fiscal year 1996 reduced Mitchell Act hatchery funding by 20 percent. When notified by the National Marine Fisheries Service of the reduction, the Washington State Department of Fish and Wildlife determined it would be necessary to close three hatcheries and cut back operations in four others, thereby significantly reducing the quantity of hatchery-produced salmon in the Columbia River.

The loss of hatchery fish exacerbates the problems of an already weak Columbia River fishery. The fishery has been affected by adverse ocean conditions, restrictions imposed by the federal Endangered Species Act, and recent natural disasters. Communities dependent on the Columbia River fishery have voiced serious concerns regarding the economic impact of the lost federal funding and the associated decrease in hatchery-produced fish.

**Summary:** Congress is requested to restore Mitchell Act funding to the \$18.5 million level provided in federal fiscal year 1995.

**Votes on Final Passage:**

House	91	7
Senate	49	0

HCR 4423

Requesting the governor to declare the Year of the Reader.

By Representatives Johnson, Brumsickle, Radcliff, Cole, Quall, Talcott, McMahan, Hatfield, Thompson, Mulliken, Sheldon, Smith, Stevens, Clements, Hargrove, Sterk, Beeksma, H. Sommers, Wolfe, Kessler, Elliot, K. Schmidt, Lambert, Silver, Casada, Carrell, Chandler, Sherstad, B. Thomas, Crouse, Buck, Pelesky, Cooke, McMorris, D. Schmidt, Hymes, Mastin, Mitchell, Huff, Fuhrman, Goldsmith, Blanton, Delvin, Cairnes, Hankins, Sehlin, L. Thomas, Honeyford, Carlson, Backlund, Mason, Linville, Conway, D. Sommers, Scheurman, Romero, Ogden, Brown, R. Fisher, Cody, Murray, Costa, Tokuda, Regala, Dickerson, Robertson, Keiser, Chopp, Skinner and Dyer.

**Background:** Educators, psychologists, and the findings of academic research all stress the importance of a person's reading ability as a predictor for later achievement. Reading early in life is often cited by these sources as a major criterion for academic success, employability, and

## HCR 4424

affluence. These sources also note that the reverse, early illiteracy, may result in delinquent or criminal behavior.

Of all age groups, good reading habits are most crucial for the very young. Reading is cited across disciplines as essential to forming critical thinking skills. Because critical thinking is crucial for higher level learning, success with reading as a child frequently predicts academic success as an adult. Children who are proficient readers upon entering school often complete their schooling in the top portion of their class. On the other hand, children who watch the most television rank lowest in critical subjects at school.

The reading proficiency of children has been declining since 1980. Students in grades K-12 spend an average of just seven minutes a day reading literature based books. Forty percent of all fourth-graders have "below basic" reading skills. Twenty-five percent of high school seniors are deemed functionally illiterate, and only 36 percent are considered "proficient readers." Educators warn that statistics such as these provide a stark warning to us all as our society and economy become more complex and information based. They note that in the future, poor readers may find it difficult to participate effectively in a world requiring increasingly sophisticated skills. Consequently, these individuals are more likely to end up in our unemployment lines or in our jails.

One of the most effective ways to reverse this trend and to establish firm reading habits in young children is for their caretakers to read to them. According to research data, children read better if they are read to at home. Specifically, a study by the Child Development Center at the University of North Carolina concluded that children who are read to at an early age become literate sooner and are higher-level achievers when they do enter school. Mike Haworth, an educational psychologist and director of a national literacy campaign, places these academic findings into perspective when he states, "Reading with children is one of the single most important ways that parents can help with a child's education . . . even five minutes a day with your child and a book can make a huge difference."

**Summary:** The Legislature requests that the Governor declare 1997 the "Year of the Reader."

**Votes on Final Passage:**

House	Adopted
Senate	Adopted

Establishing a legislative joint committee on water resources.

By Representatives Delvin, Chandler, Robertson, Clements, Foreman, Grant, Schoesler, Hankins, Mulliken, Linville, B. Thomas, Honeyford, McMahan and Silver.

**Background:** One of the principles of Western water law is that the right to use water is appurtenant or tied to the land on which or place at which the water is used. State law permits the use of the water to be transferred to other locations and other uses with the approval of the Department of Ecology or, in certain instances, with the approval of the irrigation district in which the water is used.

**Summary:** A joint select committee on water resources is created to review subjects related to water transfers. Among the subjects to be studied are means of encouraging water transfers and the effects of such transfers on existing rights, instream flows, and the communities from which the transferred water originates. The committee is made up of four members of the House of Representatives appointed by the Speaker of the House and four members of the Senate appointed by the President of the Senate. It must report its recommendations to the Legislature by December 31, 1996.

**Votes on Final Passage:**

House	Adopted
Senate	45 1

SSB 5050

C 15 L 96

Revising the elements of the crime of burglary in the first degree.

By Senate Committee on Law & Justice (originally sponsored by Senators Morton, Smith, Rasmussen and Schow).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** The crime of first degree burglary is committed if a person enters a building with intent to commit a crime and, while in the building or in immediate flight therefrom, the person is armed with a deadly weapon or assaults any person therein. A 1993 appellate court case held that the phrase "assaults any person therein" referred only to assaults occurring inside the building, not an assault that occurred outside the building as the burglar was leaving. It has been suggested that the crime of burglary first degree should include instances where a burglar assaults the victim while fleeing the building.

**Summary:** First degree burglary is committed if a person enters a building with intent to commit a crime and, while in the building or in immediate flight therefrom, assaults any person.

**Votes on Final Passage:**

Senate 47 0  
House 95 0

**Effective:** June 6, 1996

2SSB 5053

PARTIAL VETO

C 301 L 96

Disclosing real estate information.

By Senate Committee on Government Operations (originally sponsored by Senators Haugen and Winsley).

Senate Committee on Government Operations  
House Committee on Trade & Economic Development

**Background:** In 1994, the Legislature enacted laws requiring sellers of residential real property to make an extensive list of disclosures concerning their property, which they are required to deliver to a buyer within five business days of acceptance of a written buy/sell agreement.

Certain transfers are exempt from the disclosure requirements, including transfers as a result of foreclosure, transfers by deed in lieu of foreclosure and transfers by a lienholder who acquired the property through foreclosure. Transfers by a real estate contract forfeiture are not exempt.

The disclosures must be made in the form prescribed by the statute. Among the required disclosures are whether there is any standing water or drainage problems on the property, whether there is any damage from floods, whether the property is in a designated flood plain and whether the property is designated a flood hazard zone.

If the seller fails to provide a disclosure statement as required, the buyer may rescind the transaction at any time up until the transfer has closed. No exception is made for this remedy, even if the disclosure statement is delivered late, but prior to closing.

Other than the right of rescission, the disclosure law does not establish any other remedy for the buyer. The seller and any real estate salesperson or broker involved in the transaction are not liable for any error, inaccuracy, or omission in the required disclosure if they had no personal knowledge of the mistake. On the other hand, the disclosure law does not extinguish or impair any rights or remedies of the buyer under common law, statute or contract.

**Summary:** Sales of newly constructed homes and transfers pursuant to a real estate contract forfeiture or by a lienholder who has acquired title through foreclosure are added to the transactions that are exempt from seller disclosure requirements. An exempt seller may voluntarily activate the provisions of the disclosure law by using the disclosure form. The question on the disclosure form of whether the property is in a designated flood hazard area is deleted and the questions of whether a property is subject to a sewer capacity charge and whether there has been land slippage are added. The right of a buyer to rescind the agreement to buy expires three business days after receipt of a late delivered disclosure statement. Sellers, real estate salespersons and brokers are not liable for any error, inaccuracy or omission in a disclosure of which they have no actual knowledge. Various references and time limits are corrected to be consistent. It is clarified that the preservation of existing remedies does not override the limited remedy provided for violations of this law.

**Partial Veto Summary:** The exemption for real estate transfers of new residential construction and transfers resulting from a forfeiture of a real estate contract is vetoed. The option of a seller, otherwise exempt, to activate the provisions of the disclosure statute is vetoed.

**Votes on Final Passage:**

Senate 47 0  
House 86 12 (House amended)  
Senate (Senate refused to concur)  
House (House refused to recede)  
Senate 26 23 (Senate concurred)

**Effective:** June 6, 1996  
July 1, 1996 (Section 2)

## VETO MESSAGE ON SB 5053-S2

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 1, Second Substitute Senate Bill No. 5053 entitled:

"AN ACT Relating to real estate disclosure;"

Second Substitute Senate Bill No. 5053 clarifies and updates state residential real estate disclosure law. Under current law, sellers of real estate are required to make an extensive list of disclosures concerning their properties and to deliver the statements within five days of acceptance of a written purchase agreement. Following delivery of the disclosure statement, the purchaser has up to three business days to rescind the transaction.

Section 1 of Second Substitute Senate Bill No. 5053 would exempt new residential construction from these real estate disclosure requirements. This is unacceptable.

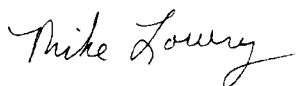
The residential real estate disclosure act is a basic consumer protection law. Although it may duplicate some of the protections provided by the state and local permitting process, it places little burden on the seller and facilitates open and honest review of a transaction that represents, for most citizens, the single largest purchase in their lifetime.

Section 2 of Second Substitute Senate Bill No. 5053 makes a number of clarifications to the law and eliminates the question about whether property is in a designated flood hazard zone. Given the catastrophic floods of this past winter, eliminating a question of this kind might appear foolhardy. However, the question is ambiguous and in practice has caused sellers great difficulty in attempting to offer a clear and accurate answer. Section 2 further provides that the questions included in statute are the minimum to be included on the state disclosure form. The Washington Association of Realtors has authority to add additional questions that are substantially similar to the statewide form or to specialized, regional forms. I have asked the Growth Management Division of the state Department of Community, Trade and Economic Development to work with the Washington Association of Realtors and other interested parties to develop a question on this issue that will include a reference to sellers about where to find this information. Re-working this question will allow sellers to disclose clear, accurate information on this topic without becoming bogged down in technical ambiguities.

For these reasons, I have vetoed section 1 of Second Substitute Senate Bill No. 5053.

With the exception of section 1, Second Substitute Senate Bill No. 5053 is approved.

Respectfully submitted,



Mike Lowry  
Governor

## SSB 5140

C 14 L 96

Authorizing municipalities to declare certain public places drug-free zones.

By Senate Committee on Law & Justice (originally sponsored by Senators Kohl, Smith, Winsley, Pelz, Roach,

Prentice, Schow, Heavey, McAuliffe, C. Anderson, Fairley, Sheldon, Prince, West, Haugen, Bauer, Oke and Palmer).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** Current law declares a number of locations to be drug-free zones. In these zones the penalties for drug-related crimes are doubled. The locations covered by this law are schools, school bus stops, public parks, and public transit vehicles and shelters.

A number of publicly-owned and publicly-operated places are used primarily for recreational, educational or cultural purposes. However, some of these facilities are neither schools nor public parks. As a result, they are not eligible for designation as drug-free zones.

**Summary:** Publicly-owned and publicly-operated civic centers designated by a local governing authority as drug-free zones are added as a new category to the current list of places where the penalties for drug-related crimes are doubled. Local governing authorities may also designate a 1,000 foot perimeter around such facilities as drug-free zones.

Civic centers are defined for this act as publicly-owned or publicly-operated places and facilities used for recreational, educational or cultural purposes.

**Votes on Final Passage:**

Senate	47	0
House	98	0

**Effective:** June 6, 1996

## 4SSB 5159

C 222 L 96

Creating the warm water game fish enhancement program.

By Senate Committee on Ways & Means (originally sponsored by Senators Owen, Oke, Haugen and Hochstatter).

Senate Committee on Natural Resources  
Senate Committee on Ways & Means  
House Committee on Natural Resources  
House Committee on Appropriations

**Background:** The Department of Fish and Wildlife manages warm water game fish. Warm water fish species in Washington include: bass, catfish, crappie, perch, bluegill, walleye, pumpkinseed, sunfish and others. These fish do not receive a great deal of management emphasis from the department.

The creation of a warm water fish enhancement program would increase the fishing opportunities for warm water fish.

**Summary:** A warm water game fish enhancement program is created within the Department of Fish and Wildlife. A combined approach of habitat improvement

## SSB 5167

and fish culture is utilized to improve warm water fish populations. The new program is funded by a warm water fish stamp with an annual fee of \$5, which is required to fish for bass, channel catfish, walleye, crappie, and tiger musky. The warm water fish stamp takes effect January 1, 1997. A dedicated account is established in the state wildlife fund, subject to legislative appropriation. The revenue from the new surcharge cannot replace funding for warm water fish projects existing on December 31, 1994.

Funds from the warm water game fish account cannot be used for the operation or construction of the warm water fish culture project at Ringold. The Department of Fish and Wildlife must provide an operational and management plan to the Legislature for the Ringold warm water fish culture project by December, 1996.

### Votes on Final Passage:

Senate	42	0	
House	95	0	(House amended)
Senate			(Senate refused to concur)
House	95	0	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** June 6, 1996

July 1, 1996 (Sections 1, 2, 4-6)

January 1, 1997 (Section 3)

## SSB 5167

C 223 L 96

Allowing service of process on a marital community by serving either spouse.

By Senate Committee on Law & Justice (originally sponsored by Senator Smith).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** When a party commences a civil action against another party, the party initiating the lawsuit must serve process on the other party. Service of process is necessary for the court to have jurisdiction over the defendant. If the action is against an individual, the defendant must be served personally, or a copy of the summons must be left at the defendant's usual abode with a person of suitable age and discretion who resides there.

**Summary:** If personal service cannot be achieved with reasonable diligence, service of process may be made by mailing a copy of the process to the defendant and by: (1) leaving a copy at his or her usual mailing address with a person of suitable age and discretion, if the address is a residence, or an office manager, cashier, executive officer or their assistants, if the address is a business; or (2) leav-

ing a copy at his or her place of employment with an office manager, cashier, executive officer or their assistants.

### Votes on Final Passage:

Senate	47	0	
House	96	0	(House amended)
Senate	46	1	(Senate concurred)

**Effective:** June 6, 1996

## 2SSB 5175

C 224 L 96

Permitting certain retail liquor licensees to be licensed as manufacturers.

By Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Pelz and Deccio; by request of Liquor Control Board).

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** Under current law, a liquor manufacturer or wholesaler is prohibited from holding a retail liquor license. However, a licensed owner of a brewery or winery is allowed to act as a manufacturer, wholesaler and retailer for his or her own product and may also obtain a class H restaurant license to sell liquor of another's making for on-premise consumption. A retail liquor licensee such as a beer and wine restaurant, a class H restaurant, or a tavern, licensed for on-premise consumption of liquor is currently prohibited from obtaining a brewery or winery license.

Restaurant owners have expressed a desire to establish microbrews in their licensed restaurants. Current law prohibits these arrangements.

**Summary:** A retail liquor licensee, such as a beer and wine restaurant, a Class H restaurant, or a tavern, who sells liquor for on-premise consumption may obtain a public house license. This license permits an operator to manufacture and sell beer of its own making for consumption on the licensed premises. The amount of beer that a public house licensee may produce is 2,400 barrels annually. A public house licensee may also sell beer or wine manufactured by others for on-premise consumption and obtain a class H license to sell liquor by the drink for on-premise consumption.

### Votes on Final Passage:

Senate	46	0	
House	96	2	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** June 6, 1996



**SSB 5250**

C 225 L 96

Regulating collection of historic and special interest motor vehicles.

By Senate Committee on Transportation (originally sponsored by Senators Owen, Haugen, Hargrove, Rasmussen, Prince, Morton and Prentice).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** There is no current statutory definition of a "street rod." Cars that are constructed out of parts or from kits are titled as new model year cars, even though the cars are replicas of vintage or antique cars.

Currently, the State Patrol has considerable discretion with regard to the issuance of a vehicle identification number (VIN) to a street rod.

**Summary:** Motor vehicles that are manufactured before 1949, or reconstructed primarily with original parts to look like a vehicle manufactured before 1949, may carry the official designation "street rod," and must be titled as the make and year of the vehicle originally manufactured.

A "kit vehicle" is defined as a passenger car or light truck assembled from a manufactured kit. To obtain a certificate of ownership for such a vehicle, the owner must meet certain procedural criteria. The criteria is in place primarily to deter the sale of stolen vehicle parts in Washington. Additional provisions relate to the licensing requirements, and kit vehicles qualifying as a "street rod" are allowed to carry that designation on their titles. Also, the title of a kit vehicle must be marked "replica" to distinguish these cars from original model year cars.

Vehicles that are licensed under the statute relating to license plates for horseless carriages and collector cars may only be used for occasional pleasure driving.

**Votes on Final Passage:**

Senate	41	1	
House	98	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** June 6, 1996

**2SSB 5258**

C 132 L 96

Making technical revisions to community public health and safety networks.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Long, Franklin and McAuliffe).

Senate Committee on Human Services & Corrections  
House Committee on Children & Family Services

**Background:** In 1994, the Legislature authorized the Family Policy Council to establish a statewide system of community public health and safety networks. The council has approved the creation and membership of 53 community networks.

The networks are designed to assist communities in developing long-term comprehensive plans to reduce the rates of harmful behaviors and acts occurring within the community. Those behaviors and acts include violence and delinquency, teen pregnancy and male parentage, suicide attempts, dropping out of school, and child abuse and neglect. Each network is directed to examine the empirical data, collected by the Department of Health for their community, and to use the data in prioritizing the communities needs.

It is suggested that clarifying, technical, and administrative revisions are necessary to assist in the implementation of the networks.

**Summary:** Key definitions related to the 1994 legislation are added. The community public health and safety networks (network) are subject to the public records act.

The network membership is modified to ensure that the citizen members live within the network boundary. The other representatives may either live or work within the network boundary. Public education representatives are guaranteed membership on the networks and judges are removed from the membership. New procedures are included to assist the networks in filling network membership vacancies. Members cannot vote on any expenditures in which their immediate family members may have a fiduciary interest.

The fiscal agent for the network must use approved budgeting, accounting, and reporting systems. Contracts with the fiscal agent are to be approved by the council. The source of funds available to the networks is clarified. Networks must hold their administrative costs to 10 percent and cannot provide services or operate programs. Each network is required to file an annual report relating to their expenditures and contracted services and program.

The role of the local health department is clarified with regard to its role in examining the networks' comprehensive plans. Each network is required to hold a public hearing on its plan before submitting it to the council.

In developing the comprehensive plan, the networks must consider increasing youth employment and job

## E2SSB 5322

training opportunities. Networks must also integrate local programs into their plan when they fit the network's priorities and they are deemed successful by the network.

The council may take administrative action against a network that is not in compliance with the statute. The network members are immune from civil liability arising from their decision-making as members, excepting intentional tortious acts or acts of official misconduct. The assets of a network are not subject to attachment or execution in satisfaction of a judgment.

### Votes on Final Passage:

Senate	47	0	
House	97	0	(House amended)
Senate			(Senate refused to concur)

### Conference Committee

House	98	0
Senate	47	0

**Effective:** March 22, 1996 (Section 8)  
June 6, 1996  
July 1, 1996 (Section 7)

## E2SSB 5322

C 226 L 96

Providing a death benefit award.

By Senate Committee on Ways & Means (originally sponsored by Senators Gaspard, Roach, McDonald, Rinehart, Heavey, Johnson, Franklin, Loveland, West and Winsley).

Senate Committee on Ways & Means  
House Committee on Appropriations

**Background:** Law enforcement officers and fire fighters hired prior to October 1977 are members of the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan I, and those hired after October 1977 are members of LEOFF Plan II. Commissioned officers of the Washington State Patrol are members of the Washington State Patrol Retirement System (WSPRS).

The surviving spouse of a member of LEOFF Plan I or of the WSPRS receives an allowance equal to 50 percent of the average final salary (AFS) of the member, plus 5 percent of the AFS for each child up to a total of 60 percent of the AFS. If there is no surviving spouse, the surviving children receive an allowance equal to 30 percent of AFS for the first child, plus 10 percent for each additional child up to a total of 60 percent of AFS, divided equally among the children.

The surviving spouse of a member of LEOFF Plan II who dies with less than ten years of service receives a refund of accrued contributions plus interest. If the member had ten or more years of service at the time of death or was eligible to retire, the surviving spouse, or children if there is no spouse, may choose a refund of contributions

plus interest or a monthly allowance. The monthly allowance is 2 percent of AFS for each year of service, actuarially reduced from age 55 and actuarially adjusted to reflect a joint and 100 percent survivor option.

Members of LEOFF Plan II and WSPRS are covered under workers' compensation insurance; members of LEOFF Plan I are not. The spouse and children of a worker covered by workers' compensation receive a benefit when death results from an injury during the course of the worker's employment. The benefit for a surviving spouse with no children is an allowance equal to 60 percent of the worker's gross wages; for a surviving spouse with one child the allowance is equal to 62 percent of gross wages. The percentage increases by 2 percent for each additional child, up to a maximum of 70 percent of gross wages. The total benefit is capped at 110 percent of the state's average monthly wage until July 1995, when it increases to 115 percent of the average monthly wage; it increases again July 1996 to 120 percent of the average monthly wage. The current maximum is \$2,338.22 per month. In addition, a \$2,000 burial expense and an immediate payment of \$1,600 are provided.

The federal government provides a death benefit to public safety officers, including state and local law enforcement officers and fire fighters. The Public Safety Officer Benefit is provided for death from injuries sustained in the line of duty. The benefit in 1994 was \$127,499. It is increased each year based on inflation.

**Summary:** Law enforcement officers and fire fighters who are members of LEOFF Plans I and II and members of the WSPRS receive a benefit of \$150,000 for dying as a result of injuries sustained in the course of employment. The Department of Labor and Industries determines eligibility for the benefit. The benefit is paid from the retirement funds. The Joint Committee on Pension Policy must study the provision of a similar death benefit for volunteer fire fighters and reserve law enforcement officers by December 1, 1996.

### Votes on Final Passage:

Senate	36	6	
House	95	1	(House amended)
Senate	38	6	(Senate concurred)

**Effective:** March 28, 1996

**2SSB 5417**

C 302 L 96

Revising penalties for criminal mistreatment.

By Senate Committee on Law & Justice (originally sponsored by Senators Fraser, Winsley, Wojahn, Oke and Kohl).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** Persons with disabilities often rely on caregivers to assist them in daily living activities, such as dressing, personal hygiene, taking medication, and preparing meals. If a caregiver abandons the disabled person or refuses to assist him or her, the person can be left helpless.

Under current law, a person entrusted with the physical custody of a dependent person may be charged with criminal mistreatment for withholding any of the basic necessities of life. The basic necessities of life are defined as food, shelter, clothing, and health care. It has been suggested that the criminal mistreatment statutes do not adequately cover situations in which a dependent person is abandoned by a caregiver.

**Summary:** Three degrees of a new crime of abandonment of a dependent person are created. Abandonment can be committed by a parent, a person entrusted with the physical custody of a child or other dependent person, or a person employed to provide to the child or other dependent person any of the basic necessities of life. The existing definition of basic necessities of life is expanded to include water, health-related treatment or activities, hygiene, oxygen, and medication.

First degree abandonment, a class B felony, is committed if a person recklessly abandons the child or other dependent person and, as a result, the child or dependent person suffers great bodily harm. For purposes of the Sentencing Reform Act, the crime is ranked at seriousness level V which results in a standard range of 6-12 months for an offender with no prior felonies.

Second degree abandonment, a class C felony, is committed if the person recklessly abandons the child or other dependent person and, as a result, the child or other dependent person suffers substantial bodily harm or the abandonment creates an imminent and substantial risk that the child or dependent person will die or suffer great bodily harm. The crime is ranked at seriousness level III which results in a first offense range of 1-3 months.

Third degree abandonment, a gross misdemeanor, is committed if the person recklessly abandons the child or other dependent person and, as a result, the child or dependent person suffers bodily harm or the abandonment creates an imminent and substantial risk that the child or other person will suffer substantial bodily harm.

The term "abandons" means leaving a child or other dependent person without the means or ability to obtain one or more of the basic necessities of life. "Employed"

means hired by a dependent person, or a person or organization acting on behalf of the dependent person. A person may be "employed" regardless of whether the person is paid for the services, or if paid, regardless of who pays for the person's services.

It is an affirmative defense to abandonment that the person employed to provide any of the basic necessities of life to the child or other dependent person gives reasonable notice of termination of services. The Department of Social and Health Services and the Department of Health are required to adopt rules establishing procedures for termination of services to children and other dependent persons.

**Votes on Final Passage:**

Senate	47	0	
House	98	0	(House amended)
Senate			(Senate refused to concur)
House			(House refused to recede)
Senate	46	0	(Senate concurred)

**Effective:** June 6, 1996

**SB 5500**

C 251 L 96

Clarifying the method of execution to be used in Washington state.

By Senators Smith, Long and Gaspard; by request of Attorney General.

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** Under current law, when a defendant is sentenced to be executed, the death penalty is carried out by hanging, unless the defendant chooses to be executed by lethal injection. If the defendant refuses to make a choice, the means of execution is hanging.

Death penalty cases usually give rise to lengthy appeals. One argument in these appeals is that hanging is unconstitutional on the basis that it is cruel and unusual punishment. Recently, this issue resulted in a lengthy delay in one Washington case in which a defendant refused to choose between hanging and lethal injection. The issue also is part of the basis for the overturning of the death penalty in another Washington case in which the defendant refused to choose the method of execution. In addition to delaying the execution of defendants sentenced to die, these appeals are very expensive. The cost is paid by taxpayers. It is felt that changing the method of execution will eliminate some of the appeals and delay in carrying out executions.

**Summary:** The death penalty is carried out by lethal injection, unless the defendant chooses hanging.

## 2SSB 5516

### Votes on Final Passage:

Senate	45	3
House	92	5

**Effective:** June 6, 1996

## 2SSB 5516

C 127 L 96

Providing for drug-free workplaces.

By Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Owen, Prentice, Deccio, Palmer, Sutherland, McDonald, Rinehart, Haugen, Sheldon, Heavey, Fraser, Franklin, Bauer, Roach and Rasmussen).

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** Advocates for the implementation of alcohol and drug-free workplace programs believe that such programs can lower workers' compensation costs by reducing substance abuse. Two states, Florida and Georgia, allow a discount on workers' compensation premiums for employers that implement certified drug-free programs. The Department of Labor and Industries currently operates other premium discount programs such as its Retrospective Rating Program.

**Summary:** Employers that implement drug-free workplace programs may receive a 5 percent premium discount on their workers' compensation payments. Employers may not receive premium discounts from more than one premium discount program. Total premium discounts for implementing drug-free workplace programs may not exceed \$5 million per year. A drug-free workplace program must provide notice to employees and job applicants on the nature of the program. It must also require that job applicants and employees involved in work-related injuries submit to a substance abuse test. Supervisors need not test an employee after an injury if the injury was due to a circumstance beyond the control of the employee. Other requirements of the program include the provision of an employee assistance program, employee education and supervisor training.

Rehabilitation is the primary focus of the employee assistance program and an employer may not use a first-time positive abuse test as the basis for termination of an employee. Information obtained through the substance abuse program is confidential, may not be released without written consent, and may not be used in a criminal proceeding against an employee or job applicant.

The Department of Social and Health Services is to adopt rules for the implementation of the act, including rules regarding certification and decertification of employers operating drug-free workplace programs. The department may charge a fee that approximates the costs of certification. The department is to evaluate the costs and

benefits of the program. The Department of Labor and Industries may adopt rules and must evaluate the effect of the premium discount on workplace safety and the workers' compensation fund.

The act terminates January 1, 2001.

### Votes on Final Passage:

Senate	45	1	
House	95	0	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** June 6, 1996

## SSB 5522

C 16 L 96

Regulating the use of pro tempore judges and court commissioners.

By Senate Committee on Law & Justice (originally sponsored by Senators Smith, Roach, C. Anderson and Johnson).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** Each district court is directed to designate one or more persons as judges pro tempore who will serve during the temporary absence, disqualification, or incapacity of a district judge. There is concern that the statute allowing the designation of judges pro tempore is unnecessarily narrow, and impedes the use of judges pro tempore in other appropriate circumstances.

**Summary:** Each district court is directed to designate one or more persons as judges pro tempore who will serve during the temporary absence, disqualification, incapacity of a district judge, or for excess caseload or special set cases. No reduction in the annual salary of the district judge occurs when a judge pro tempore serves as an additional judge for excess case load, special set cases or while a district judge is involved in administrative, educational, or judicial functions. The appointment of judges pro tempore is subject to an appropriation by the county legislative authority.

Municipal court commissioners may be appointed by the judges of a city when authorized by the city legislative authority.

### Votes on Final Passage:

Senate	48	0
House	95	0

**Effective:** June 6, 1996

**ESSB 5605**

C 17 L 96

Prohibiting drug and alcohol use in state-owned college and university residences.

By Senate Committee on Higher Education (originally sponsored by Senators Owen, Bauer, Sheldon, Wood, McAuliffe, Prince, Heavey, Drew, Winsley, Palmer, Deccio, Oke, Prentice and Schow).

Senate Committee on Higher Education  
House Committee on Higher Education

**Background:** In December 1994, researchers from the Harvard School of Public Health published a report in the Journal of the American Medical Association documenting the prevalence of undergraduate drinking, and the effect that drinkers have on other students.

**Summary:** Each public institution of higher education is required to notify all students of the availability of student housing in an area in which all use of liquor is prohibited. Upon request, each public college or university must provide student housing on a residence hall floor, designated area, or in a building where use of liquor is prohibited. Each college and university must have in place and distribute to residents a process for reporting violations and complaints of illegal liquor and drug use. Each college and university must also have in place, distribute to residents, and vigorously enforce policies and procedures for investigating complaints regarding liquor and illegal drug use in student housing.

Sanctions that may be applied for violations of the institution's liquor and illegal drug use policies include warnings, restitution for property damage, probation, expulsion from college and university housing, and suspension from the institution.

A report from each institution must be submitted by December 1, 1996, to the House and Senate Higher Education Committees and must include: (1) policies governing liquor and illegal drug use and abuse in student housing; (2) information on reported violations and actions to address those violations; (3) efforts taken by institutions to prevent the use, and educate students on the effect, of illegal drugs and liquor; and (4) copies of the Drug Free Schools and Community Act Biennial Report required by the Secretary of Education, U.S. Department of Education.

**Votes on Final Passage:**

Senate	43	1
House	98	0

**Effective:** June 6, 1996

**E2SSB 5676**

C 303 L 96

Restricting residential time and visitation for abusive parents.

By Senate Committee on Law & Justice (originally sponsored by Senators Fraser and Kohl).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** If a parent has been convicted as an adult of a sexual offense or has been found to be a sexual predator, a court is required to restrain the parent from residential time or visitation with a child that would otherwise be allowed. If a parent resides with an adult who has been convicted, or a juvenile who was adjudicated, of a sexual offense or found to be a sexual predator, a court will require contact between the parent and the child to occur outside the presence of the convicted or adjudicated person.

**Summary:** A parent's residential time with a child is limited by the court if the parent is convicted of rape of a child in the second or third degree, child molestation in the second or third degree, sexual misconduct with a minor in the first or second degree, incest in the first or second degree, or any crime dealing with sexual exploitation of children. If a parent lives with a person who is convicted or adjudicated of any of the above mentioned crimes, residential time or visitation is limited by the court. A parent who is found to be a sexual predator is restrained from otherwise allowable residential time or visitation with a child. A parent who resides with an adult or a juvenile who is found to be a sexual predator is restrained from contact with the parent's child except for contact that occurs outside that person's presence.

A parent who commits incest in the first or second degree must have been at least five years older than the victim in order for the court to limit the residential time. A parent who commits rape of a child in the second or third degree or child molestation in the second degree must have been at least eight years older than the victim in order for the court to order limited residential time.

If the parent does not meet this age difference criteria, then a rebuttable presumption arises that the parent poses a present danger to the child. The court must therefore restrain the parent from residential time or visitation. This presumption also applies when a parent has been convicted of rape of a child in the first degree, child molestation in the first degree or indecent liberties.

If the child with whom the parent is seeking residential time or visitation is not sexually abused by the parent, the presumption may be rebutted by the court finding that contact between the child and the offending parent is appropriate and poses minimal risk to the child. In addition, the parent must successfully engage in or be making progress in treatment for sex offenders if it is ordered by a

court. If the child with whom the parent is seeking residential time or visitation is sexually abused by the parent, the presumption may be rebutted by the opinion of the child's counselor, if the child is or has been in therapy for victims of sexual abuse, that contact between the child and the offending parent is in the child's best interest. In addition, the parent must successfully engage in or be making progress in treatment for sex offenders if it is ordered by a court. The court must make a written finding that contact between the child and the parent is appropriate and poses minimal risk to the child.

A parent who resides with an adult who is convicted, or a juvenile who is adjudicated, of a sex offense that gives rise to the rebuttable presumption may obtain supervised residential time or visitation after a court makes a written finding that contact between the child and the parent is appropriate and the parent is able to protect the child in the presence of the convicted or adjudicated person. In addition, the convicted or adjudicated person must successfully engage in treatment for sex offenders and the treatment provider must believe that contact is appropriate.

A parent who resides with a juvenile who is adjudicated of a sex offense may obtain unsupervised residential time or visitation with a child in the presence of the adjudicated juvenile after the presumption is rebutted and supervised residential time or visitation occurred for at least two years, during which time the juvenile has no further arrests or convictions of sex offenses involving children. The court must make written findings to allow such unsupervised contact.

If the court finds that the presumption is rebutted, the court may order supervised residential time or supervised visitation. The supervisor must be a neutral and independent adult and there must be an adequate plan for supervision. In order for the court to approve the supervisor, it must find that he or she is willing and capable of protecting the child from harm.

A court may order unsupervised residential time or visitation if supervised residential time or visitation occurs for at least two years and the parent has no further arrests or convictions of sex offenses against children. Unsupervised residential time or visitation may only take place if the offense of the parent was not committed against a child, stepchild or adopted child of the parent. The court must make a finding that the unsupervised time is appropriate and poses minimal risk to the child, after consideration of testimony from a state-certified therapist, mental health counselor or social worker who supervised at least one period of residential time or visitation between the parent and the child. The court also is directed to consider whether the parent complied with probation requirements, if any. If the parent is not ordered by a court to attend treatment for sex offenders, then the evidence must include the results of a psychosexual evaluation.

**Votes on Final Passage:**

Senate	49	0	
House	93	2	(House amended)
Senate			(Senate refused to concur)
House	94	1	(House amended)
Senate	45	0	(Senate concurred)

**Effective:** March 30, 1996

**2SSB 5757**

C 18 L 96

Changing provisions relating to bidding requirements.

By Senate Committee on Government Operations (originally sponsored by Senators McCaslin, Haugen, Winsley, Heavey and Sheldon).

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** There are no provisions which assign any consequences to a low bidder for county, city, town, state, or special purpose district contracts for labor and materials or goods and services, in the event that he or she claims error. A claim of error can result in all bids being void and new bids being solicited.

**Summary:** If a low bidder claims error and fails to enter into a contract, he or she is prohibited from bidding on the same project if a call for second or subsequent bids is made for that project. This provision applies to projects for the state, cities, towns, special purpose districts, and counties for all public works, projects, labor and materials, and for purchases made by the Department of General Administration for the state and its agencies and departments.

**Votes on Final Passage:**

Senate	47	0	
House	95	0	

**Effective:** June 6, 1996

**SSB 5818**

C 227 L 96

Paying benefits when a member dies before retirement.

By Senate Committee on Ways & Means (originally sponsored by Senators Winsley, A. Anderson, C. Anderson and McAuliffe).

Senate Committee on Ways & Means  
House Committee on Appropriations

**Background:** If a member of the Teachers' Retirement System Plan I (TRS I) dies while he or she is an active employee, the surviving beneficiary's death benefit is reduced. The reduction equals the difference between the benefit accrued at the time of death and the amount that the

member would have received at the age he or she first qualified for retirement.

If an active TRS I member who becomes disabled selects a joint and survivor death benefit and dies after receiving a disability determination by the director of the Department of Retirement Systems, the beneficiary will receive a joint and survivor benefit that is not reduced. However, if an active employee becomes permanently disabled but dies before a determination can be rendered, he or she is considered to be an active member at the time of death and the beneficiary's benefit is reduced.

If a member of the Public Employees' Retirement System Plan I qualifies for a nonduty disability retirement but dies before receiving his or her first retirement payment, the member's beneficiary is not eligible to receive the survivor benefit. Instead, the beneficiary is eligible to receive a "death in service" benefit, which is a joint and 100 percent survivor allowance, actuarially reduced for the time between the member's age at death and the age at which the member would have first qualified for a service retirement allowance.

**Summary:** The spouse of a Teachers' Retirement System Plan I member receives an unreduced benefit if the member dies following a period of sick leave without having applied for a disability retirement, the member had been on sick leave due to an illness that would have qualified the member for permanent disability and the illness was the cause of the member's death. This applies to members who died between July 1, 1994 and September 1, 1994.

For deaths occurring between July 1, 1995 and June 30, 1997, if a member of the Public Employees' Retirement System Plan I applies for a nonduty disability retirement, submits adequate evidence to support a disability determination and selects a retirement option but dies before receiving the first payment, the named beneficiary may elect to receive either a cash refund or unreduced monthly payments.

**Votes on Final Passage:**

Senate	49	0	
House	85	0	(House amended)
Senate	45	0	(Senate concurred)

**Effective:** June 6, 1996

## SSB 5865

C 228 L 96

Assigning the rights of lottery prize winners.

By Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Snyder, Newhouse, Heavey and Winsley).

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** Generally, Lotto prize winners receive annual payments over a period of 20 years. Currently, prize winners are required to pay, on an annual basis, the federal income tax owed on the yearly amount received, and not the entire tax liability owed on the total prize.

Lottery prize winners are prohibited from voluntarily assigning the right to receive future lottery prize payments to a third party in exchange for a lump sum payment of their prize by this party. It is suggested that certain prize winners would like to be given this "cash out" option. Prize winners who accept this offer would likely be required to pay the entire federal income tax owed on the lump sum received.

If third party assignment is allowed, concerns have been raised regarding whether the Internal Revenue Service (IRS) will require all lottery prize winners to pay the total tax liability due on the entire lottery winnings immediately, even if a winner does not exercise the option to assign the lottery prize winning to a third party. At the request of the North American Association of State and Provincial Lotteries, the national office of the IRS has agreed to review and issue an opinion on this issue. The IRS has not yet completed this review.

**Summary:** A lottery prize winner is permitted to assign his or her rights to future lottery prize payments to a third party if the prize winner provides a court order to the Lottery Commission which states, in part, that the winner is not under duress, is represented by an attorney and received financial and tax advice concerning the effect of the assignment.

The Lottery Commission cannot implement this act unless and until the IRS advises the commission that the voluntary assignment of prizes does not affect the federal tax treatment of prize winners who do not accept this option.

**Votes on Final Passage:**

Senate	46	1	
House	98	0	(House amended)
Senate	44	1	(Senate concurred)

**Effective:** June 6, 1996

**SSB 6078**  
FULL VETO

Representing regional transit authority projects.

By Senate Committee on Transportation (originally sponsored by Senators Heavey, Prince and Owen).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** A regional transit authority in King, Pierce and Snohomish counties and transit agencies in Clark, Kitsap, Spokane, Thurston and Yakima counties are authorized to impose voter-approved taxes to develop a high capacity transportation system.

There are numerous preconditions which must be met before these agencies can put a high capacity plan and funding plan on the ballot, including publication of a brochure for distribution to all registered voters describing the system and its relationship to regional issues, such as land use. In addition, these agencies are also required to publish a voters' pamphlet as is done for general elections. The brochure prepared by the Regional Transit Authority for the March 1995 election was viewed by many as promotional for the proposal.

The Puget Sound Regional Transit Authority assumed \$2 billion in federal and state funds as part of its funding plan for voter approval. At that time, only about \$300 million in federal funds had been authorized for such a project.

**Summary:** A regional transit authority or transit agencies submitting high capacity transportation funding plans for voter approval are no longer required to publish and distribute a brochure describing the proposal.

In developing financial plans for high capacity transportation projects, regional transit authorities and transit agencies are prohibited from assuming or implying the availability of state funds, unless those funds are specifically authorized. The same prohibition applies in the case of federal funds, unless those funds are based on authorizations in the current six-year transportation authorization law and appropriations based on that authorization.

**Votes on Final Passage:**

Senate	49	0	
House	66	27	(House amended)
Senate	41	3	(Senate concurred)

**VETO MESSAGE ON SB 6078-S**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 6078 entitled:

"AN ACT Relating to the public presentation of information regarding regional transit authority projects;"

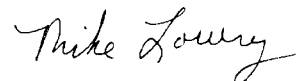
Substitute Senate Bill No. 6078 requires that public presentations made about available revenues to support a regional transit

authority project cannot include state or federal revenue assumptions unless the money has already been authorized. This restriction is counter to the current federal policy that the local option funding be secured before Congress authorizes federal revenues for regional transit projects.

Clark County Transit (C-TRAN) in Vancouver and other Washington multi-modal transportation systems should not be forced to make incomplete financial assumptions about financing as they develop their regional transportation system plans. Substitute Senate Bill No. 6078 would tie the hands of the regional transit authorities as they implement critical local and regional transit projects.

For these reasons, I am vetoing Substitute Senate Bill No. 6078 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**SB 6089**

C 96 L 96

Changing criteria for eligibility for firearms range account funding.

By Senator Rasmussen, Drew, Sheldon, Roach, Oke, A. Anderson and Goings.

Senate Committee on Natural Resources  
House Committee on Law & Justice

**Background:** In 1994, the Legislature created a firearms range account to establish funding for firearms ranges in Washington which would be open to the public. The provisions of the funding are administered by the Interagency Committee for Outdoor Recreation. Applicants other than school districts or local or state governments must be registered as nonprofit or not-for-profit organizations, both with the Washington Secretary of State under state law and the United States Internal Revenue Service under federal law. The double requirement for registration of nonprofits with both the state and the federal government has caused problems, since the state and the federal government provisions are contradictory. The firearms range account is part of the state general fund. The account receives \$3 from each new or renewed concealed pistol license. The account may also be funded by gifts or donations.

The money in the range account is administered by the Interagency Committee for Outdoor Recreation. Money from the account may be used for grants to public or private firearms ranges. The grants are provided on a matching basis of one-to-one. The match provided by a range may be cash or in-kind. Grants may be awarded for any of a number of purposes, including purchase and development of land, construction or improvement of range facilities, equipment purchase, safety or environmental improvements, noise abatement, and liability protection.



**Summary:** The requirement for applicants to be registered as a nonprofit or not-for-profit organization with the United States federal Internal Revenue Service is eliminated. The Interagency Committee is directed to give priority to grants for noise abatement and for safety improvements, and these kinds of grants are matched on a two-for-one basis.

**Votes on Final Passage:**

Senate	43	2	
House	95	0	(House amended)
Senate	47	1	(Senate concurred)

**Effective:** June 6, 1996

**SB 6090**

C 229 L 96

Recording instruments via electronic transmission.

By Senators Hale, Haugen, Winsley and Swecker.

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** One of the historic functions of county government, which is performed by the county auditor, is the recording and maintenance of documents affecting legal rights in real property in the county. The fact that a document is recorded, and the exact time at which it is recorded, are critical factors in establishing rights against persons who either have not recorded the documents evidencing their transactions or have recorded those documents at a later time.

Current law defines "file" or "filing" as the act of delivering an instrument to the auditor for recording into the official public record. The auditor is required to record certain filed instruments affecting real property in bound books, or by photographic, photomechanical, or other approved process.

All persons charged with recording instruments in the public record, whether state or local, may transcribe such records, or record by any photographic, photostatic, microfilm, microcard, miniature photographic or other process that forms an accurate and durable medium for reproducing the original instrument.

Current law does not expressly authorize the recording of instruments by electronic transmission or the maintenance of public records in an electronic format.

**Summary:** An instrument may be filed with the county auditor or county recording officer by electronic transmission. Certain documents affecting title to real estate may be placed in the public record in an electronic format. Any state or local officer charged with the duty of recording instruments in the public record may use an electronic data transfer that forms an accurate and durable medium for reproducing a copy of the original instrument. When an instrument is transmitted electronically to a county audi-

tor's office for recording, the auditor must note upon the instrument that it is received by electronic transmission. Recorded documents must be returned either to the party leaving it for record or to the address on the face of the document, as requested by the party leaving it for record. References are corrected and gender neutral terminology is adopted.

**Votes on Final Passage:**

Senate	41	0	
House	86	0	(House amended)
Senate	48	0	(Senate concurred)

**Effective:** June 6, 1996

**SSB 6091**

C 230 L 96

Converting water and sewer districts into water-sewer districts.

By Senate Committee on Government Operations (originally sponsored by Senators Haugen, Winsley, Sheldon, Drew, McCaslin, Long, Hale, Snyder, Heavey and Sellar).

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** Water districts and sewer districts are each governed by a separate title of the RCW. Over the years, however, water districts have been authorized to provide sewer services and sewer districts have been authorized to provide water services. In recent years the Legislature has attempted to establish parallel language in each title so that when one was amended, an identical amendment would be made to the other.

Several years ago legislation was drafted that merged the two titles. Where language and authority differed, the more comprehensive or contemporary version was generally adopted. This proposed merger of the titles has been revised several times. It is felt that combining sewer district and water district authorities into one title would simplify the entire governance process for all water and sewer districts, enable operating efficiencies, and may facilitate consolidations of districts thereby reducing overhead costs.

**Summary:** The RCW title pertaining to sewer districts is merged with the RCW title pertaining to water districts.

All sewer districts and water districts become water-sewer districts with a single set of governing statutes covering general powers, governance, rates and charges, financing, formation, annexation, deannexation, consolidation, merger, elections, planning, local improvements and other miscellaneous functions. Redundant provisions are repealed and recodifications are made. Archaic and incorrect references are corrected and ambiguous language is clarified.

## ESSB 6093

Where the territory of a prior sewer district overlaps the territory of a prior water district, the authority of both districts to offer new services within the overlapping territory is limited. One district may offer sewer or water services in the overlapping territory only if: (1) the other district did not previously offer those services in the overlapping territory; or (2) the other district gives its express concurrence. Prior water districts may not offer or extend sewer service in any territory without obtaining certification from the state Department of Ecology and Department of Health. The authority of water districts to provide fire protection services and impose a nonvoter-approved levy to finance such services is repealed. Multiple mergers are authorized, and the bid limit on purchase of materials is raised to \$10,000.

### Votes on Final Passage:

Senate	44	0	
House	98	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** July 1, 1997

## ESSB 6093

C 19 L 96

Providing for sidewalk reconstruction.

By Senate Committee on Government Operations (originally sponsored by Senators Sheldon, Winsley, Drew, Owen, Prentice and Quigley).

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** Three different statutes authorize cities and towns to either construct, reconstruct, or repair sidewalks and to impose the cost on the abutting landowner. In the case of projects which are less than a block long, the cost imposed on the abutting property owner may not exceed 50 percent of the valuation of the abutting property.

Citizens have raised objections to this authority in cases where the city is responsible, in whole or in part, for the deterioration of a sidewalk. For example, a city may fail to enforce ordinances prohibiting parking of vehicles on sidewalks, resulting in the breakdown of the sidewalk surface. It is felt that, in such cases, the city or town should bear the cost of reconstruction.

“Sidewalk” is defined to include “all structures or forms of street improvement included in the space between the street margin and the roadway.”

**Summary:** In a city or town, an abutting owner cannot be charged with any cost of reconstruction of a sidewalk if reconstruction is required to correct deterioration or damage which results from direct actions of the city or town or from the failure of the city or town to enforce its ordinances.

“Sidewalk” is defined to include “all pedestrian structures or forms of improvement included in the space between the street margin, as defined by a curb or the edge of the traveled road surface, and the line where the public right of way meets the abutting property.”

### Votes on Final Passage:

Senate	48	0
House	98	0

**Effective:** June 6, 1996

## SSB 6101

C 20 L 96

Establishing a free shellfish digging weekend and including steelhead trout in the free fishing weekend.

By Senate Committee on Natural Resources (originally sponsored by Senators Drew, Strannigan, Spanel, Snyder, Bauer, Rasmussen, Roach and Oke).

Senate Committee on Natural Resources  
House Committee on Natural Resources

**Background:** The Washington Legislature has authorized family fishing days in current law. The statute allows the Director of Fish and Wildlife to adopt rules for family fishing days, which are those days when a recreational fishing license is not required in order to fish for food fish or shellfish. Many states have similar programs to encourage knowledge of the fishery and to increase family use of the resource.

**Summary:** The department may include steelhead trout on the free fishing day. A separate shellfish day is established and no punch cards are required for any free fishing.

### Votes on Final Passage:

Senate	49	0
House	98	0

**Effective:** July 1, 1996

## SSB 6113

C 21 L 96

Authorizing the presumption of paternity to be rebutted in an appropriate administrative hearing.

By Senate Committee on Ways & Means (originally sponsored by Senators Wojahn, Winsley and Smith).

Senate Committee on Law & Justice  
Senate Committee on Ways & Means  
House Committee on Law & Justice

**Background:** In current law, a man is presumed to be the father of a child under a number of circumstances. He may bring an action in court to rebut the presumption of

paternity. Concern exists that the court process is lengthy and costly.

**Summary:** A responsible parent may provide evidence to rebut the presumption of paternity at an adjudicative proceeding. If the evidence is deemed credible, the Department of Social and Health Services must refer the case to the superior court to determine whether the presumption should be rebutted. The department is responsible for the cost of the hearing.

**Votes on Final Passage:**

Senate	49	0
House	89	6

**Effective:** June 6, 1996

## SB 6115

C 35 L 96

Revising penalties for persons who damage property with graffiti.

By Senators Wojahn, Snyder, Haugen, Goings, Winsley, Bauer and Oke.

Senate Committee on Law & Justice

House Committee on Law & Justice

**Background:** A person can be charged with the crime of malicious mischief if he or she knowingly and maliciously causes physical damage to the property of another. If the amount of damage exceeds \$1,500, the crime is a class B felony; if the amount of damage is greater than \$250 but less than \$1,500, the crime is a class C felony; if the amount of damage is greater than \$50 but less than \$250, the crime is a gross misdemeanor; and if the amount of damage is less than \$50, the crime is a misdemeanor.

If a minor child living with his or her parents wilfully and maliciously destroys property of another person, the parents of the child may be civilly liable for damages in an amount not to exceed \$5,000. However, this statute rarely applies to persons who place graffiti on the property of another, because usually graffiti does not destroy the property.

It is suggested that the penalties for placing graffiti on the property of another should be increased.

**Summary:** The penalties for placing graffiti on the property of another person are increased. The minimum criminal penalty for placing graffiti on another person's property is increased to a gross misdemeanor, even if the amount of damage is less than \$50.

The parental liability statute is amended to specifically allow the parents of a child under the age of 18 to be held liable for the damages caused by the child's graffiti up to a maximum of \$5,000.

**Votes on Final Passage:**

Senate	48	1
House	98	0

**Effective:** June 6, 1996

## SB 6117

FULL VETO

VETO OVERRIDE

C 1 L 96

Reducing business and occupation tax rates.

By Senators Quigley, Loveland, Snyder, Rinehart, Spanel, Rasmussen, Thibaudeau, Hale, Swecker, Prince, Long, Morton, West, Deccio, Moyer, Zarelli, McCaslin, Johnson, Strannigan, Finkbeiner, Hochstatter, Wood, A. Anderson, Cantu, Sellar, Schow, McDonald, Winsley, Sheldon, Haugen, Goings, Heavey, Bauer, Drew, McAuliffe, Franklin, Newhouse and Oke.

Senate Committee on Ways & Means

**Background:** Washington's major business tax is the business and occupation tax (B&O) tax. It is imposed on the gross receipts of business activities within the state. Although there are many rates, the principal rates are as follows:

Manufacturing, wholesaling and extracting	0.506%
Retailing	0.471%
Services	
- Selected business services	2.5%
- Financial services	1.7%
- Other activities	2.09%

Selected business services include: computer services, data processing, legal services, accounting, business consulting, business management, protective services, and public relations.

Prior to the 1993 session, all service activity was taxed at 1.5 percent. In 1993, the three new categories and rates were established. In addition, a temporary 6.5 percent surtax was imposed on all B&O classifications except selected business services, financial services, retailing, and public and nonprofit hospitals. The surtax was lowered to 4.5 percent on January 1, 1995, and will expire July 1, 1997. Because the surtax applies to the "other activity" category, the 2.09 percent rate will decrease to 2.0 percent after July 1, 1997.

A B&O tax credit worth \$1,000 per job is available for manufacturing, research and development, and computer service companies that either create a new work force or increase an existing workforce in distressed areas. No business may receive more than \$300,000 in credits, and no more than \$15 million may be taken in any biennium by all businesses.

Distressed areas are those where unemployment for the previous three years is at least 20 percent above the state average.

**Summary:** B&O tax rates are reduced effective January 1, 1996 as follows: the selected business service rate is reduced from 2.5 percent to 2.0 percent; the financial business service rate is reduced from 1.7 percent to 1.6 percent; and the permanent part of the "other activities" rate is reduced from 2.0 percent to 1.75 percent. Due to the surtax, the "other activities" rate is 1.83 percent until July 1, 1997.

The tax credit for job creation in distressed areas is increased from \$1,000 to \$2,000 per job for projects approved after January 1, 1996.

A new B&O credit is authorized for employee job training. The tax credit is available to manufacturing, research and development and computer service businesses located in distressed areas that provide job related training at no charge to their employees. The tax credit is equal to 20 percent of the value of the job training not to exceed \$5,000 per business per year. This credit is available for projects approved after January 1, 1996.

**Votes on Final Passage:**

Senate	46	3
House	73	19

**Votes on Veto Override:**

Senate	41	7
House	76	21

**Effective:** January 24, 1996

**VETO MESSAGE ON SB 6117**

January 22, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Senate Bill No. 6117 entitled:

"AN ACT Relating to reducing business and occupation taxes by reducing the 1993 service rate increases by fifty percent and increasing tax credits in distressed areas;"

At a time of strong demands on our state's financial resources and expectations of significant reductions in federal support for state programs in future years, Senate Bill No. 6117 would reduce state revenues more than any other tax measure currently under consideration by the state legislature — by \$132.4 million in the 1995-97 Biennium and \$216.6 million in the 1997-99 Biennium. Moreover, as apportioned by this bill, these reductions are not targeted to create family-wage jobs, correct inequities in the state's tax code, or improve our state's overall economy.

It is important to remember that although the state currently anticipates a reserve of \$677 million under the biennial budget approved last June, only \$118 million of this amount is from surplus revenues projected in the 1995-97 Biennium. The remainder is a one-time surplus carried forward from the previous biennium and does not represent an ongoing flow of excess revenues. We must maintain a prudent reserve for the future.

Sections 1 and 2 of Senate Bill No. 6117 reduce the Business & Occupation (B&O) tax rate for the three classifications of service firms in the state. The B&O tax rate for "selected business services" is reduced from 2.5 percent to 2.0 percent. The B&O tax rate for "financial services" is reduced from 1.7 percent to 1.6 percent, and the rate for "other services" and real estate brokers

is reduced from 2.0 percent to 1.75 percent. The reductions represent a 50 percent roll-back of the increase for these categories enacted in 1993. The estimated revenue loss on a cash basis associated with sections 1 and 2 of this bill is \$129.2 million in the 1995-97 Biennium and \$211.2 million in the next biennium.

While I support extending additional tax incentives to business this year, I believe these measures must be carefully targeted to produce the greatest possible economic return for our state. Targeted tax initiatives, such as tax exemptions on the purchase or repair of machinery and equipment, will do much more to spur further investment in our state's important manufacturing sector and draw new employers to our state than will a simple tax cut for certain service industries. Historically, each new job created in manufacturing generates two additional jobs elsewhere in our economy. Service industries, by contrast, generate less than one additional job for every new job added to that sector — and Senate Bill No. 6117 provides no inducement for those businesses to create the additional family-wage jobs essential to our state's economic development.

I also believe that any tax initiatives that reduce state revenues should be targeted to help those businesses and individuals who need it most. If this bill was meant to help new or small businesses such as barber shops or janitorial services, it misses the mark. More than three-quarters of the tax cut proposed by this measure would go to large companies involved in banking, law, medicine, and engineering.

Sections 3 and 4 of Senate Bill No. 6117 would provide or expand B&O tax credits for certain business activities, with an estimated reduction of \$3.2 million in revenues during the 1995-97 Biennium and \$5.4 million in the next biennium. Although I support the general intent of these provisions, I have not approved these sections for the reasons stated below.

Section 3 of Senate Bill No. 6117 increases the distressed area B&O tax credit in chapter 82.62 RCW from \$1,000 to \$2,000 for each qualified employment position created in an eligible business project approved after January 1, 1996. Eligible businesses are those engaged in manufacturing, research and development activities, or computer services. Current law caps the program for all participants at \$15 million in tax credits per biennium, and any single employer is limited to a total of \$300,000 dollars of credit during the life of the program.

The legislature's goal through increasing the tax credit allowed for each new employment position created under chapter 82.62 RCW appears to be to expand participation in the program. However, the state's experience has shown that the primary constraint on business participation is not the size of the tax credit for each new position created, but rather the requirement that an employer increase its existing work force by 15 percent or create a new work force to qualify for the tax credit.

The Department of Revenue estimates that increasing the tax credit from \$1,000 to \$2,000 for each new position created would result in an additional \$900,000 in credits claimed during the current biennium. However, the department also believes that most of those additional credits would be claimed by companies already participating in the program. As a result, those firms would reach the \$300,000 cap more quickly, after which there would be no incentive to hire additional employees. Rather than inducing more businesses to participate in the program, the primary effect of section 3 of Senate Bill No. 6117 would be to curtail the incentive for participating businesses to hire additional employees — in direct opposition to the goal of this measure.

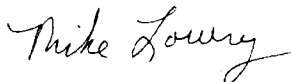
Section 4 of Senate Bill No. 6117 establishes a new B&O tax credit for job training provided or sponsored by employers to enhance the performance of their employees. This tax credit would be limited to businesses engaged in manufacturing, research and development activities, or computer services in distressed areas of the state. To qualify for the tax credit, training must be offered to employees without charge and must be approved by the state Employment Security Department. The credit, effective after January 1, 1996, would be limited to 20 percent of

the value of the training services, and total credits for a business could not exceed \$5,000 per calendar year.

Although this section stipulates that job-training activities must be approved by the Employment Security Department to qualify for the proposed tax credit, it offers no assurance that the training will produce a long-term enhancement of the employee's skills or abilities. The language is sufficiently broad as to allow on-the-job training which employees currently receive to qualify for the credit. While I strongly support the idea of providing job-training incentives for businesses, I also believe that the state must endeavor to gain the greatest benefit possible out of each dollar of credit.

For these reasons, I have vetoed Senate Bill No. 6117 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

## ESSB 6120

C 281 L 96

Establishing health insurance benefits following the birth of a child.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Quigley, Fairley, Kohl, McAuliffe, Loveland, Drew, Smith, Thibaudeau, Sheldon, Spanel, Rinehart, Bauer, Franklin, Wojahn, Goings, Winsley, Pelz and Rasmussen).

Senate Committee on Health & Long-Term Care  
Senate Committee on Ways & Means  
House Committee on Health Care

**Background:** The federal Centers for Disease Control report that from 1970 to 1992 the average length of stay for women delivering babies vaginally dropped from 3.9 days to 2.1 days. More recently, citizens, individual health professionals, and some health professional associations have reported concern over pressure to shorten post-partum hospital stays to 24 hours or less. The media have reported that post-partum hospital stays of 12 to 15 hours are common, and have identified cases of hospital releases as soon as 8 hours after normal delivery.

There are conflicting reports about the reasons for and the advisability of this most recent round of reductions in the length of post-partum hospital stays.

The American College of Obstetrics and Gynecology has recommended that decisions about the length of post-partum hospital stays be returned to physicians. They suggest a 48-hour post-partum stay guideline for normal deliveries and a 96-hour stay for more complex deliveries.

**Summary:** The Legislature intends to recognize patient preference, the clinical sovereignty of providers, and health carriers' need to utilize managed care strategies.

An "attending provider" is defined as one who has clinical hospital privileges and is a physician, certified

nurse midwife, licensed midwife, physician's assistant, or an advanced registered nurse practitioner. A "health carrier" is defined as a disability insurer, health care services contractor, health maintenance organization, the Washington State Health Care Authority, and the state health insurance pool.

Health carriers that cover maternity services are required to permit the attending provider, in consultation with the mother, to make decisions on the length of inpatient stay, as long as these decisions are based on accepted medical practice. Covered eligible services may not be denied for inpatient, post-delivery care to a mother and her newly born child for the care ordered by the attending provider in consultation with the mother. Coverage for the newly born child must be no less than the coverage for the child's mother, which can be for no less than three weeks even if there is a separate hospital admission. At the time of discharge, decisions regarding follow-up care, including in-person care, must be made by the attending provider in consultation with the mother and the decisions must be based on accepted medical practice. Covered eligible services may not be denied for follow-up care ordered by the attending provider in consultation with the mother. Such coverage must include follow-up services provided by an attending provider, a home health provider, or a registered nurse.

A carrier cannot de-select, terminate the services of, require additional documentation from, require additional utilization review of, reduce payments to, or otherwise provide financial disincentives to any attending provider or health care facility solely as a result of the attending provider or health care facility ordering care consistent with this act.

A carrier must provide notice to policyholders regarding the coverage required by this act by January 1, 1997.

The act applies to coverage issued or renewed after the effective date of the act, and to plans operated by the Health Care Authority on January 1, 1998.

These provisions are not intended to establish a standard of medical care.

If funds are available, the Washington Health Care Policy Board must conduct an analysis of the effects of this act and report to the Legislature by December 15, 1998.

The act is known as the "Erin Act," after Erin Harris, the grandchild of Representative Kathy Lambert, who had difficulty obtaining appropriate newborn care.

### Votes on Final Passage:

Senate	49	0	
House	97	0	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** June 6, 1996

SSB 6126

C 153 L 96

Revising county treasurer receipting practices.

By Senate Committee on Government Operations (originally sponsored by Senators McCaslin, Haugen and Winsley).

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** If property taxes equal or exceed \$30, they may be paid in semiannual installments instead of in one lump sum. Payment of taxes on mobile homes is not given this option.

A person also has the option of paying taxes on a part of real property assessed as one parcel. A segregation process is carried out by the assessor upon the taxpayer's application so long as all delinquent taxes on the entire tract are paid.

The public's growing reliance on credit cards, debit cards and electronic means of transferring money is not yet reflected in the statutes authorizing acceptance of payments by the county treasurer.

**Summary:** The option of paying property taxes in semiannual installments is available only if the amount of tax is \$50 or more.

The amount of taxes due by the second installment, if the payment of the first installment is late, is clarified. Taxes on mobile homes are included.

Service personnel who participated in Operation Joint Endeavor are not subject to interest or penalty on any delinquent property taxes collected in 1996.

A segregation of property for tax purposes can only occur if all current year and delinquent taxes on the entire tract are paid in full. The segregation may be requested for an undivided fractional interest in property.

County treasurers are authorized to accept charge cards, credit cards, debit cards, federal wire, automatic clearing house or other electronic communication for any kind of payment to the county. The payer incurs the cost of processing the transaction including any discount.

**Votes on Final Passage:**

Senate	46	1	
House	98	0	(House amended)
Senate	47	1	(Senate concurred)

**Effective:** June 6, 1996

SB 6129

C 304 L 96

Allowing a mental health practitioner and an enrollee to contract for services under certain circumstances.

By Senators Fairley and Franklin.

Senate Committee on Health & Long-Term Care  
House Committee on Health Care

**Background:** Currently, under the terms of some health care services contracts, enrollees are prohibited from independently contracting for continued mental health services after the allotted number of visits or other coverage provisions with mental health practitioners have been exhausted. These agreements may be forbidden even if the enrollee will pay for the care in full.

**Summary:** Health carriers may not write contracts that deny enrollees and mental health practitioners the option of independently arranging to continue care, at the enrollee's expense, after the benefits of the contract expire. Health carriers include disability insurers, health care service contractors, the Basic Health Plan, the state health insurance pool, and health maintenance organizations.

Mental health practitioners include psychiatrists, psychologists, advanced practice psychiatric nurses, social workers, marriage and family therapists and mental health counselors.

Independent agreements between mental health practitioners and enrollees are permitted when benefits expire, if the enrollee's condition is excluded from coverage, or for any clinically appropriate reason at the time.

If a consumer continues to see a mental health practitioner during an appeal process, the provider must indicate in writing who is responsible for payment of services during this period.

These independent agreements do not apply to the full time staff of health carriers.

**Votes on Final Passage:**

Senate	49	0	
House	94	0	(House amended)
Senate	48	0	(Senate concurred)

**Effective:** June 6, 1996

SB 6138

C 154 L 96

Deleting mandatory permissive language for reinstatement of revoked massage practitioner licenses.

By Senator Kohl.

Senate Committee on Health & Long-Term Care  
House Committee on Commerce & Labor

**Background:** Last year legislation passed authorizing the Department of Health to automatically revoke the license

of a massage practitioner who had been convicted of prostitution. Revocation under these circumstances could last eight years, unless the conviction was overturned or the licensee completed a prostitution prevention and intervention program.

**Summary:** Massage practitioners who lose their licenses because of a prostitution conviction are not given the option of participating in a prostitution prevention program as a means of getting their license reinstated.

The prostitution prevention program already in statute is maintained as a mechanism for changing behavior without enabling offenders who lose their massage therapy licenses to opt for the program as a short cut to regaining their licenses.

**Votes on Final Passage:**

Senate	48	0	
House	98	0	(House amended)
Senate	48	0	(Senate concurred)

**Effective:** June 6, 1996

## E2SSB 6146

C 54 L 96

Revising procedures for minimizing property damage by wildlife.

By Senate Committee on Ways & Means (originally sponsored by Senators Loveland, Swecker, Drew and Oke; by request of Department of Fish and Wildlife).

Senate Committee on Natural Resources  
Senate Committee on Ways & Means  
House Committee on Natural Resources  
House Committee on Appropriations

**Background:** As the population in Washington grows, conflict between humans and wildlife increases. A public health and safety issue arises whenever sick animals or dangerous animals are in public places. These animals become a serious nuisance because they can cause commercial damage to crops and invade residences.

Damage claims in the state of Washington for damage to horticultural and agricultural crops has been increasing in the last ten years, and there has been an increased public and landowner dissatisfaction with the state's handling of human and wildlife conflicts.

The Department of Fish and Wildlife may pay damage claims up to \$2,000. Claims exceeding that amount are submitted to the Legislature through the sundry claims process. All claims are paid from the wildlife account.

The Legislature directed the Department of Fish and Wildlife to conduct a study with landowners and the general public to review other states' wildlife damage statutes, assess the problems in the state of Washington, and then prepare legislation for the 1997 legislative session. In the western states, Colorado, Idaho, Nevada, Utah, Washington

and Wyoming have programs to deal with compensation for landowners. Amounts paid run from \$37,000 in Nevada in 1993, to a high of \$463,000 in Colorado. Some states, such as Arizona, California and Idaho, do not have damage claim statutes.

**Summary:** The Legislature finds that as the population of the state grows, and the habitat for wildlife is altered, people encounter wildlife more frequently. As a result, more damage from wildlife occurs. The Legislature specifically recognizes the damage to commercial, agricultural and horticultural crops, but also acknowledges that healthy deer and elk populations are important for wildlife-related recreational opportunities.

The department is to work closely with landowners and tenants suffering game damage in order to control the damage without killing the animals when practical, and to increase the harvest of damage-causing animals in hunting seasons. The Wildlife Commission is given authority to authorize special hunts to reduce damage from wildlife if there are recurring complaints.

The owner or owner's immediate family member or documented employees or tenants may trap or kill problem wildlife without the licenses required by statute if they meet standards established by the act. Except in emergency situations, deer, elk and protected wildlife may not be killed without a permit. In an emergency, the department may give verbal permission to trap or kill any deer, elk or protected wildlife. On privately-owned cattle ranching lands, the land owner or lessee may declare an emergency only when the department does not respond within 48 hours after being contacted by the landowner. In an emergency, the owner or lessee may trap or kill a deer, elk or other protected wildlife that is causing damage.

Except for coyotes and Columbian ground squirrels, wildlife trapped or killed under the statute remains the property of the state. The department is required to dispose of wildlife taken in three days. The department director is given authority to distribute monies appropriated to pay claims. The claims are the exclusive remedy against the state for damages caused by wildlife. The director is given authority to adopt rules.

If a claimant does not notify the department within ten days of the discovery of damage, the director may not pay the claim. The claimant must present complete written information, and the department is given authority to assess and examine the damage upon notice. No payment is made if the crops are on lands leased from a public agency, or if the landowner or claimant restricted or prohibited public hunting opportunity without the department's approval of that restriction. No monies are paid if the director expends all of the funds appropriated for payment of the claims for the fiscal year. If the claims are covered by insurance, the department does not pay the claim.

The department is restricted to pay no more than \$120,000 per fiscal year from the wildlife fund for claims on lands where hunting was allowed. The department may

## SSB 6150

pay no more than \$30,000 per fiscal year from the general fund for lands that are closed to hunting, unless the Legislature declares an emergency. The Legislature may declare an emergency and may appropriate monies to the department to pay as much as may be available. Emergency damages claims must meet the same requirements as other damage claims.

An appeal procedure is established and claims above \$10,000 are handled through the legislative sundry claim process under the Office of Risk Management.

The act applies prospectively only. Existing claims may be paid prior to the July 1, 1996 effective date of the act. Five existing sections of the RCW are repealed.

### Votes on Final Passage:

Senate	45	3
House	96	0

**Effective:** June 6, 1996

July 1, 1996 (Sections 1-12)

## SSB 6150

C 22 L 96

Modifying allowed composition of health care professional service corporations and limited liability companies.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Thibaudeau, Deccio, Kohl, Franklin and Wood).

Senate Committee on Health & Long-Term Care  
House Committee on Health Care

**Background:** Under current law a group of individual health care professionals may form a professional service corporation or limited liability company only if all the professionals are members of the same profession. This prevents members of different health care professions from forming a professional service corporation or limited liability company for the purpose of delivering a spectrum of professional services.

Physicians and osteopathic physicians have been allowed to form a single professional service corporation or a limited liability company because they were considered to be providing the same service. This interpretation has recently been called into question by the Secretary of State's office. As a result, both physicians' groups believe that some clarification is needed.

**Summary:** Certain licensed and certified health care professionals are given the ability to form a single professional service corporation or limited liability company. The legislation grants this to 17 different health care professions. In addition, language is added to clearly permit physicians and osteopathic physicians to form a personal service corporation or a limited liability company.

The applicability of the Uniform Disciplinary Act and other health care professional statutes are affirmed, includ-

ing restrictions on persons practicing beyond the scope of their credentials. Osteopathic physicians and osteopathic physician assistants are dropped from the list of health professionals who can incorporate with the 17 other health care professions. Language is added allowing physicians and osteopathic physicians to incorporate together.

Respiratory care practitioners, pharmacists and hearing aid fitters and dispensers are added to the list of health care professionals who can incorporate together.

### Votes on Final Passage:

Senate	48	0
House	98	0

**Effective:** June 6, 1996

## SB 6157

C 55 L 96

Providing portable benefits for dual members.

By Senators Long, Fraser, Bauer and Winsley; by request of Joint Committee on Pension Policy.

Senate Committee on Ways & Means  
House Committee on Appropriations

**Background:** There is portability between the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2), Washington State Patrol Retirement System (WSPRS), and the First Class City Retirement System.

If an employee leaves employment in one retirement system and moves to another, service credit is split between the two systems. Portability allows a dual member to use the highest base salary from any system to calculate the retirement allowance in both systems. In addition, portability permits a dual member to combined service credit in all systems for purposes of determining eligibility for retirement benefits, though the actual calculation of retirement benefits is done in accordance with rules of each system and years of service within each system.

Portability does not, however, apply to death or disability benefits. In addition, the total pension benefit cannot exceed the smallest amount a member would receive if all service were in one system. Finally, dual members with prior service in PERS Plan 1 cannot retire from PERS Plan 1 without an unreduced benefit before age 65.

**Summary:** For dual members with service credit in more than one covered system, the total benefit cannot exceed the largest amount that the member receives if all service were in one system.

Dual members may combine service credit to become eligible for a disability benefit from their current system. The member may choose to retire from the prior system. The benefit is actuarially reduced if retirement eligibility requirements are not met.



A dual member's survivor may combine the member's service credit to become eligible for a death benefit in the current and prior systems. The highest average final compensation is used to calculate the death benefit.

Dual members with prior PERS 1 service can retire from PERS 1 before age 65 with an unreduced benefit if they meet the retirement eligibility standards for active PERS 1 members.

**Votes on Final Passage:**

Senate	49	0
House	85	0

**Effective:** June 6, 1996

**SB 6167**

C 23 L 96

Revising requirements for filing petitions for dissolution of marriage.

By Senators Smith, Johnson, Newhouse and Winsley.

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** Superior courts only have jurisdiction to hear divorce cases for a person who is a resident of Washington or who is a member of the armed forces and stationed in this state. Occasionally, a spouse who intends to obtain a divorce and who has been a resident of Washington finds it necessary to move to another state (i.e., to escape from an abusive spouse or to obtain work).

Washington statutes do not currently allow a person married to a Washington resident but living in another state to file for divorce in Washington, even though Washington may be the state which is most convenient or appropriate to decide all issues of the divorce, particularly child custody issues.

**Summary:** Superior courts are given jurisdiction to hear divorce cases if the petitioner is a nonresident spouse who is married (1) to a resident of this state or (2) to a member of the armed forces who is stationed in this state.

**Votes on Final Passage:**

Senate	49	0
House	95	0

**Effective:** June 6, 1996

**ESSB 6168**

C 231 L 96

Amending the limited liability companies act.

By Senate Committee on Law & Justice (originally sponsored by Senators Smith, Johnson, Newhouse and Winsley).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** In 1994, the Legislature enacted the Limited Liability Company Act. This act provides a new form of business organization, the limited liability company (LLC).

A review by the Washington State Bar Association determined that a number of technical changes and clarifications are needed. The changes address inclusion of LLCs in universal references to "person", trade name registration for LLCs, use of the abbreviations LLC and PLLC, elimination of the presumption of a 30-year life for LLCs, the agency authority of members in member-managed LLCs, the process for changing an LLC registered office or agent, and revocation of registration of foreign LLCs.

**Summary:** The universal definition of "person" is changed to include LLCs.

The trade name registration statutes are amended to include LLCs.

Limited liability companies may use "LLC" as part of their name as an alternative to "Limited Liability Company", "Limited Liability Co.", or "L.L.C.". Professional limited liability companies may use "PLLC" as part of their name as an alternative to "Professional Limited Liability Company", "Professional Limited Liability Co.", or "P.L.L.C.".

LLCs are authorized to have a perpetual existence. LLCs have a 30-year life if the agreement establishing the entity does not specify a dissolution date or perpetual existence. If the agreement specifies a dissolution date, it is renewable by consent of all the members. This provision does not apply to LLCs formed prior to the effective date of this law, unless the certificate of formation is amended.

A member of an LLC is an agent for the LLC and binds the LLC when carrying on the business in the usual way. The LLC is not bound by the acts of a member when the member has no authority to act and the person dealing with the member knows that the member lacks the authority.

The process for changing the registered agent or registered office of an LLC or a foreign LLC is changed to be consistent with the process for a corporation.

A procedure is created to allow the registration of foreign LLCs to be revoked.

Licensed or certified acupuncturists, counselors, podiatrists, chiropractors, dental hygienists, opticians, fitters and dispensers of hearing aids, naturopaths, midwives, optometrists, ocularists, pharmacists, nurses, psychologists,

## SSB 6169

respiratory care practitioners, massage practitioners, and dietitians and nutritionists may provide their individual professional services through one limited liability partnership.

Licensed physicians and osteopathic physicians and surgeons may provide their individual services through one limited liability partnership.

Formation of a limited liability partnership to provide health care services does not exempt the partners from the application of the Uniform Disciplinary Act.

### Votes on Final Passage:

Senate	49	0	
House	97	0	(House amended)
Senate	44	0	(Senate concurred)

**Effective:** June 6, 1996

## SSB 6169

C 155 L 96

Amending the business corporation act.

By Senate Committee on Law & Justice (originally sponsored by Senators Smith, Johnson, Newhouse and Winsley).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** There are some inconsistencies between the definition and operative provisions of the two-tier pricing and the anti-takeover sections of the corporations act.

If a target corporation acts in violation of the significant business transaction section of the corporations act, the corporation loses its certificate of incorporation or certificate of authority and the transaction is void.

Corporations may elect not to be covered by the two-tier provision if they indicate this in their original articles of incorporation, or if two-thirds of the shareholders adopt an amendment to the articles of incorporation electing not to be covered by the provision.

**Summary:** To eliminate inconsistencies, clarifying definitions are added to the significant business transactions provisions in order to conform the provisions to either other provisions of the Washington Business Corporation Act or with other states' corporations statutes. Also, the two-tier pricing provision is moved and incorporated into the anti-takeover legislation using definitions and substantive provisions similar to the New York law. This continues the protection regarding "two-tier" pricing, but in a manner consistent with the anti-takeover legislation.

If a target corporation acts in violation of the significant business transaction section of the corporations act, the transaction is void. The section which dissolves a corporation that violates the significant business transaction section is deleted.

The two-tier provision applies to all public corporations, except those that on the effective date of the act have a provision in their articles expressly electing not to be covered under the two-tier provision.

Other technical changes are added.

### Votes on Final Passage:

Senate	45	0	
House	94	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** June 6, 1996

## SB 6171

C 324 L 96

Eliminating primary elections for certain special purpose district commissioners.

By Senators Oke, Haugen, McCaslin and Winsley.

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** Park and recreation districts and cemetery districts are governed by boards of commissioners elected to four-year terms on a nonpartisan basis. If more than two candidates file and qualify for an open commissioner position, a primary is conducted and the top two vote getters appear on the general election ballot. The cost of a primary election can be burdensome to these districts which often have limited financial resources.

**Summary:** No primary is held for the office of commissioner of a park and recreation district or for the office of cemetery district commissioner. All candidates filing and qualifying for election to an open commissioner position appear on the general election ballot and the candidate receiving the highest number of votes is elected.

### Votes on Final Passage:

Senate	47	0	
House	53	40	

**Effective:** June 6, 1996

## SSB 6173

PARTIAL VETO

C 282 L 96

Regulating motor vehicle dealers.

By Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Haugen and Schow).

Senate Committee on Labor, Commerce & Trade  
House Committee on Transportation

**Background:** Vehicle dealers and their subagencies must comply with specific requirements in order to receive and

maintain a license. An update and clarification of the requirements is desired.

**Summary:** The requirement that a dealer have a display area of a given size is deleted. The only places a dealer may display a vehicle for sale is at its established place of business, licensed subagency, or temporary subagency site. Vehicles sold at auction are not subject to this provision.

Subagency records may be kept at either the dealer's principal place of business or at the subagency.

When a dealer is issued a license by the Department of Licensing, the department must provide an annual update to the dealers of applicable laws.

The requirement that dealers retain a hard copy of temporary permits is deleted. Records older than two years may be kept at a location other than the dealer's place of business, and in accordance with dealer's own particular needs and practices. Hard copies of the records must be provided to the department within three days if requested.

The requirement that dealers itemize excise taxes and license fees on a separate signed document is deleted as to temporary permits. The itemization is required on the title application when the application is submitted for title transfer.

Dealers are no longer prohibited from passing on to purchasers fees charged the dealers to obtain a lien release, to clear title to the vehicle or to transfer title to the vehicle. The expenses and fees must be disclosed on the written purchase order.

Dealers are now allowed three business days, instead of 48 hours, to accept or deny a prospective purchaser's written offer. If the purchaser's written order, offer to purchase or contract is not accepted, the documents must be voided instead of returning all copies of the documents. Dealers are not prohibited from renegotiating trade-in terms if excessive additional miles or an undisclosed mileage discrepancy is present.

A dealer may obtain an additional 45 day temporary permit when the lienholder is paid within the required time period and fails to deliver title.

A vehicle dealer or salesman, when requested by a prospective purchaser, is required to provide information about the previous owner of a used car if it was owned by a business or governmental agency.

A limitation is placed on the specific brands or comments on the vehicle title which must be disclosed, so that a violation occurs when a vehicle is sold with "salvage/rebuilt," "junk," "destroyed," or "rebuilt" on the title without specific written disclosure of the brand to the consumer. A study is to be done concerning vehicle title branding.

Technical corrections are made in the language of the statute.

**Partial Veto Summary:** The partial veto eliminates vehicle dealers' ability to pass on to purchasers fees charged to the dealer in order to obtain a lien release or a vehicle identification number, to clear title to the vehicle or transfer title to the vehicle. The veto also eliminates the

requirement that certain brands or comments on the vehicle title be specifically disclosed to the purchaser in writing. The provision allowing three business days instead of 48 hours to accept or deny a prospective purchaser's written offer is deleted. Dealers continue to be prohibited from renegotiating trade-in terms if excessive additional miles or an undisclosed mileage discrepancy is present. Upon request from a prospective purchaser, a dealer or salesman must provide the previous owner's name and address, instead of only previous owners that are businesses or governmental agencies. Finally, a vehicle dealer may not obtain an additional 45-day temporary permit when the lienholder is paid within the required time period and fails to deliver title.

**Votes on Final Passage:**

Senate	48	1	
House	96	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** June 6, 1996

**VETO MESSAGE ON SB 6173-S**

March 29, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 6, Substitute Senate Bill No. 6173 entitled:

"AN ACT Relating to motor vehicle dealers;"

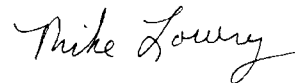
Substitute Senate Bill No. 6173 makes a number of changes affecting motor vehicle dealers.

Section 6 of Substitute Senate Bill No. 6173 allows a vehicle dealer, in certain circumstances, to charge expenses or fees to purchasers of used cars previously taken as a trade-in or of new cars in which financing is arranged by the dealer. These costs should not be passed on to the consumer separate from the agreed price of the car but rather should simply be treated as another cost of doing business that dealers must consider when determining a price.

For this reason, I have vetoed section 6 of Substitute Senate Bill No. 6173.

With the exception of section 6, Substitute Senate Bill No. 6173 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**SB 6174**

C 305 L 96

Requiring annual budget review, recommendations, and guidelines for the higher education system.

By Senators Bauer and Kohl; by request of Higher Education Coordinating Board.

Senate Committee on Higher Education  
House Committee on Higher Education

**Background:** The Higher Education Coordinating Board must review, evaluate, and make recommendations on operating and capital budget requests from four-year institutions and community colleges. The recommendations must be made by October 15 of each even-numbered year. Currently, the board does not have the authority to review supplemental budget requests.

**Summary:** Financial disclosures by degree-granting private vocational schools are not subject to state public disclosure laws.

Institutions of higher education in Washington may waive all or part of tuition and fees for eligible state employees. Eligible state employees are people permanently employed half-time or more (1) in classified service under the state service law, (2) through the Public Employees' Collective Bargaining Act, or (3) in technical colleges as classified employees and exempt paraprofessionals. Eligible state employees also include nonacademic employees and members of the faculties and instructional staffs employed half-time or more at public colleges and universities.

**Votes on Final Passage:**

Senate	47	0	
House	96	0	(House amended)
Senate			(Senate refused to concur)
House	95	0	(House amended)
House	98	0	(House reconsidered)
Senate	49	0	(Senate concurred)

**Effective:** March 30, 1996 (Section 3)  
June 6, 1996

**SB 6177**

C 97 L 96

Changing provisions for degree granting institutions.

By Senators Bauer and Kohl; by request of Higher Education Coordinating Board.

Senate Committee on Higher Education  
House Committee on Higher Education

**Background:** All degree-granting institutions must have authorization from the Higher Education Coordinating Board (HECB) to operate and to grant degrees. Over time exemptions have been allowed for such things as branch

campuses, long-time established independent institutions in Washington, and institutions accredited by an accrediting association. With the guidance of the Attorney General, the HECB established a number of criteria in addition to the accrediting association recognition. However, the Attorney General ruled that the additional criteria are not valid without a change in statute.

**Summary:** The HECB may adopt additional criteria and is not required to grant a waiver from the degree-granting process based solely on its recognition by an accrediting association.

**Votes on Final Passage:**

Senate	49	0
House	95	0

**Effective:** June 6, 1996

**SSB 6180**

FULL VETO

Allowing additional time for phasing in additional King County superior court judges.

By Senate Committee on Law & Justice (originally sponsored by Senator Smith; by request of Administrator for the Courts).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** In 1992, King County was authorized to establish 12 additional superior court judicial positions. The legislation provided that the judicial positions were to be established by July 1, 1996.

At the present time, King County has nine unfilled superior court judicial positions. King County is requesting that the time to fill these judicial positions be extended.

**Summary:** The time period for King County to fill its authorized superior court judicial positions is extended to July 1, 2006.

**Votes on Final Passage:**

Senate	45	0
House	91	5 (House amended)
Senate	47	0 (Senate concurred)

**VETO MESSAGE ON SB 6180-S**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 6180 entitled:

"AN ACT Relating to superior court judges;"

Substitute Senate Bill No. 6180 extends a statutory deadline for King County to add unfilled positions for superior court judges originally authorized by legislation in 1992. Substitute House Bill No. 2446, which I have approved, contains a similar amendment and also adds judgeships in Spokane, Thurston, Chelan, and Douglas counties. Substitute Senate Bill No. 6180 would

create confusion with the more comprehensive bill, Substitute House Bill No. 2446, already signed into law.

For this reason, I have vetoed Substitute Senate Bill No. 6180 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

## SB 6181

C 24 L 96

Clarifying the waiver of jury trial rights upon acceptance of a deferred prosecution.

By Senator Smith.

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** A person charged with a misdemeanor or gross misdemeanor may petition a court of limited jurisdiction to be considered for a deferred prosecution program. A person is eligible for a deferred prosecution once in a five-year period if it is in connection with a charge of driving under the influence of alcohol or drugs. Before an order is entered deferring prosecution, the person seeking the deferred prosecution is required to sign an acknowledgement of rights, a stipulation to the admissibility of the written police report, and an acknowledgement that the statement will be entered as evidence and used to support a finding of guilty if the deferred prosecution is later revoked. If a deferred prosecution program is successfully completed, the court will dismiss the pending charges.

The Legislature has found that deferred prosecution is an alternative to punishment for persons who will benefit from treatment. It has also found that some people have sought deferred prosecution but have been unable or unwilling to cooperate with treatment requirements. Some of these people have escaped punishment because of the difficulties of resuming prosecution at a later date.

Many district courts in Washington require a person seeking a deferred prosecution to sign a form which not only includes a stipulation to the admissibility of the written police report and an acknowledgement that the statement will be admitted as evidence to be used to support a finding of guilt, but also an acknowledgement that the person is giving up the right to a jury trial, to hear and question witnesses, to call witnesses in one's behalf, and to testify or not testify. A recent decision by the Court of Appeals, Division III, found that the Spokane County District Court exceeded its authority by imposing the waiver of trial rights as a condition of participation in a deferred prosecution program. This opinion conflicts with an earlier decision from the Court of Appeals, Division I, which held that the law does require a defendant to waive the

right to raise defenses. If the deferred prosecution is revoked, the court must "assess the defendant's guilt solely on the basis of the stipulated police report."

**Summary:** Before an order of deferred prosecution is entered, the person seeking the deferred prosecution must execute a statement acknowledging his or her rights. In addition, the person must acknowledge and waive the following rights: to testify, to a speedy trial, to call witnesses to testify, to present evidence in one's own defense and to a jury trial. The person must also stipulate not only to the admissibility of the facts contained in the police report but also to their sufficiency.

### Votes on Final Passage:

Senate	48	0
House	95	0

**Effective:** June 6, 1996

## SSB 6188

C 156 L 96

Establishing a conditional privilege for communications between victims of sexual assaults and their personal representatives.

By Senate Committee on Law & Justice (originally sponsored by Senators Sheldon, Prentice, Wojahn, Thibaudeau, Fairley, Kohl, Rinehart, Spanel, Snyder, Winsley and Rasmussen).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** Privileged communications are those statements made by certain persons within a protected relationship such as attorney-client, doctor-patient, priest-penitent, which the law protects from forced disclosure at the option of the person making the confidential communication.

A personal representative is a friend, relative, attorney, or employee from a rape crisis center who accompanies a victim during treatment and to proceedings relating to the alleged assault, including police and prosecution interviews and court proceedings. Communication between a personal representative and a victim of sexual assault is not privileged.

**Summary:** Communication between a victim of sexual assault and his or her sexual assault advocate is privileged. Therefore, a sexual assault advocate may not be examined to provide testimony for or against the victim without the victim's consent.

### Votes on Final Passage:

Senate	46	0
House	94	0

**Effective:** June 6, 1996

SSB 6189

C 221 L 96

Creating the office of public defense.

By Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Smith and McCaslin; by request of Supreme Court).

Senate Committee on Government Operations  
Senate Committee on Ways & Means  
House Committee on Law & Justice

**Background:** Indigent criminal defendants are provided legal counsel at public expense. At the trial level, the public defender program is administered by the county governments. On appeal, legal assistance for indigents is funded through the Administrator for the Courts. Administration of indigent defense cases at the appellate level is managed by each of the three divisions of the Court of Appeals.

**Summary:** The office of public defense is created as an independent part of the judiciary.

A director is appointed by the Supreme Court from those people meeting specified qualifications. The director is given the powers and authority to administer all appellate criminal indigent defense services. The director is supervised by and acts under the direction of an 11-member advisory committee, which serves without compensation other than travel and expense reimbursement.

The office is directed to periodically report to the Legislature on the standards of indigency used by all state programs.

Provisions are made for the transfer of personnel, files, support equipment, furniture and funds from the Supreme Court and office of the Administrator for the Courts. The office of public defense is subject to termination on June 30, 2000, subject to a sunset review.

**Votes on Final Passage:**

Senate 49 0  
House 94 0 (House amended)  
Senate 46 0 (Senate concurred)

**Effective:** June 6, 1996

SSB 6197

C 306 L 96

Augmenting water supply.

By Senate Committee on Ecology & Parks (originally sponsored by Senator Swecker).

Senate Committee on Ecology & Parks  
House Committee on Agriculture & Ecology

**Background:** Under the 1917 Surface Water Code and the 1945 Ground Water Code, all withdrawals of surface and ground waters of the state require the issuance of a

permit. The Surface Water and Ground Water Codes specify criteria that the state Department of Ecology is to consider in determining whether to grant a water right permit. These include whether there is water available for appropriation, and whether any existing rights will be adversely affected.

There are no statutory preferences in the types of uses for which permits may be issued, and the 1971 legislative declaration of water resource "fundamentals" defines broadly the uses which are declared beneficial uses of state waters. These fundamentals are to guide the utilization and management of state waters, and address such subjects as retaining base flows in perennial rivers and streams, providing high quality treatment of waters, protecting adequate supplies of water in potable condition for human domestic needs, recognizing the interrelationship of surface and ground waters, and developing water supply systems that serve regional areas. The fundamentals also state that multiple-purpose impoundment structures are to be preferred over single-purpose structures, and that due regard shall be given to protecting fishery resources in the planning for and construction of impoundment structures.

**Summary:** The Department of Ecology is to consider the benefits of water impoundment included as a component of a surface water or ground water appropriation application. The department's consideration must extend to any increased water supply from the impoundment, including ground water recharge.

**Votes on Final Passage:**

Senate 49 0  
House 69 25 (House amended)  
Senate (Senate refused to concur)  
House 73 22 (House amended)  
Senate 45 0 (Senate concurred)

**Effective:** June 6, 1996

SSB 6198

C 56 L 96

Collecting state retirement system overpayments.

By Senate Committee on Ways & Means (originally sponsored by Senators Long and Fraser; by request of Department of Retirement Systems).

Senate Committee on Ways & Means  
House Committee on Appropriations

**Background:** The Department of Retirement Systems (DRS) must use the Attorney General's Office to establish liability for overpayments and to pursue collection remedies such as filing liens. The department has no statutory authority to issue subpoenas to compel statements of witnesses and production of documents necessary for the administration of its duties. This sometimes hampers the

ESSB 6204

C 307 L 96

department's ability to investigate a debtor's financial status and ability to repay overpayments.

When the department discovers an error in its records that has resulted in a member or beneficiary receiving an overpayment, DRS must reduce the member's correct benefit to recover the overpayment even if the overpayment is due to a mistake made by the department.

**Summary:** The Department of Retirement Systems (DRS) may issue an order and notice of assessment, which constitutes a determination of liability, to any member, beneficiary or other person who is not entitled to a continuing retirement benefit and who has been paid retirement benefits to which that person or entity is not entitled. The member, beneficiary, other person or entity may appeal the notice of assessment by filing a petition with the director of the department within 60 days. If no appeal is filed within 60 days, the determination that established the overpayment debt and the assessment is final.

After a notice of determination is final, the director may file a warrant for the amount of the notice of determination of liability plus a \$5 filing fee with the superior court clerk of any county within the state. The amount of the warrant becomes a lien upon the title to all real and personal property of the person against whom the warrant is issued.

The department may issue subpoenas to compel the statement of witnesses and the production of any books, records, or documents necessary for the department's administration of the state's retirement systems.

The director of DRS may waive repayment of all or part of a retirement benefit overpayment when the overpayment is not the fault of the retiree or the beneficiary and when the recovery of the overpayment would be a manifest injustice. The director may not waive overpayment when the member, retiree or beneficiary knows or should know that he or she is in receipt of an overpayment. When the director waives an overpayment that resulted from incorrect or incomplete information from the member's or retiree's employer, the department bills the employer for the amount of the overpayment. The director may not waive the prospective correction of an overpayment. When the director waives an overpayment, the reason for the overpayment and the waiver, and the amount of the waiver must be stated in writing and kept in a file containing documentation of all waived overpayments. The new waiver provisions apply to overpayments identified on or after September 1, 1994.

**Votes on Final Passage:**

Senate	49	0
House	94	0

**Effective:** June 6, 1996

Redefining negligent driving.

By Senate Committee on Law & Justice (originally sponsored by Senators Haugen, Smith, Winsley, Hale and Schow).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** Negligent driving is a misdemeanor punishable by a maximum fine of \$250. This maximum fine applies even if the person who has driven negligently has also been drinking or using drugs, if there is insufficient evidence to charge the driver with driving under the influence. Negligent driving is defined as operating a motor vehicle in a manner so as to endanger or be likely to endanger any persons or property. A person charged with negligent driving is entitled to a jury trial, because it is a crime. However, because negligent driving is not punishable by jail, an indigent defendant is not entitled to a public defender, nor may courts issue bench warrants when a defendant fails to appear in court on this charge. Negligent driving is a lesser included crime of reckless driving.

Driving without a valid license is a misdemeanor punishable by up to 90 days in jail and a \$1,000 fine. A person charged with this crime is entitled to a jury trial, if he or she requests one, and to a public defender, if indigent. The Office of the Administrator for the Courts has estimated that 20 percent of all misdemeanors filed in limited jurisdiction courts are for violations of this statute. Courts routinely allow defendants to forfeit bail and serve no jail time.

**Summary:** The crime of negligent driving in the first degree is created. It is defined as operating a motor vehicle in a negligent manner and exhibiting the effects of having consumed liquor or illegal drugs. It is a misdemeanor punishable by up to 90 days in jail and a \$1,000 fine. "Exhibiting the effects" is defined to show recent consumption. An affirmative defense is created for anyone who has a valid prescription for the drugs consumed, if the charge is based on consumption of illegal drugs.

The current crime of negligent driving is renamed negligent driving in the second degree and is made a traffic infraction with a fine of \$250. Driving on private property with the permission of the owner is made an affirmative defense to this charge. Negligent driving is no longer a lesser included crime of reckless driving.

The Office of the Administrator for the Courts is to report to the Legislature in two years on the number of charges and reduced charges under the new negligent driving law.

A conviction, or deferred prosecution for first degree negligent driving is a "prior" for purposes of driving under the influence (DUI) sentencing, but only if it is the result of

## ESSB 6211

a plea down from a DUI, vehicular homicide, or vehicular assault.

The abstract provided to the insurance company must include all convictions for negligent driving, but must report them only as negligent driving without reference to whether they are for first or second degree negligent driving.

The crime of driving without a valid license is reduced to an infraction if the driver produces acceptable identification or an expired license at the time of arrest and if the driver is not in violation of the suspended or revoked license laws. The fine for this infraction is \$250, except the fine is reduced to \$50 if the driver obtains a valid license.

### Votes on Final Passage:

Senate	47	0	
House	94	0	(House amended)
Senate			(Senate refused to concur)
House	95	0	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** June 6, 1996

## ESSB 6211

C 308 L 96

Concerning interlocal agreements.

By Senate Committee on Government Operations (originally sponsored by Senators Haugen, Smith, Hale, McCaslin and Hochstatter).

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** Cities are charged a filing fee for every criminal or traffic infraction, with exceptions, filed by a city for an ordinance violation.

All persons convicted of felonies or misdemeanors and sentenced to jail are the financial responsibility of the city or county.

The cities and counties have disagreed about the equitable apportionment of these criminal justice costs as they apply to misdemeanor and gross misdemeanor offenses.

**Summary:** The Interlocal Cooperation Act is amended to require each county, city or town to be responsible for the costs incident to misdemeanors and gross misdemeanor offenses that occur in their respective jurisdictions and that are committed by adults. The only exception to this is by contract or interlocal agreement. The negotiation of the agreement must consider costs and revenues incident to the provision of these criminal justice services.

If an agreement on the level of compensation cannot be reached, either party may invoke binding arbitration.

The effective date is July 1, 1998 for cities or towns that have not adopted criminal codes.

### Votes on Final Passage:

Senate	36	13	
House	96	0	(House amended)
Senate			(Senate refused to concur)
House	94	0	(House amended)
Senate	47	2	(Senate concurred)

**Effective:** January 1, 1997

## SSB 6214

C 157 L 96

Defining a temporary growing structure.

By Senate Committee on Agriculture & Agricultural Trade & Development (originally sponsored by Senators Snyder, Newhouse, Rasmussen, Morton, Prince and Hargrove).

Senate Committee on Agriculture & Agricultural Trade & Development  
House Committee on Agriculture & Ecology

**Background:** There are at least two common types of structures that are used for the growing of plants: (1) those "greenhouses" that fit the dictionary definition of "a glassed enclosure used for the cultivation or protection of tender plants," and (2) a framework that is covered with a light plastic sheeting. The glassed enclosure is a more permanent structure, whereas the light plastic sheeting deteriorates in a year or two when exposed to ultraviolet rays and wind.

Appendix chapter 3 of the 1994 Uniform Building Code contains standards for horticultural structures including "greenhouses." This appendix can be used at the option of the local building department. The appendix does not contain a definition of "greenhouse" to determine whether structures with plastic sheeting are included.

There is an administrative process whereby persons may request a change to the State Building Code. That process requires a petition to the State Building Code Council. The council is on a three-year cycle for making changes to the code. Any code revisions that are adopted must sit through a legislative session before they become effective. Changes made through this process would take effect in mid-year of 1998.

**Summary:** A separate definition is established in the State Building Code statute for "temporary growing structures." It is defined as a structure that has the sides and roof covered with flexible plastic material and is used to provide plants with frost protection or increased heat.

Temporary growing structures that are solely used for commercial production of horticultural plants are exempt from the requirements of the State Building Code. The structures continue to be subject to requirements adopted by local jurisdictions, including local zoning and building setbacks.



**Votes on Final Passage:**

Senate 42 0  
 House 95 0 (House amended)  
 Senate 45 0 (Senate concurred)

**Effective:** March 25, 1996

**SB 6216**

C 25 L 96

Changing state board of education staff provisions.

By Senator McAuliffe; by request of Board of Education and Superintendent of Public Instruction.

Senate Committee on Education  
 House Committee on Education

**Background:** Under current law, the State Board of Education is authorized to appoint only an "ex officio secretary" to keep a record of the board's proceedings. Other staff assisting the State Board have been employed by the Superintendent of Public Instruction.

**Summary:** The State Board of Education may appoint an executive director, who also must serve as the board's secretary. The board may also appoint other staff to support the duties of the board, including duties delegated to the board by the Superintendent of Public Instruction. The executive director and other staff appointed by the board and designated by the superintendent are exempt from civil service.

The Superintendent of Public Instruction must employ the executive director and other staff appointed by the State Board if state funds are appropriated. Compensation and termination of these employees must be approved by the State Board of Education.

**Votes on Final Passage:**

Senate 48 0  
 House 95 0

**Effective:** June 6, 1996

**SB 6217**

C 309 L 96

Changing requirements for admission to teacher preparation programs.

By Senators Johnson and McAuliffe; by request of Board of Education.

Senate Committee on Education  
 House Committee on Education

**Background:** Under current law, an individual may not be admitted into a teacher preparation program without first demonstrating that he or she is competent in basic skills. A

person must earn a combined score on tests of general achievement equal to the statewide median.

A person does not have to take the general skills test if the person has a BA or graduate degree, is over 21 and has completed two or more years of college level course work, or can demonstrate competency through college level course work and a written essay.

**Summary:** Current law is modified regarding how the applicant must demonstrate competency in the basic skills.

All applicants regardless of age may demonstrate competency through completion of two or more years of college level course work and a written essay.

Also, applicants may demonstrate competency through an examination specifically designed to assess basic skills required for oral and written communication, reading, and computation.

Current law is unchanged, and competency may be demonstrated through a baccalaureate or graduate degree.

The requirement for a passing score on tests of general achievement (designated as the SAT or ACT by rule of the State Board) is deleted, but may be used to demonstrate competency.

The State Board of Education, by January 31, 1997, must make recommendations regarding establishing a uniform test of basic skills as a requirement for admission to a teacher preparation program and as a requirement for out-of-state teachers applying for certification.

**Votes on Final Passage:**

Senate 47 0  
 House 96 1 (House amended)  
 Senate (Senate concurred in part)  
 House 68 25 (House receded in part)  
 Senate 46 1 (Senate concurred)

**Effective:** June 6, 1996

**SB 6220**

C 57 L 96

Increasing disability and death benefits for volunteer fire fighters.

By Senators Owen, Moyer, Swecker, Sutherland, Drew, Rinehart, Goings, Snyder, Quigley, Haugen, Winsley, Oke, Roach, Bauer, Prentice, Hargrove, Sheldon, Wojahn, Finkbeiner and Rasmussen.

Senate Committee on Ways & Means  
 House Committee on Appropriations

**Background:** The Volunteer Fire Fighters' Relief and Pension Act was created to provide protection to volunteer fire fighters in the event of injury or death in the performance of duty and to provide an incentive to keep them volunteering for longer periods of time. Revenues to the Volunteer Fire Fighters' Relief and Pension Fund are from fees assessed on the fire districts and cities with volunteer

## SB 6222

fire districts and from 40 percent of the fire insurance premiums tax.

The benefit provided for a fire fighter who becomes temporarily disabled as a result of the performance of fire fighting duties is \$1,650 per month for a period not to exceed six months. A fire fighter who is permanently disabled in the performance of duty receives \$825 per month, plus \$165 per month for a spouse and \$70 per month for each child, up to a total maximum of \$1,650 per month.

The survivors of a fire fighter who dies as a result of the performance of duties receives a lump sum payment of \$2,000, plus \$825 per month and \$70 per month for each child, up to a maximum of \$1,650 per month.

These benefit amounts were last increased July 1, 1989.

**Summary:** The benefit provided for a fire fighter who becomes temporarily disabled as a result of the performance of fire fighting duties is an amount equal to his or her monthly wage or \$2,550 per month, whichever is less, for a period not to exceed six months. A fire fighter who is permanently disabled in the performance of duty receives \$1,275 per month, plus \$255 per month for a spouse and \$110 per month for each child, up to a total maximum of \$2,550 per month.

The survivors of a fire fighter who dies as a result of the performance of duties receives a lump sum payment of \$2,000, plus \$1,275 per month and \$110 per month for each child, up to a maximum of \$2,550 per month.

### **Votes on Final Passage:**

Senate	49	0
House	94	0

**Effective:** July 1, 1996

## SB 6222

C 58 L 96

Providing for self-insurance administrative procedures.

By Senators Pelz, Deccio and Newhouse; by request of Department of Labor & Industries.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** When an employee or an organization representing employees requests a hearing to determine if there are grounds for decertifying a self-insured employer, the Department of Labor and Industries must hold the hearing. This has proven to be a cumbersome and expensive process that rarely results in decertification because the law allows a self-insurer 30 days to self-correct.

Self-insurers are currently required to send a form to the department upon making an initial time-loss payment to an injured worker. They must also send a form whenever benefits change or stop. While the department does review the initial and final forms in detail, the supplemental forms notifying the department of changes are not

reviewed on receipt nor with any regularity due to the high volume of forms.

**Summary:** Hearings on decertification of self-insured employers are discretionary. The 30 day allowance for self-correcting is eliminated for those self-insured employers that the department determines should be decertified. Self-insurers receive no less than 90 days notice prior to decertification.

Self-insurers are no longer required to notify the department upon stopping or changing payment of income benefits. The department may require submission of a record of benefit payments.

### **Votes on Final Passage:**

Senate	48	0
House	97	0

**Effective:** June 6, 1996

## SB 6224

C 59 L 96

Exempting long-time disability pilot project participants from an expenditure limitation.

By Senators Pelz, Deccio, Wojahn and Newhouse; by request of Department of Labor & Industries.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** Under the state workers' compensation system, vocational rehabilitation expenditures, including child care and travel, may not exceed \$3,000 in any 52-week period. An additional \$3,000 may be expended in a subsequent 52-week period with the approval of the Director of the Department of Labor and Industries.

The department is operating two pilot projects directed toward the reduction of long-term disability. The pilots use on-the-job training contracts which are subject to the \$3,000 and 52-week limitation. The department asserts that some contracts may call for more than \$3,000 in a shorter time frame than allowed under current law.

**Summary:** For injured workers in long-term disability pilot projects, the director may authorize up to \$6,000 for vocational rehabilitation expenditures, not including child care and travel.

### **Votes on Final Passage:**

Senate	49	0
House	94	0

**Effective:** June 6, 1996

**SB 6225**

C 60 L 96

Regulating employer assessments.

By Senators Pelz, Deccio and Newhouse; by request of Department of Labor & Industries.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** The Department of Labor and Industries is authorized to estimate and collect industrial insurance premiums whenever an employer fails or refuses to pay them. In some instances, the collection of the estimated premiums is inequitable because the assessment may be incorrect due to mistake, excusable neglect, or newly discovered facts. Current law does not allow the department to compromise an assessment that has become final.

A provision of the state workers' compensation law calls for penalties against an employer or a worker for removal of required safeguards. The provision was enacted in 1911 but the department has no record of a request for enforcement under it. State and federal safety laws currently provide a more comprehensive and defined approach for the provision of worker safety.

**Summary:** The director may compromise the amount of premiums estimated by the department if collection of the full amount would be against equity and good conscience.

The statute imposing penalties against an employer or a worker for removal of required safeguards is repealed.

**Votes on Final Passage:**

Senate	48	0
House	94	0

**Effective:** June 6, 1996

**SB 6226**

C 108 L 96

Allowing appointment of a medical examiner in more populous counties.

By Senators Bauer, Moyer, Haugen and Winsley.

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** Except as provided by home rule charter, all counties with a population of more than 40,000 have an elected coroner. In counties with a population of less than 40,000, no coroner is elected and the prosecuting attorney is the ex officio coroner.

**Summary:** In a county of 250,000 or more (noncharter Spokane and Clark), the county legislative authority may, upon majority vote at an election called by the county legislative authority, adopt a system under which a medical examiner may be appointed to replace the office of coroner. After adoption of a resolution or ordinance creating

the office of medical examiner, at least 30 days prior to the first day of filing for the primary election of county offices, the resolution or ordinance is referred to the voters at the next date for a special election that is more than 45 days from the date of adoption of the resolution or ordinance. If approved by the voters, the coroner's position is abolished following the expiration of the coroner's term. The county legislative authority must appoint a medical examiner to assume the statutory duties performed by the county coroner.

To be appointed as a medical examiner, a person must be certified as either a forensic pathologist by the American Board of Pathology or a qualified physician eligible to take the board's exam in forensic pathology within one year of being appointed. A physician specializing in pathology who is appointed to the position of medical examiner and who is not certified as a forensic pathologist must pass the pathology exam within three years of the appointment.

**Votes on Final Passage:**

Senate	35	14
House	94	0

**Effective:** June 6, 1996

**SSB 6229**

C 158 L 96

Enacting the infant crib safety act.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Kohl, Pelz, Prentice, Fairley, Thibaudeau, Wojahn, Franklin and Quigley).

Senate Committee on Health & Long-Term Care  
House Committee on Commerce & Labor

**Background:** Nationally, more than 13,000 children are injured in crib accidents every year. Each year since 1991 at least five children have died in Washington State because of unsafe cribs. Accidents caused by unsafe cribs result in injuries and death that cost more than \$235 million per year.

Most crib injuries and deaths occur in secondhand, hand-me-down or heirloom cribs. It is estimated that as many as three out of four children are placed in these secondhand, hand-me-down or heirloom cribs.

There are currently federal safety regulations that apply to new cribs. Most cribs built since 1990 meet voluntary standards set by the crib industry in 1988.

There is concern that safety standards do not apply to most cribs, which are the only furniture designed for the purpose of leaving a child unobserved or unattended. It is suggested that many unintentional injuries could be avoided by requiring that all cribs comply with existing safety standards.

**Summary:** The Legislature finds that the deaths and injuries that result from crib accidents are a public health

## SB 6233

threat. Any crib that is sold, leased, manufactured or otherwise placed into the stream of commerce must comply with federal safety regulations and voluntary industry safety standards.

Cribs that are not clearly not intended to be used for an infant are exempt if accompanied by a notice. Commercial users are exempt from liability if they provide the required notice.

The Department of Health is required to make materials on crib safety available to the public and to encourage public and private collaboration in distributing materials about crib safety to parents, child care providers, and those who sell cribs.

Hotels, motels, and child care facilities are not required to comply with these standards until January 1, 1999.

### Votes on Final Passage:

Senate	45	0
House	95	0

**Effective:** June 6, 1996

## SB 6233

C 61 L 96

Determining retirement system service credit for military service.

By Senators Long and Oke; by request of Department of Retirement Systems.

Senate Committee on Ways & Means  
House Committee on Appropriations

**Background:** The Uniformed Services Employment and Reemployment Rights Act (USERRA) was enacted by Congress in 1994 to replace the Veterans Reemployment Rights law that had governed the reemployment rights of veterans since 1940. USERRA requires that members of defined benefit plans who leave employment for active military service receive retirement service credit for up to five years of active military service. The retirement plan can require the member to pay member contributions as a condition of receiving the service credit, but may not charge interest on the contributions if paid during the repayment period provided under USERRA. Further, the compensation used to calculate member contributions for periods of military leave should be the compensation the member would have earned if not on leave, or if that cannot be estimated, the compensation earned in the year prior to when the military leave was taken.

Under current Washington State statutes, a member of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan II, the Public Employees' Retirement System Plan II, or the Teachers' Retirement System Plans II or III who leaves employment to enter the armed forces of the United States may receive up to four years of retirement system service credit. To receive this service credit, the member must pay the employee contributions plus in-

terest. The contributions are based on the average of the member's compensation at the time the member left employment to join the armed forces and at the time the member resumed employment.

**Summary:** A member of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan II, the Public Employees' Retirement System Plan II or the Teachers' Retirement System Plans II or III who leaves employment to enter the armed forces of the United States may receive up to five years of retirement system service credit. Members must pay the employee contributions to receive service credit, based on the compensation the member would have earned if not on leave. If such compensation cannot be estimated with reasonable certainty, the contributions are based on the member's compensation in the year prior to the member going on military leave.

### Votes on Final Passage:

Senate	46	0
House	94	0

**Effective:** June 6, 1996

July 1, 1996 (Section 3)

## SSB 6236

C 62 L 96

Establishing shoreline management project completion timelines.

By Senate Committee on Ecology & Parks (originally sponsored by Senator Swecker).

Senate Committee on Ecology & Parks  
House Committee on Agriculture & Ecology

**Background:** The Shoreline Management Act (SMA) establishes a cooperative program of shoreline management between local governments and the state. Under the SMA, counties and cities are required to develop comprehensive shoreline use plans and development regulations. A shoreline substantial development permit is required for any construction with a fair market cost of over \$2,500, with some exemptions. The Department of Ecology has adopted rules governing the preparation and adoption of shoreline master programs, and providing standards for permitting shoreline developments.

The Department of Ecology rules include time requirements for shoreline permits. Substantial progress toward completion of a permitted activity must be undertaken within two years after the approval of the permit by the local government. The local government may authorize a single extension to this time limit of up to one year. The rules also require that the substantial development permit must expire within five years after approval of the permit. The local government may authorize a single time extension of up to one year beyond the five-year period.

**Summary:** Time requirements for substantial development permits are established. These time requirements may be changed by local governments for specific substantial development permits based on the circumstances of the proposed project.

Construction activities must be commenced within two years and completed within five years of the effective date of the substantial development permit. One year extensions to each time limit may be granted if the request is made prior to the expiration date, and notice of the extension is given to parties of record.

The effective date of the substantial development permit is the date of the last permit action on the development, including all administrative and legal actions on any government approvals.

**Votes on Final Passage:**

Senate	46	0
House	94	0

**Effective:** June 6, 1996

## SSB 6237

C 34 L 96

Permitting the use of certain wireless communications and computer equipment in vehicles.

By Senate Committee on Transportation (originally sponsored by Senators Prince, Owen, Wood and Prentice).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** Current law prohibits the use of a television screen or viewer which is visible to the driver while operating a motor vehicle. A growing trend in law enforcement is the use of mobile computer systems that allow the officer to access driver information from the patrol car. The Washington State Patrol (WSP), King County and the cities of Seattle and Tacoma are currently using this advanced technology in some of their vehicles. The mobile computer systems are connected by microwave to a mainframe computer in Tumwater which contains information from the Department of Licensing and the Department of Corrections. The officer can access such information as driver and vehicle licensing, outstanding warrants, firearms permits, etc.

Current law also prohibits the use of a headset or earphones designed to receive a radio broadcast or play a recording that muffles other sounds while operating a motor vehicle. The use of cellular phones has grown dramatically over the past few years. New technology is now emerging that allows cellular communication without the use of a hand-held phone. One alternative design currently being marketed is the a cellular headset that covers one ear. Another is a speaker phone that clips to the vehicle visor.

**Summary:** Law enforcement vehicles may be equipped with mobile computer networks. Hands-free, wireless communication systems may be used by motorists while driving a motor vehicle, as approved by the State Patrol.

**Votes on Final Passage:**

Senate	47	0
House	95	0

**Effective:** June 6, 1996

## ESSB 6241

C 159 L 96

Allowing certain cities and towns to maintain lodging taxes for tourism promotion and convention facilities.

By Senate Committee on Ways & Means (originally sponsored by Senators Sellar and Snyder).

Senate Committee on Ways & Means  
House Committee on Finance

**Background:** Cities and counties are authorized to levy up to a 2 percent special excise tax on the furnishing of lodging by hotels and motels, known as the "state shared" hotel motel tax. The revenues from this tax may be used to help finance stadium facilities, convention center facilities, performing arts center facilities, and visual arts center facilities or to secure the payment of bonds issued for these purposes. The city tax is credited against the county tax, and both the city and county taxes are credited against the state tax.

In addition, specific excise taxes are also authorized for various cities and counties for various, specified purposes. These "special" hotel motel taxes are in addition to state and local taxes.

**Summary:** Any city may use revenue from the state-shared hotel-motel tax for street banners to attract and welcome tourists. Any city or county may use revenue from the state-shared hotel-motel tax for refurbishing and operating of historic passenger ferries.

The legislative body of any town with a population of at least 325, but less than 550, in a county that borders the northeastern slope of the Cascade mountains with a population of at least 36,000 but less than 42,000 may levy an additional excise tax of up to 3 percent on the furnishing of lodging. Moneys collected from this tax may be used only for the purpose of tourism promotion. This tax is in addition to state and local sales taxes. Based on current population, the city of Winthrop in Okanogan County is eligible to impose this tax.

A city with a population between 10,000 and 25,000 in a county with population greater than 75,000, in which county is located a national monument, is allowed to use the proceeds from the 2 percent "state shared" hotel/motel tax for street banners to attract and welcome tourists.

## SB 6243

Based on current population, Kelso is eligible to impose this tax.

A city with population between 30,000 and 60,000 in a county with a population between 100,000 and 145,000 is allowed to levy an "additional" 2 percent hotel/motel tax for the purpose of constructing and operating a convention center. Based on current population, Kennewick and Richland are eligible to impose this tax.

A city with population between 500 and 1,000 in a county with a population between 80,000 and 115,000 is allowed to levy an additional 2 percent hotel/motel tax for the purpose of construction and operating a performing and visual arts center. Based on current population, La Conner is eligible to impose this tax.

### Votes on Final Passage:

Senate	48	0	
House	92	5	(House amended)
Senate	44	0	(Senate concurred)

**Effective:** June 6, 1996

## SB 6243 FULL VETO

Prohibiting organ transplants for offenders sentenced to death.

By Senators Goings, Hargrove, Rasmussen, Quigley, Bauer, Fraser, Drew, Smith, Wojahn, Franklin, Sheldon, Pelz, Snyder, Haugen, Heavey, Long, Oke, Wood and Johnson.

Senate Committee on Human Services & Corrections  
House Committee on Corrections

**Background:** Currently, 11 offenders in the Department of Corrections' custody have been sentenced to death. Two of the 11 have had their death sentences overturned and are awaiting the outcome of the state's appeals to reinstate the death sentence.

Current Washington law requires the department to provide medical services as may be mandated by the federal Constitution and the Constitution of the state of Washington. The United States Supreme Court ruled in 1976 that states have an obligation to provide health care to the individuals they incarcerate. Generally, the proscription against cruel and unusual punishment requires that states not be deliberately indifferent to the serious medical needs of the offender, but neither the Supreme Court nor the lower courts have clearly identified the quality, quantity, or accessibility to health care to which prisoners are entitled.

Serious medical needs are defined in rule as those which, if not responded to, will cause or allow to continue significant or debilitating pain or cause significant deterioration of the inmate's medical condition during the period of his or her incarceration.

The department spent \$30.33 million for inmate health care in 1994 (\$24.7 million for medical, \$3.6 million for

dental, and \$2 million for mental health), a 176 percent increase since 1986, during which time the offender population grew by 49 percent. The department's average expenditure for health care increased from \$1,708 to \$3,172 per offender (86 percent) from 1986 to 1994. During the same time period, the Consumer Price Index for medical care in the western United States increased 76 percent.

**Summary:** The Department of Corrections is prohibited from using public funds to provide life-saving health care procedures for an inmate who is under a sentence of death or whose death sentence is under appellate review. However, the department may provide basic medical services and basic emergency life-saving procedures (such as CPR) for such an inmate.

The inmate is responsible for the costs of all health care services obtained or provided, which includes both basic medical services and basic emergency procedures. If the balance of an offender's institution account is insufficient to meet the costs of the health care services, the department may obtain a judgment and lien against any real property owned by the offender. The inmate is entitled to due process to defend against the lien before a judgment may be enforced.

### Votes on Final Passage:

Senate	42	0	
House	78	19	(House amended)
Senate	36	7	(Senate concurred)

### VETO MESSAGE ON SB 6243

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Senate Bill No. 6243 entitled:

"AN ACT Relating to health care services for offenders sentenced to death;"

Senate Bill No. 6243 prohibits the Department of Corrections from providing "life saving health care procedures" to an offender who is under a sentence of death. The prohibition applies regardless of the stage of the inmate's appeal. Organ transplants, bone marrow transplants, open-heart surgery, and chemotherapy are the stated examples of prohibited life saving procedures. The bill, on the other hand, does allow the department to provide certain "basic emergency life-saving procedures" such as the Heimlich maneuver and cardiopulmonary resuscitation.

This legislation defines a life saving health care procedure as any "medical or surgical treatment or intervention to sustain, restore, or replace a bodily function, where failure to perform the treatment or intervention may result in the offender's death." This broad definition applies to a wide spectrum of treatments and interventions. Simple, routine procedures such as blood transfusions, insulin shots, and antibiotics for strep throat fall under the definition because they "sustain, restore, or replace bodily functions" without which death may result. This measure's expansive and vague definition also includes treatment services to alleviate pain and suffering. For instance, prescribing antibiotics for cancer treatment would be prohibited because "chemotherapy" encompasses all treatments by chemical agents. If a death row inmate had bone cancer, painful death would result without chemotherapy. Requiring the department to withhold

treatment under these circumstances would almost certainly be determined unconstitutional cruel punishment.

The status of the offender's appeal is irrelevant under this bill. The prohibition applies whether the inmate has just appealed to the first level of the state appeals court or whether the inmate is waiting for the final word from the US Supreme Court. We must remember that the criminal justice system is not infallible. On occasion, a person sentenced to death will serve some time on death row and then receive a new trial or a pardon as the result of a successful appeal or clemency petition. Since 1973 when the death penalty was reinstated, there have been 43 cases across the country where a death row inmate was pardoned, acquitted, or had charges dropped in subsequent actions. It would be inhumane in such cases to cut short a person's life by withholding needed life saving treatment based on the assumption that in every instance of a death sentence, the individual deserves to die.

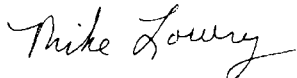
Moreover, Senate Bill No. 6243 fails to establish clear guidelines for the department as to the procedures it can provide. The definitional examples highlight the problem. The examples of permissible "basic, emergency life-saving procedures" and the examples of prohibited "life-saving health care procedures" do not sufficiently distinguish one category from the other. Moreover, constitutionally required medical treatment may be improperly withheld by department health care providers because of the ambiguity. Vague definitions will likely lead to inmate litigation to determine which life saving procedures are constitutionally required.

Senate Bill No. 6243 provides that offenders are responsible for the costs of any health care they receive unless the medical service is required by law as determined to be binding on the state by a court of competent jurisdiction. Again, this invites litigation.

In sum, this legislation is most probably an unconstitutional violation of the prohibition against cruel and unusual punishment. Given the problematic definitions included, it would also be impossible for the department to implement.

For these reasons, I have vetoed Substitute Senate Bill No. 6243 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**SB 6247**

C 310 L 96

Revising economic development activities.

By Senators Sheldon, Roach, Long, Quigley, Owen, Hale, Fairley, Swecker and Drew.

Senate Committee on Ways & Means  
House Committee on Trade & Economic Development

**Background:** In 1989 the Legislature created the Washington Economic Development Finance Authority (WEDFA) to help meet the capital needs of small and medium-sized businesses. WEDFA consists of 17 members appointed by the Governor. The membership includes the State Treasurer, the director of the Department of Community, Trade, and Economic Development, the director of

the Department of Agriculture, a member from each of the four major legislative caucuses, and 10 citizen members.

WEDFA is authorized to issue nonrecourse revenue bonds to carry out its programs. The bonds may be issued on either a tax-exempt or taxable basis. These bonds are not obligations of the state of Washington. Under current law, WEDFA may not issue bonds for more than five economic development projects per year.

In 1995, WEDFA initiated a program to help businesses finance manufacturing and processing equipment. Through this program, WEDFA will issue small industrial revenue bonds to businesses for the purchase of new equipment. It is suggested that the limit of five projects per year should not apply to the small bond issuances anticipated under this new program.

The Washington State Housing Finance Commission (WSHFC) was created in 1983. The goal of the WSHFC is to stimulate the production of affordable single, multifamily, and special needs housing through the (1) issuance of tax-exempt and taxable nonrecourse revenue bonds; (2) administration of the federal low-income housing tax credit program; and (3) administration of other programs authorized under federal and state law. Under current state law, the WSHFC's total amount of outstanding debt limited may not exceed \$1.5 billion at any time.

**Summary:** WEDFA's limitation on the financing of five economic development activities per fiscal year is expanded to include an additional ten manufacturing or processing projects where the individual total project cost is less than \$1 million.

WSHFC's statutory outstanding debt limit is raised from \$1.5 billion to \$2 billion.

**Votes on Final Passage:**

Senate	46	0	
House	94	0	(House amended)
Senate			(Senate refused to concur)

Conference Committee

House	93	5
Senate	44	0

**Effective:** March 30, 1996 (Section 1)  
June 6, 1996

**ESSB 6251**

PARTIAL VETO

C 283 L 96

Making supplemental operating budget appropriations.

By Senate Committee on Ways & Means (originally sponsored by Senators Rinehart and West; by request of Office of Financial Management).

Senate Committee on Ways & Means

**Background:** The operating expenses of state government and its agencies and programs are funded on a biennial

basis by an omnibus operations budget adopted by the Legislature in odd-numbered years. In even-numbered years, a supplemental budget is adopted, making various modifications to agency appropriations.

State operating expenses are paid from the state General Fund and from various dedicated funds and accounts. The 1995 Legislature appropriated \$17.6 billion from the state General Fund.

**Summary:** Appropriations from various agencies are modified, with no net increase in appropriations from the state General Fund. For additional information, see "1996 Supplemental Operating Budget Highlights" and "State-wide Summary and Agency Detail" published by the Senate Ways & Means Committee.

**Partial Veto Summary:** The Governor vetoed 14 provisions in the supplemental budget bill. Among the vetoes are a \$12 million appropriation from the data processing revolving fund for education technology projects, and revision to state agency contributions for employee health benefits. To provide funding for capital construction projects in the Department of Social and Health Services, the Governor vetoed a \$9.9 million reduction in the appropriation to the Aging and Adult Services Program. For additional information, see the 1996 Legislative Budget Notes published by the Senate and House fiscal committees.

**Votes on Final Passage:**

Senate	30	16	
House	72	26	(House amended)
Senate	46	3	(Senate concurred)

**Effective:** March 30, 1996

**VETO MESSAGE ON SB 6251-S**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 109(4); 109(5); 112(1) beginning with the word "Of" on line 12, and ending with "January 1, 1997." on line 26; 112(2); 112(4); 121(25); 132 (lines 19-20); 132(3); 206 (lines 34-35); 213 (lines 24-28); 217(15); 217(16); 218(1)(f); 218(2)(c); 301(11); 503; and 706, Engrossed Substitute Senate Bill No. 6251 entitled:

"AN ACT Relating to fiscal matters;"

My reason for vetoing these sections are as follows:

**Section 109(4) and (5), page 10, Judgeship Proviso Reference (Administrator for the Courts)**

Section 109(4) provides funding for an additional Superior Court judgeship in Thurston County effective July 1, 1996; and section 109(5) provides funding for two additional Superior Court judgeships in Chelan and Douglas Counties effective January 1, 1997. However, both sections lapse funding for these judgeships without enactment of Senate Bill No. 6151 and Senate Bill No. 6495. Although the legislature did not approve either of these two bills, it did approve substantially similar legislation (Substitute House Bill No. 2446) to increase the number of judges in Thurston, Chelan, and Douglas Counties. For this reason, I am vetoing the proviso language that ties the appropriation to the enactment of the two referenced senate bills, thereby making the

funding available to the courts to carry out the intent of the legislature.

**Section 112(1), beginning with the word "Of" on line 12 and ending with "January 1, 1997." on line 26 and Section 112(2), page 12, Management Improvement Project for the Children and Family Services Division of the Department of Social and Health Services (Office of the Governor)**

Section 112(1) provides \$1,100,000 of a \$1,518,000 General Fund-State appropriation solely for allocation to the Public Policy Institute at The Evergreen State College to direct a management improvement project for the Division of Children and Family Services (DCFS). I wholeheartedly support this project and believe the legislature has taken an important step to assure that Washington State's system for delivery of child welfare services is a sound organization of which everyone can be proud. However, this subsection requires that the full \$1.1 million designated for the project be expended on a structural and process examination of DCFS. While such an examination should be the project's primary focus, I believe this amount could be used more effectively if some of the funds are also directed toward an examination of other key issues affecting DCFS and toward making immediate and tangible improvements in children and family services.

Therefore, I am vetoing part of section 112(1) in order to broaden the project's scope and to ensure that the state receives immediate and lasting results from the money designated for this project.

Specifically, I will broaden the scope of the project to include an examination of substance abuse and its impact on families and DCFS' delivery of services. I believe we, as a state, must come to grips with this problem, and I believe it is an important consideration of any review of the role and management of DCFS. In addition, I will direct that a portion of the money designated for the project be used to implement some of the strategies that experts have already identified as essential to improve our child welfare system. The most notable of these improvements is the creation of a separate licensing function with the Department of Social and Health Services to assure the health and safety of children in the department's care.

As intended by the legislature, the examination of DCFS' structure and processes by an objective, impartial expert will remain the central focus of the project. As set forth in section 112(1), this examination will include the study and development of DCFS' strategic plan, mission, goals, and performance-based outcome measures. I fully share the legislature's desire to improve DCFS' performance, strengthen its accountability, and increase public confidence in its work. The comprehensive examination outlined here will help us achieve this mutual goal.

Section 112(2) creates an oversight group for the management improvement project. While I agree with the need for this group, the membership outlined in this subsection is unnecessarily restrictive. I believe the examination of the DCFS' structure and processes would benefit from the inclusion of others, including experts outside state government. Therefore, I am vetoing section 112(2). While I will welcome input from the oversight group members outlined in this subsection, I plan to convene a broader group, including children's services experts from both the public and private sector, to assist in defining the scope of the management examination. I am retaining the requirement in section 112(3) involving a legislative advisory committee in the project and look forward to working with these members. I also believe there should be close collaboration between the project oversight group and the Legislative Budget Committee which was recently directed by the legislature to conduct a performance audit of Child Protective Services.

**Section 112(4), page 13, Office of the Family and Children's Ombudsman (Office of the Governor)**

Section 112(4) provides \$418,000 of the \$1,518,000 General Fund-State appropriation designated for establishing a new Office of the Family and Children's Ombudsman in the Governor's Office. This subsection requires the staff of the Office of Constitu-



ent Relations at the Department of Social and Health Services to be transferred to the Ombudsman's Office. These staff members perform an important function in the department and should remain there. Therefore, I am vetoing section 112(4); however, I will ensure that the Office of the Family and Children's Ombudsman will be established as intended by Second Substitute House Bill No. 2856.

**Section 121(25), page 29, Asian-Pacific Economic Conference (Department of Community, Trade, and Economic Development)**

Section 121(25) requires that \$180,000 from the General Fund-State appropriation be used by the Department of Community, Trade, and Economic Development (CTED) to supplement private funding for the Asian-Pacific Economic Conference (APEC). Because the legislature did not provide additional resources to support this expenditure, CTED would be forced to reduce funding for other valuable economic development programs to implement this budget language. While APEC's budget difficulties are very real, I cannot support a further erosion of CTED's economic development programs. Therefore, I am vetoing section 121(25).

**Section 132, lines 19-20, and Section 132(3), page 38, K-20 Technology Improvements (Department of Information Services)**

Section 132 appropriates \$54.3 million for the K-20 technology plan contained in Engrossed Second Substitute Senate Bill No. 6705. I applaud the legislature for addressing this very important need. Unfortunately, \$12 million of the \$54.3 million is appropriated from the Data Processing Revolving Account, a dedicated internal service fund used by the Department of Information Services (DIS) and other agencies to provide services on a cost-recovery basis. There are two technical problems with the use of this fund for the intended purpose. First, DIS' portion of the cash balance in this account is obligated for purchasing equipment and software needed to provide services to the contributing agencies. These services are not related to the K-20 technology plan. Second, dedicated state and federal revenues are merged in this account and using those outside sources to help finance the K-20 technology plan would be inappropriate. The largest contributors to the balance include funds of the Department of Social and Health Services and dedicated funds from the Departments of Labor and Industries, Licensing, and Transportation. Diverting these specific funds to a project not related to their intended use would ultimately result in having to pay back the original fund source.

As stated in Engrossed Second Substitute Senate Bill No. 6705, there is an initial requirement to prepare a design and implementation plan for K-20 technology improvements. This plan will create a better cost estimate as well as lay out the timing of the project. Although the higher education system is ready to proceed, K-12 is not expected to reach that stage prior to the next legislative session. Furthermore, the appropriation from the Data Processing Revolving Account was to be expended only after the entire K-20 Technology Account appropriation had been obligated. Since these funds are not expected to be needed prior to the 1997 Legislative Session, I will be looking toward making the required investment at that time through proper funding sources.

I commend the legislature for recognizing and addressing this vitally important need for technology improvements in our education system, but I cannot allow the improper use of the Data Processing Revolving Account. Therefore, I am vetoing the \$12 million appropriation, together with subsection (3) that relates to this appropriation.

**Section 206, lines 34-35, page 52, Aging and Adult Services Fiscal Year 1996 Appropriation (Department of Social and Health Services)**

The 1996 Legislative Session ended without passage of a supplemental capital budget. Without other action, the Department of Social and Health Services (DSHS) would have insufficient resources to replace the sewer system at the Maple Lane School or to move ahead with the reconstruction of Green Hill School, which is essential to continue to operate the institution and to

meet growing demands for additional beds in the future. By vetoing the lines referenced above, the original higher appropriation level is restored, providing an additional \$9,917,000 in General Fund-State expenditure authority for DSHS in Fiscal Year 1996. These operating funds will be transferred to the Juvenile Rehabilitation and Mental Health institutional budgets to replace capital expenditures, thereby freeing up \$9.9 million in bond appropriations for capital projects. Of these funds, \$7 million will be allocated for reconstruction of Green Hill School and the remainder will be used to replace the Maple Lane sewer system.

**Section 213, lines 24-28, page 65, Discrimination Dispute Resolution (Human Rights Commission)**

This proviso directs \$100,000 General Fund-State to the Human Rights Commission to implement House Bill No. 2932, regarding discrimination dispute resolution. Since House Bill No. 2932 is not a necessary or appropriate prerequisite to providing alternative dispute resolution, I have vetoed it. I am also vetoing this proviso and directing the commission to use this \$100,000 to reduce its current backlog of discrimination cases.

**Section 217(15), pages 72-73, CHILD Profile (Department of Health)**

Subsection 15 appropriates \$210,000 General Fund-State solely for the purpose of stabilizing the existing CHILD Profile program in four counties and requires the development of a plan to expand the CHILD Profile immunization tracking system statewide by July 1, 1997. This is an extremely important effort, but I am concerned that the proviso appears to assume that the statewide planning effort can be implemented by July 1, 1997. Although the Department of Health is already engaged in determining statewide expansion of the program, implementation within this time frame is not feasible. Therefore, I am vetoing this subsection, but I am directing the Department of Health to expend the \$210,000 on the CHILD Profile program, proceed with its planning effort, and complete a report on its outcomes by July 1, 1997.

**Section 217(16), page 73, Domoic Acid (Department of Health)**

The Department of Health's (DOH) supplemental request to support testing for the presence of domoic acid, a harmful neural toxin in razor clams, blue mussels, and crabs was not funded. This proviso would require DOH to expend \$195,000 from existing general fund appropriations to conduct these tests. While domoic acid represents a public health threat to unsuspecting recreational harvesters of shellfish, the cost of these tests must be balanced against other important work being done by DOH. For this reason, I am vetoing this subsection and directing DOH to continue its testing program, to the degree possible, within existing resources.

**Section 218(1)(f), page 75, Supervision of Sex Offenders (Department of Corrections)**

Section 218(1)(f) provides \$78,000 to implement Substitute Senate Bill No. 6274, regarding the supervision of sex offenders. Substitute Senate Bill No. 6274, however, does not require the appropriation, but Substitute House Bill No. 2545, which was also approved by the legislature, does. For that reason, I am vetoing section 218(1)(f) so that the Department of Corrections can fulfill legislative intent.

**Section 218(2)(c), page 76, Life Skills Program (Department of Corrections)**

Section 218(2)(c) requires that, within the amounts appropriated, the Department of Corrections (DOC) fund the Life Skills program at the Washington State Correctional Center for Women in Fiscal Year 1997 at a level equal to or greater than that funded in Fiscal Year 1995. This directive is inconsistent with the educational requirements of Chapter 19, Laws of 1995, 1st Special Session, which require that DOC give a higher priority to basic and vocational education than to the Life Skills program. For this reason, I am vetoing Section 218(2)(c).

**Section 301(11), page 83, Water Quality Permit Fee Program (Department of Ecology)**

Section 301(11) requires the Department of Ecology to hire a consultant to develop a fee schedule for the water quality permit fee program. Although the proviso earmarks \$110,000 from the Water Quality Permit Fee Account for this study, the Department of Ecology's appropriation was not increased (and available revenue would not support an increased appropriation). Water quality efforts would need to be reduced to implement this proviso, which would result in fewer permit reviews.

In addition, a number of studies have already been conducted addressing the issues identified in the proviso. Among them are the 1994 Legislative Budget Committee study and the 1990-91 Efficiency Commission study. This new study would be redundant to those efforts. For these reasons, I am vetoing section 301(11).

**Section 503, pages 110-114, Basic Education Salaries (Superintendent of Public Instruction)**

Section 503 determines the level of state support for certificated salaries in basic education. The legislature added new language in 503(1)(b) to base 1996-97 school year allocated salaries on the experience and education (staff mix factor) of both basic education and special education certificated staff. By including special education staff in the calculation, the new language lowers the amount allocated to some school districts for basic education salaries in the 1996-97 school year. Because of state limits on school district salaries (the salary compliance law), some school districts would be required to pay lower salaries in 1996-97 than in 1995-96. Although I favor the concept of including special education staff in the salary allocation formula, I do not favor cutting any teacher's salary. For this reason, I am vetoing section 503. I will consider budget language and accompanying legislation for the 1997-99 Biennium to include special education and other staff in the salary allocation formula. I believe this can be accomplished without forcing salary cuts on certificated staff.

**Section 706, pages 154-157, Health Insurance Benefits**

Section 706 reduces the monthly contribution funding for health benefits for employees of state agencies and higher education institutions in Fiscal Year 1997 from \$314.51 to \$304.31 per month. This reduction would decrease the overall Public Employees Benefits Board funding by approximately \$11 million (all funds), which would have the effect of drawing down the current reserve.

I am vetoing this section because this reserve should be available to address unanticipated expenditures in the current biennium or to defer some of the increased funding which will most likely be required in the 1997-99 Biennium. This action should help protect the current benefits levels in the future for state employees.

I would like to take this opportunity to acknowledge that the 1996 Legislature took responsible action in recognizing some of the funding shortfalls due to congressional budget reductions. It is critical for our state to continue summer youth programs, to maintain the emergency food distribution programs, and to keep a commitment to salmon production. I would also like to remind members of the legislature that we may yet have to address other federal budget problems later this year. Since we no longer have predictable federal funding, it may be necessary to address serious budget shortfalls this fall, possibly even necessitating a special legislative session.

For these reasons, I have vetoed sections 109(4); 109(5); 112(1) beginning with the word "Of" on line 12, and ending with "January 1, 1997." on line 26; 112(2); 112(4); 121(25); 132 (lines 19-20); 132(3); 206 (lines 34-35); 213 (lines 24-28); 217(15); 217(16); 218(1)(f); 218(2)(c); 301(11); 503; and 706 of Engrossed Substitute Senate Bill No. 6251.

With the exception of sections 109(4); 109(5); 112(1) beginning with the word "Of" on line 12, and ending with "January 1, 1997." on line 26; 112(2); 112(4); 121(25); 132 (lines 19-20); 132(3); 206 (lines 34-35); 213 (lines 24-28); 217(15); 217(16); 218(1)(f); 218(2)(c); 301(11); 503; and 706, Engrossed Substitute Senate Bill No. 6251 is approved.

Respectfully submitted,

*Mike Lowry*

Mike Lowry  
Governor

**SB 6253**  
**PARTIAL VETO**  
C 232 L 96

Revising the duties of the sentencing guidelines commission.

By Senators Smith, Kohl and Long; by request of Sentencing Guidelines Commission.

Senate Committee on Law & Justice  
Senate Committee on Ways & Means  
House Committee on Corrections  
House Committee on Appropriations

**Background:** The 1995 Legislature passed a bill which gave the responsibilities of the Juvenile Disposition Standards Commission to the Sentencing Guidelines Commission effective after June 30, 1997. However, the legislation did not provide any specific policy directives.

The basic powers and duties of the Sentencing Guidelines Commission were defined in 1981, and current law directs the commission to perform tasks that were needed in 1981. It is recommended that the law be updated to reflect what the Legislature now wants the commission to do.

**Summary:** The responsibilities of the Sentencing Guidelines Commission include evaluating the effectiveness of existing juvenile disposition standards and preparing biennial reports on state sentencing policy, racial disproportionality, juvenile and adult corrections capacity, and recidivism. The commission must recommend new juvenile disposition standards by December 1, 1996, and produce a preliminary report by July 1, 1997. The Sentencing Guidelines Commission takes over the responsibilities of the Juvenile Dispositions Standards Commission on July 1, 1996, and the Juvenile Dispositions Standards Commission ceases to exist on June 30, 1996.

The commission must study the feasibility of creating a disposition option that allows a court to order minor/first or middle offenders into inpatient substance abuse treatment.

Disposition and institutional options for serious or chronic offenders between the ages of 15 and 25 must also be recommended by the commission. One option must include development of a youthful offender disposition option.

The commission must consider (1) whether juveniles prosecuted for committing violent, sex, or repeated property offenses should be automatically prosecuted as adults,

and (2) whether prosecutors should be allowed to determine in which system a juvenile should be prosecuted.

The membership of the Sentencing Guidelines Commission is expanded to 20 and includes an elected official from county government, one from city government, an administrator of juvenile court services, and the head of the state agency having responsibility for juvenile corrections programs. One of the four citizen members is required to be a crime victim or a crime victims' advocate. The chair of the Clemency and Pardons Board is removed as a commission member.

Juvenile courts are required to release to the Sentencing Guidelines Commission records needed for its research and data-gathering functions.

**Partial Veto Summary:** The expanded structure of the Sentencing Guidelines Commission continues indefinitely and does not terminate on June 30, 1999.

**Votes on Final Passage:**

Senate	48	0	
House	94	0	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** March 28, 1996 (Sections 1-8)  
 June 6, 1996  
 July 1, 1996 (Section 9)

**VETO MESSAGE ON SB 6253**

March 28, 1996

To the Honorable President and Members,  
 The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 10, Senate Bill No. 6253 entitled:

"AN ACT Relating to the sentencing guidelines commission;"

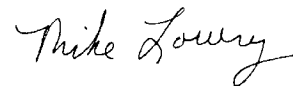
Senate Bill No. 6253 updates the powers and duties and expands the membership of the Sentencing Guidelines Commission (Commission). This legislation recognizes the need to assess the current status of adult felony sentencing as well as the need to reform disposition standards for juvenile offenders. In order to provide needed representation and perspective on the Commission, membership is increased to add a victim of crime or victims' advocate, a county elected official, a city elected official, a juvenile court administrator, and the head of the state agency responsible for juvenile corrections (currently the assistant secretary for the Juvenile Rehabilitation Administration of the Department of Social and Health Services). The chair of the Clemency and Pardons Board is removed from membership.

Section 10 of Senate Bill No. 6253 repeals these changes and restores the Commission's current membership structure effective June 30, 1999. Because the Commission's responsibilities are not expected to change at that time, there is no reason for repealing these changes. The need for this representation and variety of perspectives will be at least as great in 1999 as it is now. Further, the repeal would not provide a significant savings to taxpayers since Commission members serve part-time and receive only reimbursement of actual costs and, in the case of citizen members, per diem for meetings.

For these reasons, I have vetoed section 10 of Senate Bill No. 6253.

With the exception of section 10, Senate Bill No. 6253 is approved.

Respectfully submitted,



Mike Lowry  
 Governor

**ESSB 6257**

C 249 L 96

Improving guardian and guardian ad litem systems to protect minors and incapacitated persons.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Franklin, Hargrove, Goings, Long, Sheldon, Fairley, Wojahn, Prentice, Thibaudeau, Fraser and Heavey).

Senate Committee on Human Services & Corrections  
 Senate Committee on Ways & Means  
 House Committee on Law & Justice

**Background:** Washington law recognizes guardians and guardians ad litem (GALs). A guardian may be appointed for incapacitated persons to manage either or both their personal or financial affairs. A guardian is a person appointed to manage the personal or financial affairs of an incapacitated person or minor.

The GALs conduct interviews of the interested parties and report their findings and recommendations to the court. GALs are temporary appointments and they may be succeeded by a guardian. They are appointed in child abuse and neglect and custody cases.

GALs are appointed by the court to represent the best interests of children and incapacitated adults who are involved in the legal system. For children, the GALs are usually appointed in child abuse and neglect cases and child custody cases.

For adults, GALs are used when a person files a guardianship for an alleged incapacitated person. In many cases, the court grants the GALs very broad powers.

GALs are appointed in different ways depending on the county and type of case. Some courts utilize (1) the services of court-operated GAL programs, (2) independent attorneys, or (3) volunteer programs authorized by statute under the court-appointed special advocate program (CASA). Some jurisdictions use all three types of programs.

The CASA programs use trained community volunteers to conduct the investigations or duties requested by the court. There are 19 CASA programs which are spread among 20 counties. Other programs are being developed in four additional counties.

Training programs and requirements are approved by the courts and vary by jurisdiction. Fees also vary by jurisdiction, type of case involved, and the type of appointment. Court-operated programs generally use a set hourly fee,

and independent attorneys may submit their bills for court approval. CASA volunteers may receive reimbursement for their expenses, but are not paid for their services.

GAL programs, which provide services on child abuse and neglect cases, are required to maintain a background information record for each GAL in the program. The information is updated annually and is made available to the court. It has been suggested that the information should also be available to the parties and their attorneys.

Once the GAL is appointed, it is very difficult to have a GAL removed from a case. It has been suggested that the affidavit of prejudice procedure used for judges should also be available for removal of a GAL. This procedure is used to remove a person whom the party believes is prejudiced or is unable to render a fair or impartial decision.

GALs report their findings at court hearings and trials. It is recommended that the GALs should also file periodic reports to keep the parties apprised of the direction of the case.

In some instances, the GAL may be required to obtain an evaluation of the child or persons involved in the case. It has been suggested that, absent a court order, the GAL should not be allowed to select a health care provider or evaluator who is chosen in opposition to the wishes of the person being evaluated, or their parents in the case of a child.

**Summary:** The Office of the Administrator for the Courts (OAC) is required to develop a comprehensive statewide curriculum for all persons who act as guardians ad litem under the RCW titles pertaining to juveniles and domestic relations (cases involving child abuse, neglect or custody). The curriculum includes specialty sections on child development, family reconciliation, mediation, child sexual abuse, child physical abuse, child neglect, clinical and forensic investigative and interviewing techniques, and relevant statutory and legal requirements. The curriculum is completed and made available to all superior court judges, court personnel, and all persons who act as guardians ad litem by July 1, 1997.

The OAC must review the advisability and feasibility of the statewide mandatory use of court-appointed special advocates to act as guardians ad litem in juvenile and domestic relations cases. The plan must include recommendations regarding funding of volunteer programs.

The OAC must conduct a study on the feasibility and desirability of requiring all persons to be certified as qualified guardians ad litem prior to their eligibility for appointment as guardians ad litem under the statutes pertaining to probate and trust, juveniles and domestic relations. OAC must also review problems and concerns about the role of GALs and make recommendations to address issues of fairness and impartiality. The reviews and report are due December 1, 1996.

Every two years, DSHS must update its model training program for GALs who are involved in guardianship and limited guardianship cases. The superior courts must en-

sure the GALs who work on guardianship cases have completed a model training program.

A petition for guardianship or limited guardianship must describe any alternative arrangements previously made by the alleged incapacitated person (AIP), such as trusts, powers of attorney or health care directives, and must identify any nominations of guardian made in a power of attorney. The petition must explain why a guardianship is necessary in cases where the person already made alternative arrangements.

An AIP has the right to be represented by a willing attorney of his or her choosing. If an AIP opposes a health care professional selected by a GAL, the GAL must use the professional selected by the AIP but may obtain a supplemental examination. The AIP may testify and present evidence at any hearing on his or her alleged incapacity.

A GAL under Title 11 must provide the court and all parties with his or her background, qualifications and hourly rate. A GAL under Titles 13 and 26 must provide the court with background and qualifications and must provide the parties his or her criminal history, training and the hourly rate if paid. A party or the court may file an order to show cause for removal of the GAL if they believe the GAL lacks the expertise necessary, charges more than a reasonable fee, or has a conflict of interest.

The background statements in dependency and domestic relations cases must not include home addresses or home telephone numbers, and the court may allow the use of pseudonyms or maiden names to increase the safety of the CASA/GALs.

The GAL for an AIP must examine the alternative arrangements to a guardianship which were made by the AIP. The previous alternative arrangements are continued unless an injunction is filed or the court orders otherwise following a hearing. The GAL for an AIP must attend all hearings on the petition unless all parties waive the attendance requirement.

No attorney may be appointed to act as a judge pro tempore in the superior court if he or she currently serves as a compensated GAL. An exception is allowed for judicial districts with less than 100,000 people and districts located in eastern Washington.

GALs in domestic relations and dependency cases who have not served or been trained as GALs and who are appointed after January 1, 1998, must complete the comprehensive statewide curriculum developed by the OAC prior to their appointment. Volunteer GALs may take a training program which is approved by the OAC.

Each GAL program (for paid GALs) or the superior court of each county is required to maintain a rotational registry of persons who are willing and qualified to serve as guardians ad litem. In judicial districts with a population over 100,000 the parties are given a list of three potential GALs. Each party may strike on name from the list, after which the court makes the appointment. Once the appointment is made, a party may move for the

substitution of a GAL if he or she believes the GAL lacks the necessary qualifications, charges a fee too high, or has a conflict of interest. The parties may independently agree upon a GAL who is listed on the registry. The court may appoint a person who is not on the registry in exceptional circumstances. The rotational registry does not apply to the "volunteer" CASA. For CASA/GALs, the removal process begins with a request to the program to remove an appointee. If the request is denied, a party may file a motion for substitution.

**Votes on Final Passage:**

Senate	45	2	
House	96	0	(House amended)
Senate			(Senate refused to concur)

Conference Committee

House	98	0
Senate	46	0

**Effective:** June 6, 1996

## 2SSB 6260

C 128 L 96

Revising the state ride share tax credit.

By Senate Committee on Ways & Means (originally sponsored by Senators Drew, Owen, Prince, Haugen, Prentice, Kohl, Wood, Long, Sheldon, Schow, Strannigan, Sellar, Finkbeiner, Heavey, Fairley, McAuliffe, Rasmussen, Quigley, Rinehart, Goings, Thibaudeau and Winsley).

Senate Committee on Transportation  
Senate Committee on Ways & Means  
House Committee on Transportation

**Background:** Major employers (100 or more employees) in the state's eight largest counties are currently required to implement commute trip reduction programs to reduce the number of their employees traveling by single-occupant vehicles to their work sites.

To help reduce congestion, improve air quality and assist employers in efforts to provide incentives for employees to carpool, the Legislature in 1994 authorized business and occupation and public utility tax credits for major employers in the eight counties if they provide financial incentives to their employees for ride sharing in car pools with four or more persons. Major employers may apply for a tax credit of up to \$60 per person per year with a limit of \$200,000 per employer per year. The incentive provided to the employee by the employer must be at least double the tax credit claimed.

There is a cap on total credits of \$2 million per year. The tax credit is funded through the air pollution control account and the tax credit sunsets June 30, 1996. The Commute Trip Reduction Task Force is to report on the effectiveness of the tax credit no later than December 1, 1996.

**Summary:** The employers who are eligible to qualify for business and occupation or public utility tax credits for providing financial incentives to employees for ride sharing are expanded from only major employers in the state's eight largest counties to all employers in the state. The financial incentives for which employers qualify are expanded to include the use of public transportation or nonmotorized commuting. The current incentive for ride sharing is expanded from carpools of four or more to carpools of two or more. The credit allowed for employers is maintained at 50 percent of financial incentives, except that for persons using two person carpools, it is 30 percent of financial incentives provided to employees. The maximum \$60/employee/year credit is retained.

The sunset date for the tax credit is extended from June 30, 1996 to June 30, 2000. Application for tax credit procedures are modified to provide that they must be made at least once each year and not more than once quarterly. The due date of the report on the effectiveness of the tax credit is changed from December 1, 1996 to December 1, 1997. The report is to include information on the total tax credits claimed, as well as recommendations on future funding for the tax credit program.

The statewide annual cap for tax credits is reduced from \$2 million to \$1.5 million. The employer cap is reduced from \$200,000 to \$100,000 per year.

**Votes on Final Passage:**

Senate	48	0	
House	82	14	(House amended)
Senate	45	1	(Senate concurred)

**Effective:** July 1, 1996

## SSB 6262

FULL VETO

Providing for the management of cougar population levels.

By Senate Committee on Natural Resources (originally sponsored by Senators Morton, Rasmussen, Roach, Swecker, Hochstatter, Prince and Schow).

Senate Committee on Natural Resources  
House Committee on Natural Resources

**Background:** Cougar populations are above appropriate management levels in several levels of the state. The Department of Fish and Wildlife is presently developing a cougar management program environmental impact statement. The harvest of cougars has generally been by specially authorized hunting with hounds and by hunting by individuals after obtaining a cougar tag. The commission does not have the authority to have a controlled hunt and issue tags after the cougars have been harvested.

**Summary:** The Fish and Wildlife Commission may authorize the purchase of cougar transport tags subsequent to harvest without hounds and can stipulate conditions for

# SSB 6263

their validation and use. The commission is to review cougar management regularly.

### Votes on Final Passage:

Senate	48	1
House	87	7

### VETO MESSAGE ON SB 6262-S

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 6262 entitled:

“AN ACT Relating to transport tags for game;”

Substitute Senate Bill No. 6262 provides the Fish and Wildlife Commission the authority to authorize the purchase of cougar transport tags subsequent to a harvest without hounds. Although the bill only provides the commission with the authority to take such action, the policy itself is not an appropriate game management tool. Allowing tags to be sold following the taking of a cougar sends an inappropriate message regarding the value of cougars as big game animals, threatens the integrity of cougar harvest data, and will cause enforcement problems for the Department of Fish and Wildlife.

While I understand concerns about increasing cougar, human, and livestock interactions, there are other cougar control options which should be examined prior to enacting this type of legislation. I would encourage the commission and the Department of Fish and Wildlife to work with the public and the legislature to explore all options for the management of cougars in the state.

For these reasons, I have vetoed Substitute Senate Bill No. 6262 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

### SSB 6263

### FULL VETO

Using equine and oxen.

By Senate Committee on Agriculture & Agricultural Trade & Development (originally sponsored by Senators Morton, Rasmussen, A. Anderson, Hargrove, Swecker, Hochstatter, Prince, Sellar, Schow and Roach).

Senate Committee on Agriculture & Agricultural Trade & Development  
House Committee on Agriculture & Ecology

**Background:** The animal cruelty laws are enforced by law enforcement agencies and animal control officers. Persons can be cited for animal cruelty in the second degree if they knowingly, recklessly, or with criminal negligence inflict unnecessary suffering or pain upon an animal. Persons can be cited for animal cruelty in the first

degree if they intentionally inflict substantial pain or cause physical injury to an animal.

The animal cruelty law does not apply to the use of animals in the normal and usual course of rodeo events, customary use or exhibiting of animals at fairs, and commercial raising or slaughtering of livestock or poultry.

**Summary:** Added to the list of activities to which the animal cruelty law does not apply is the normal and usual use of equine and oxen for logging, riding, showing, vaulting, driving or drafting purposes.

### Votes on Final Passage:

Senate	47	0
House	74	21

### VETO MESSAGE ON SSB 6263

March 7, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 6263 entitled:

“AN ACT Relating to the normal and usual use of equine and oxen;”

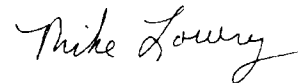
In 1994 a broad spectrum of interest groups participated in the comprehensive overhaul of Washington State animal cruelty laws under Chapter 16.52 RCW. A standard that a person at a minimum knowingly, recklessly, or with criminal negligence inflict unnecessary pain or suffering upon an animal, fail to provide food and other necessities, or abandon the animal was agreed upon as a reasonable general threshold for culpability.

Exclusions for rodeos and fairs, due to the unique and special nature of those events, were provided in the 1994 law. Any new exclusions to this law should be carefully and narrowly tailored to address specific problems or areas of concern.

The exclusions from animal cruelty laws provided in Substitute Senate Bill No. 6263 for “the normal and usual use of equine and oxen for logging, riding, showing, vaulting, driving or drafting purposes” appear overly broad and could unnecessarily allow otherwise unacceptable acts of animal cruelty.

For these reasons, I have vetoed Substitute Senate Bill No. 6263 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**ESSB 6266**

C 160 L 96

Establish lost and uncertain boundaries.

By Senate Committee on Law & Justice (originally sponsored by Senators Morton, Haugen, McCaslin, Rasmussen, Hargrove and Schow).

Senate Committee on Law & Justice  
House Committee on Law & Justice

**Background:** Whenever there is a dispute as to property boundaries, and the same cannot be ascertained from any legal records or actual use, landowners may hire surveyors to make the necessary surveys. Any party may, in lieu of or in addition to hiring surveyors, bring a quiet title action in superior court to establish lost and uncertain boundaries.

**Summary:** Alternative procedures for fixing boundary disputes are delineated. One way parties may resolve boundary disputes is by creating a formal written agreement which is binding on all subsequent owners of the properties. A second way is to bring a suit in equity. If a suit is brought, the court may order the parties to utilize mediation before the civil action is allowed to proceed.

Any court-appointed surveyor and his or her employees may enter upon any land or waters and remain there while performing their duties without liability for trespass. Where practical, before entering upon private property to perform their duties, surveyors and their employees must announce and identify themselves and their intentions.

Any person who intentionally disturbs survey marks placed by a surveyor in the performance of the surveyor's duties is guilty of a gross misdemeanor.

**Votes on Final Passage:**

Senate	44	1	
House	94	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** June 6, 1996

**SSB 6267**

C 233 L 96

Changing provisions relating to the principal internship support program.

By Senate Committee on Education (originally sponsored by Senators McAuliffe, Sheldon, Johnson, Winsley, Rasmussen, Hochstatter, Drew and Smith).

Senate Committee on Education  
House Committee on Education

**Background:** As part of education reform, the Legislature created the Administrator Internship Program. The program provides funds to employ substitutes for school district employees who are enrolled in an administrator preparation program that requires completion of a 45-day

internship with a mentor administrator. Candidates must apply to their local school district for an internship. Each school district submits the names of internship applicants to its educational service district (ESD). The ESD, with an advisory board, selects the participants. Interns selected must reflect the percentage of minorities of the student population in the ESD region. If this requirement cannot be met, the intern position is not filled. Any unspent funds revert back to the state.

**Summary:** Funds provided for the Administrator Internship Program are not limited to paying substitute costs, but may be used in a variety of ways to provide release time for the interns to complete their internship.

When qualified candidates cannot be found, the intern positions remain unfilled and the money reverts back to the office of the Superintendent of Public Instruction (OSPI). OSPI then provides the unspent funds to other ESDs that have qualified candidates, but not enough intern positions for them.

The requirement that interns selected must reflect the percentage of minorities of the student population in the ESD region is deleted.

**Votes on Final Passage:**

Senate	47	0
House	89	8

**Effective:** June 6, 1996

**SSB 6271**

C 26 L 96

Expanding automotive title branding.

By Senate Committee on Transportation (originally sponsored by Senators Long and Owen).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** Insurers and self-insured vehicle owners are required to submit to the Department of Licensing (DOL) the title of vehicles that have been declared a total loss. If a totaled vehicle is subsequently rebuilt and the vehicle is under four years of age, the title and registration certificate issued for the vehicle are branded with the word "rebuilt."

In 1995, an enactment mandated a study by DOL to examine the feasibility of displaying the "rebuilt" brand on the title and registration certificate of any rebuilt vehicle, regardless of age. In addition, the study was to determine the feasibility of differentiating on the certificates whether the vehicle had been declared a total loss due to cosmetic or structural damage. The study group recommended having the "rebuilt" brand apply to vehicles of any age without differentiating between cosmetic and structural damage.

Beginning January 1, 1997, the State Patrol, as part of the vehicle identification number (VIN) inspection required for all rebuilt vehicles, will affix or inscribe a

## 2SSB 6272

marking on the driver's side door pillar indicating that the vehicle has been rebuilt. The door pillar markings will be applied to rebuilt vehicles of any age.

**Summary:** The requirement that titles and registration certificates of rebuilt vehicles be branded is expanded to include vehicles under six years of age. Markings indicating a rebuilt vehicle are only applied to the door pillars of vehicles under six years of age.

### Votes on Final Passage:

Senate	48	0
House	95	0

**Effective:** June 6, 1996

## 2SSB 6272

C 126 L 96

Requiring school employees with regularly scheduled unsupervised access to children to undergo record checks.

By Senate Committee on Ways & Means (originally sponsored by Senators McAuliffe, Long, Fairley, Winsley, Fraser, Kohl, Drew, Smith, Thibaudeau, Prentice, Wojahn, Snyder, Sheldon, Loveland, Bauer, Franklin, Rinehart, Haugen, Rasmussen, Owen, Heavey, Quigley, Oke, Schow and Roach).

Senate Committee on Education  
Senate Committee on Ways & Means  
House Committee on Education

**Background:** Since 1992, all new school employees who will have regularly unsupervised access to children and all applicants for certification must undergo a fingerprint-background check to discover any in-state or out-of-state criminal convictions. Employees hired before 1992 have not had a background check, unless they have transferred to a different district after 1992.

The fee for the background check is \$53. In addition, there is a charge of \$10 for obtaining fingerprints. Either the new employee or the district pays the fee, depending on the districts' collective bargaining agreement.

There is a statutory process that must be followed when a certificated employee is discharged, which includes notice, an opportunity for a hearing to determine sufficient cause to discharge, and the right to appeal the decision to discharge to the appropriate superior court. However, there is not a statutory process for classified employees, except to allow an appeal to the appropriate superior court, and to allow the collective bargaining agreement to address the process to be followed when a classified employee is discharged.

**Summary:** All current school employees who have regularly unsupervised access to children and who have not had a background check must begin the process for record checks by June 30, 1997.

Employees and school districts cannot be charged for the cost of the background checks required under this act.

The Superintendent of Public Instruction (SPI) must send a copy of the background check report to the employee.

School districts and their contractors must consider certain factors before making an employment decision about a current classified employee whose background check indicates that he or she is convicted of a crime.

All existing statutes regarding appeal of decisions to discharge a current classified or certificated employee based on information obtained from a record check required under this act are applicable.

SPI must make rules providing a new employee or applicant for certification access to the information obtained from a record check and limiting access to others.

SPI may suspend or refuse to grant a professional certificate based on information obtained by a record check of an employee or application for certification.

### Votes on Final Passage:

Senate	49	0	
House	97	0	(House amended)
Senate			(Senate refused to concur)
House	95	0	(House receded)

**Effective:** March 21, 1996

## SSB 6274

PARTIAL VETO

C 275 L 96

Providing for increased supervision of sex offenders for up to the entire maximum term of the sentence.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Long, Hargrove, Roach, Quigley, Wood, Smith, Schow, Winsley, Oke, A. Anderson, Rasmussen, Haugen and McAuliffe).

Senate Committee on Human Services & Corrections  
Senate Committee on Ways & Means  
House Committee on Corrections  
House Committee on Appropriations

**Background:** Sex offenders who are supervised in the community by the Department of Corrections are subject to varying terms and conditions imposed by the judge at the time of sentencing. They may be under parole, community supervision, or community placement. Community placement may consist of community custody, post-release supervision, or both.

Both the length and conditions of supervision are often the result of factors unrelated to an offender's individual circumstances or risk to community safety and are instead a function of when the crime was committed and the limited information available about a sex offender's history at the time of sentencing.



Under current law, all conditions of supervision must be imposed at the time of sentencing by the court and may not be altered later except to make them less restrictive. The department does not have the statutory authority to impose additional supervision conditions based on information it may learn about an individual's history or deviancy cycle during incarceration.

Sex offenders who were sentenced before July 1, 1988, are not required to serve any time under community placement (although some may be subject to parole under the jurisdiction of the Indeterminate Sentence Review Board). Those sentenced between July 1988 and July 1990, are subject to one year of community placement, and those sentenced after July 1, 1990, must serve two years of community placement after incarceration. Sex offenders given the special sex offender sentencing alternative (SSOSA) may be sentenced for up to eight years of community supervision in lieu of incarceration.

Violations of conditions are processed administratively by the department for those offenders on community custody and by the court for those offenders on community supervision or post-release supervision.

Community custody violations may be sanctioned with a return to prison for up to the remainder of an offender's earned early release time, which for sex offenders may be as much as 15 percent of their sentences. Violations occurring during post-release supervision are referred by the department to local prosecutors. Courts may impose up to 60 days incarceration in the county jail for each violation of post-release supervision. SSOSA offenders serve their suspended sentences under community supervision, and violations of the conditions of community supervision are reviewed by the court for sanctions including possible revocation of the suspended sentence.

**Summary:** A number of changes are made to the terms and conditions of sex offenders who are supervised in the community.

For sex offenders sentenced under the special sex offender sentencing alternative (SSOSA), time spent in the community under the terms of the suspended sentence is served as community custody. SSOSA offenders on community custody are required to comply with conditions imposed by the Department of Corrections in addition to conditions imposed by the judge at the time of sentencing. Violations of conditions are processed administratively by the department. Sanctions may include up to 60 days incarceration in the county jail for each violation. When the Department of Corrections imposes an administrative sanction on a SSOSA sex offender for violating a condition of community custody imposed as part of a suspended sentence, the department must notify the court and the prosecuting attorney within 72 hours. The report must outline the nature of violation(s) and the sanction(s) imposed. The department may also refer an offender back to the court for revocation of the suspended sentence.

Offenders sentenced for felony sex offenses after the effective date of the act are required to serve a term of community custody for three years or up to total of their earned early release, whichever is longer. They must be required to comply with all conditions imposed by the court at the time of sentencing and any additional conditions imposed by the department at or after they are released from incarceration. The department is authorized to impose any appropriate conditions on sex offenders during their community custody terms, including prohibitions on having contact with specified individuals or classes of individuals.

While a sex offender is on community custody, violations of conditions are processed administratively by the department. During the period of an offender's earned early release, sanctions for violations may include return to incarceration for up to the remainder of the offender's sentence. After the period of an offender's earned early release, each violation may be sanctioned by up to 60 days in the county jail.

At any time prior to the end of a sex offender's community custody term, the department may petition the court to extend any or all of the offender's conditions beyond the term of community custody. The court may impose this order, which remains in effect for up to the maximum allowable sentence for the crime for which the offender is convicted, regardless of the expiration of the offender's term of community custody.

Juvenile courts are required to provide local law enforcement with all relevant information about juvenile sex offenders who are sentenced under the special sex offender disposition alternative (SSODA) and allowed to remain in the community. The notice is to be provided at the earliest possible date, and in no event later than five days after imposition of the SSODA disposition. Local law enforcement agencies are authorized to release relevant information about SSODA offenders when doing so is necessary for public protection.

Defendants who are convicted of one of several sex offenses must be detained following conviction while pending sentencing. In addition, if the defendant files an appeal of one of those convictions, the court may not stay execution of the judgment. The offenses include the following:

- rape in the first or second degree;
- rape of a child in the first, second, or third degree;
- child molestation in the first, second, or third degree;
- sexual misconduct with a minor in the first or second degree;
- indecent liberties;
- incest;
- luring;
- any class A or B felony that is a sexually motivated offense;

## ESB 6277

- a felony conviction for communication with a minor for immoral purposes; and
- any offense that is an attempt to commit one of the above listed offenses.

Sex offenders who are subject to registration must give local law enforcement 14 days' advance notice of moving (rather than notifying law enforcement within ten days after a move as provided in current law). An affirmative defense is established for offenders who can prove they did not know their new address 14 days prior to moving, provided they re-register with law enforcement no later than one day after establishing the new residence.

The crime of sexual misconduct with a minor in the second degree is added to the list of sex offenses for which offenders are required to register upon release from incarceration.

**Partial Veto Summary:** Section 6, 7, 8 and 13 are vetoed by the Governor, which would have extended the public notification requirement to offenders who have been sentenced under a community-based treatment option, including juveniles sentenced to the special sex offender disposition alternative (SSODA).

### Votes on Final Passage:

Senate	48	0	
House	97	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** June 6, 1996

### VETO MESSAGE ON SB 6274-S

March 29, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 6, 7, 8, and 13, Substitute Senate Bill No. 6274 entitled:

"AN ACT Relating to supervision of sex offenders;"

Substitute Senate Bill No. 6274 enhances public protection against sex offenders by making a number of changes. It extends the supervision period following an offender's release from incarceration and facilitates the Department of Corrections' imposition of sanctions for violations of supervision conditions. It also tightens the registration requirements for sex offenders so that law enforcement can better track their movements from community to community. In general, this legislation fine-tunes the laws enacted as part of the Community Protection Act of 1990.

The Community Protection Act of 1990 established a comprehensive approach for dealing with sex offenders. It authorized public officials to notify communities about potentially dangerous sex offenders when they are released from incarceration after serving their sentence. It also created a new sentencing alternative that permits first-time sex offenders, who have committed a non-serious offense, to remain in the community for treatment purposes. This treatment sentencing option is used only when the court — after considering the recommendations of treatment experts, prosecutors, and the victim — determines that the adult or juvenile offender does not pose a risk to the community and is amenable to treatment. Moreover, the offender is supervised by a probation officer during the treatment period. Because successful treatment is the best protection against recidivism, this sentencing alternative serves the interests of the community as well as the individual offender.

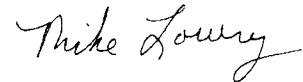
Sections 6, 7, and 8 of Substitute Senate Bill No. 6274 extend the public notification requirement to offenders who have been sentenced under the treatment option. Section 13 provides for immediate implementation of these provisions and has no effect on the remainder of the bill.

I wholeheartedly agree that public notification is appropriate when an offender returning to the community poses a potential public safety risk. However, I do not support extending the public notification requirement to first-time, non-serious juvenile offenders who remain in the community for treatment. Public notification serves no purpose in these cases where the courts have made a risk assessment, based on expert evaluations, and have found these juveniles to pose no threat to community safety. In addition, community notification could well jeopardize the purpose of this sentencing alternative, that is, to provide effective community-based treatment in order to prevent future reoffense. Past public notifications of juvenile sex offenders upon their release from confinement have sometimes resulted in their being prevented from attending school. Other juveniles have been harassed and even assaulted. If it results in public stigmatization, community notification will significantly undermine our efforts to rehabilitate juvenile offenders under the treatment sentencing option. This risk should therefore be avoided. With respect to adult offenders who are sentenced under the community treatment option, law enforcement already issues public notifications on these offenders.

For these reasons, I have vetoed sections 6, 7, 8, and 13 of Substitute Senate Bill No. 6274.

With the exception of sections 6, 7, 8, and 13, Substitute Senate Bill No. 6274 is approved.

Respectfully submitted,



Mike Lowry  
Governor

## ESB 6277

C 234 L 96

Providing vouchers for game fish licenses.

By Senator Drew.

Senate Committee on Natural Resources

House Committee on Natural Resources

**Background:** Steelhead licenses were administered by the former Department of Wildlife and were valid from May 1 until April 30. When the Department of Wildlife merged with the Department of Fisheries in 1994, the validity of steelhead licenses became coincidental with calendar years, to provide consistency with other licenses administered by the Department of Fisheries. Persons who purchased steelhead licenses after May 1, 1995, received licenses that expired on December 31, 1995, instead of April 30, 1996.

Persons who return steelhead catch record cards to an authorized license dealer within 30 days of the card's expiration are given a \$5 credit toward any license, permit, transport tag, or stamp purchased that day.

**Summary:** Persons who return a 1995 steelhead license to the department are issued a credit worth one-third of the cost of the 1995 license toward a 1997 steelhead license. Alternatively, a person may obtain a credit by submitting an affidavit to the department. The credit is worth \$2 for a juvenile steelhead license and \$6 for other steelhead licenses. The provisions regarding these credits expire on December 31, 1997.

Persons who return steelhead catch record cards to the department within 30 days of the card's expiration are issued a \$5 credit toward the purchase of the next year's steelhead license.

**Votes on Final Passage:**

Senate	49	0	
House	95	0	(House amended)
Senate	48	0	(Senate concurred)

**Effective:** June 6, 1996

## SSB 6279

C 118 L 96

Providing for the taxation of fermented apple and pear cider.

By Senate Committee on Ways & Means (originally sponsored by Senators Rasmussen, Newhouse, Bauer, Morton, Long, Loveland and A. Anderson).

Senate Committee on Ways & Means  
House Committee on Agriculture & Ecology

**Background:** State law levies a tax on all wine sold to wine wholesalers and to the Liquor Control Board. Total tax on table wine is 22.92 cents per liter. Of this, 20.25 cents per liter is deposited into the liquor revolving fund, 1.42 cents per liter is deposited into the general fund, 0.25 cents per liter is levied for the support of the Washington Wine Commission, and 1.0 cent per liter is deposited into the violence reduction and drug enforcement account.

**Summary:** Total tax on cider is reduced to 6.11 cents per liter before July 1, 1997, and 8.14 cents per liter thereafter. The tax on cider is reduced as follows:

(1) The 20.25 cent liquor revolving fund tax on cider is reduced to 3.59 cents per liter.

(2) The 1.42 cent general fund tax on cider is reduced to 0.25 cents per liter.

(3) The 0.25 cent Wine Commission tax on cider is reduced to 0.05 cents per liter.

(4) The 1.0 cent violence reduction and drug enforcement account tax on cider is reduced to 0.18 cents per liter.

An additional tax of 2.04 cents per liter from July 1, 1996, and 4.07 cents per liter beginning July 1, 1997, is imposed on cider and deposited in the health services account.

Cider is defined as table wine that is made from apples or pears and contains between 0.5 percent and 7.0 percent

of alcohol by volume. It includes flavored, sparkling, or carbonated cider and cider made from condensed apple or pear must.

**Votes on Final Passage:**

Senate	49	0
House	94	0

**Effective:** July 1, 1996

## ESSB 6284

C 63 L 96

Providing sales and use tax exemptions for public records.

By Senate Committee on Ways & Means (originally sponsored by Senators Drew, Haugen, Winsley, McCaslin and Roach).

Senate Committee on Ways & Means  
House Committee on Finance

**Background:** The sales tax is imposed on each retail sale of most articles of tangible personal property and certain services. Sale is defined as the transfer of property for a valuable consideration. It also includes the imprinting of tangible personal property. The use tax is imposed on the use of articles of tangible personal property when the sale or acquisition has not been subject to the sales tax. The use tax commonly applies to purchases made from out-of-state firms.

Because the sales tax applies to the transfer of property for consideration and also to the imprinting of tangible personal property, the sales tax applies to the photocopying of documents.

Current law requires that public records be available for inspection and copying. A reasonable charge, not exceeding the actual costs directly incident to copying, may be imposed for providing copies. Public records include any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function. For the offices of the Secretary of the Senate and the Chief Clerk of the House of Representatives, public records include correspondence, amendments, reports, minutes of meetings and transcripts, and supplementary written testimony or data. It also includes budget and financial records; personnel leave, travel, and payroll records; records of legislative sessions; and reports submitted to the Legislature. It does not include the records of an official act of the Legislature kept by the Secretary of State, bills and their copies, published materials, digests, or multi-copied matter which are routinely retained and otherwise available at the state library or in a public repository, or reports or correspondence under the personal control of the individual members of the Legislature.

**Summary:** A sales and use tax exemption is provided for the sale and use of public records that are copied under a

## ESSB 6285

request for the record for which no fee is charged, other than a statutorily set fee or a fee to cover the actual costs directly incident to the copying. This exemption includes requests for documents not available to the public but available to those persons who by law are allowed access to the documents, such as fire reports, police reports, taxpayer information, and academic transcripts.

### Votes on Final Passage:

Senate	48	0
House	96	0

Effective: April 1, 1996

## ESSB 6285

### FULL VETO

Providing for disclosure of offenders' HIV test results to department of corrections and jail staff.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Zarelli, Roach, Schow, Long, McCaslin, Morton, Hochstatter, Swecker, Hargrove, Hale, Strannigan, Oke, Wood, Finkbeiner, Deccio, Johnson, A. Anderson, Cantu, Moyer and West).

Senate Committee on Human Services & Corrections  
House Committee on Corrections

**Background:** Certain offenders are required to submit to mandatory HIV testing as soon as possible after sentencing. Those subject to mandatory testing include offenders convicted of sex offenses, prostitution, and certain drug offenses. Many other offenders volunteer for HIV testing as the result of education and prevention programs conducted in jails and prisons. Current law also allows Department of Corrections (DOC) officials and jail administrators to order HIV testing when an inmate's actual or threatened behavior presents a possible risk to staff, the general public, or other persons.

Test results must then be given to the offender and the administrator of the facility. Prison superintendents and jail administrators are authorized to disclose the results only as they deem necessary to protect the safety and security of the staff, offenders, and the public, including transporting officers and receiving facilities. Unauthorized disclosure is prohibited.

In fiscal year 1995, approximately 1,000 DOC inmates were tested for HIV. Of those, 1.4 percent received positive results. More than two-thirds of the tests were requested by offenders, 17 percent were requested by DOC health care providers, and 15.3 percent were the result of court orders.

**Summary:** Department of Corrections (DOC) health care providers and local public health officers are required to disclose the sexually transmitted disease status of DOC offenders, including the results of court-ordered HIV tests, to the superintendent or administrator of the facility. Local

public health officers must also disclose the sexually transmitted disease status of jail inmates or detainees, including the results of court-ordered HIV tests, to jail administrators. These disclosures are not intended to take the place of universal precautions, which are reaffirmed by the Legislature as the most effective method of protection against communicable diseases.

Information given to prison and jail administrators is to be utilized only for disease prevention and control, and for protection of the safety and security of the staff, offenders, detainees, and the public.

The confidentiality of an offender's sexually transmitted disease status must be maintained, except that a correctional officer or jail staff must be given the results of an offender's HIV test if they have been substantially exposed to the offender's bodily fluids and the test is mandated under the requirements of current law.

The mandatory disclosure of test results only applies to court-ordered testing and not to voluntary testing.

Unauthorized disclosure or improper use of the information is punishable both in disciplinary actions and as a gross misdemeanor.

Both DOC and local jail administrators are directed to implement policies and procedures for the uniform distribution of communicable disease prevention protocols to all staff who, in the course of their regularly assigned job responsibilities, may come into close physical proximity with affected offenders. These protocols must include, but are not limited to, information learned about offenders as the result of court-ordered HIV testing.

The requirements and limitations of the protocols are specified. They must include the name of the offender and any special precautions to be taken with the offender in order to reduce the risk of transmission of the communicable disease. The protocols may not identify the offender's particular communicable disease.

The Department of Health and DOC are each required to adopt rules for implementation. They are both required to report back to the Legislature on changes in rules, policies, and procedures adopted in response to this act, and to collect information on the number and circumstances of disclosures made as a result of the changes contained in the act.

### Votes on Final Passage:

Senate	41	8	
House	95	0	(House amended)
Senate			(Senate refused to concur)

### Conference Committee

House	98	0
Senate	48	0

## VETO MESSAGE ON SB 6285-S

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Engrossed Substitute Senate Bill No. 6285 entitled:

“AN ACT Relating to disclosure of offenders’ HIV test results to department of corrections and jail staff;”

Engrossed Substitute Senate Bill No. 6285 would require the Department of Corrections (DOC) and local jails to identify certain inmates who carry infectious disease and to describe health precautions appropriate with those persons without identifying the nature of their illness.

The plague of the HIV virus continues to be a serious concern to all of the citizens of Washington State. This issue is of particular concern to the men and women who serve our state and local communities as corrections officers and jail staff and who come into contact daily with inmates who may be carrying a variety of infectious diseases. I appreciate this concern and applaud the legislature’s attempt to address it as well as to maintain confidentiality with respect to an inmate’s HIV status. Despite this attempt, however, I do not believe Engrossed Substitute Senate Bill No. 6285 achieves its objective of providing appropriate protection to corrections officers and to jail staff.

The only proven protection against exposure to the HIV virus is the use of the universal precautions. These precautions should be used by corrections officers and jail staff at all times and with all inmates. Engrossed Substitute Senate Bill No. 6285 is fundamentally flawed in that it implies extra care should be taken with some inmates, rather than uniform caution with all inmates.

It would be a mistake to give our corrections officers and jail staff a false sense of security by identifying only some of the inmates who carry infectious diseases. Posting the names of inmates whose statutorily mandated HIV tests were positive will not protect corrections officers or jail staff from inmates whose voluntary tests were positive or from those who have not been tested.

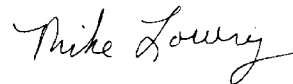
We should not place our valued public servants in further jeopardy by tempting them to treat some inmates with less than universal precaution because they are unaware of the possible threat from others. Currently, in the event a situation does occur which results in substantial exposure to bodily fluids, both corrections officers and jail staff are able to obtain confidential test results or to mandate testing, if necessary, to protect their own health.

In an effort to address the legitimate health and safety concerns of corrections officers, I am directing DOC to increase its efforts to provide these officers with sufficient information and training to assist their understanding of the importance of using universal precautions at all times. I am also directing DOC, in consultation with the Department of Health (DOH), to modify its existing policy to eliminate the use of “protocols” issued in relation to particular inmates.

In addition, I encourage local public health officials, in consultation with DOH, to work with local governments to provide local jail staff with information and training regarding universal precautions and other appropriate methods of protecting their health and safety. Until there is a cure, the only way for these valued public servants to remain healthy and safe is to maintain universal precaution.

For these reasons, I have vetoed Engrossed Substitute Senate Bill No. 6285 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

## SB 6286

C 235 L 96

Conferring possessory and lien rights to entities that used dies, molds, forms, and patterns unclaimed.

By Senators Pelz, Deccio, Heavey and Hale.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** Plastic injection molds are used to form hard plastic products such as dashboards, computers and telephones. In general, the process has two steps. First, the customer has a mold made. Next, the mold is taken to a fabricator, who injects plastic into the mold and produces the product. The mold maker and the fabricator are often two different entities.

**Summary:** Mold makers and fabricators are allowed recourse if a customer abandons a mold or fails to pay. If a customer leaves a mold with a mold maker and fails to claim it within three years after the mold was last used, the mold maker may seek legal title to the mold by sending notice to the customer. If the customer does not respond, the title and all rights to the mold transfer by operation of law to the mold maker, who may then destroy or otherwise dispose of the mold.

If a customer fails to pay a fabricator and the fabricator has physical possession of the mold, the fabricator may retain the mold and is granted a lien right in the amount of the materials and fabrication work. This lien does not have priority over previously filed security interests. Before the lien may be enforced, the fabricator must send notice to the customer. If the customer fails to respond to the notice and pay the amounts owing, the mold may be sold at public sale. The fabricator is entitled to the amounts owing from the customer, the costs of holding, preparing for sale and selling the mold, and reasonable attorney fees. Any excess must be paid to other lien holds, and the remainder is remitted to the customer.

**Votes on Final Passage:**

Senate	42	0	
House	94	0	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** June 6, 1996

**SB 6289**

C 236 L 96

Regulating fraternal benefit societies.

By Senators Prentice, Fraser, Quigley and Pelz; by request of Insurance Commissioner.

Senate Committee on Financial Institutions & Housing  
House Committee on Financial Institutions & Insurance

**Background:** A fraternal benefit society is a not-for-profit organization conducted solely for the benefit of its members and beneficiaries, operates on a lodge system, has a representative form of government, and provides certain types of benefits. These include death, endowment, annuity, disability, medical, or life insurance benefits. A fraternal benefit society may be a domestic organization incorporated in Washington State, or a foreign or alien organization incorporated in another state and licensed in this state. At present, no domestic fraternal benefit societies exist in Washington.

Few solvency requirements are imposed on these fraternal benefit societies, although such solvency requirements are imposed on commercial insurance carriers. Concern has been expressed that Washington citizens may be at risk if these fraternal benefit societies become insolvent because they failed to carry an appropriate amount of unimpaired surplus to respond to claims.

**Summary:** A minimum amount of unimpaired surplus which a fraternal benefit society must maintain is established. The Insurance Commissioner may require that a fraternal benefit society maintain a larger amount of unimpaired surplus over the minimum requirement. A phase-in period is allowed for those societies that may not immediately meet the new requirements. Foreign or alien fraternal benefit societies may continue to issue policies to existing policyholders as of June 30, 1997, even if the societies do not meet the minimum unimpaired surplus requirements. A lodge system can continue to operate as a fraternal society, but cannot add new beneficiaries until it meets the new standards.

The commissioner may refuse, suspend or revoke a fraternal benefit society's license if the society is operating in a fashion hazardous to its beneficiaries. Due process standards are provided when the commissioner takes such action. Standards are delineated which the commissioner may consider in determining whether a society's continued operation might be deemed hazardous.

Risk-based capital standards currently in effect for commercial carriers are now applied to these societies. Factors are identified which the commissioner may consider when determining a society's financial condition. The commissioner is authorized to supervise the rehabilitation, liquidation or conservation of a domestic fraternal benefit society.

Certain technical revisions are made to the RCW chapter affecting fraternal benefit societies.

**Votes on Final Passage:**

Senate	48	0	
House	96	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** June 6, 1996

**SB 6292**

C 98 L 96

Defining member insurers and who they cover.

By Senators Prentice, Sellar, Fraser and Quigley; by request of Insurance Commissioner.

Senate Committee on Financial Institutions & Housing

**Background:** The Legislature created the Washington Life and Disability Insurance Guarantee Association (WLDIGA) in 1971. WLDIGA protects policyholders in the event that life and disability insurers become insolvent. WLDIGA raises funds to protect policyholders by assessing member insurance companies after an insolvency occurs. Member companies are assessed based on their percentage of premiums received in Washington, up to a maximum of 2 percent of premiums. In order to conduct business in Washington State, life and disability insurers must be members of WLDIGA.

The issue has been raised that WLDIGA fails to provide policyholders coverage in certain cases. For example, a Washington consumer purchases a policy from a Washington domiciled insurer and then moves to another state where the insurer does not conduct business. As a resident of another state, the consumer is not protected by WLDIGA. The National Association of Insurance Commissioners has recommended, as a standard of state accreditation, that each state require its life and disability guarantee association to extend the coverage to policyholders who have changed residence.

**Summary:** A Washington resident who purchases a life, health, or annuity policy from a Washington domiciled life or disability insurer and then moves is granted coverage by WLDIGA, even if the insurer does not conduct business in the state where the person currently resides.

**Votes on Final Passage:**

Senate	46	0
House	97	0

**Effective:** June 6, 1996

**SB 6294**

C 64 L 96

Increasing a distribution of motor vehicle excise taxes to cities.

By Senators Bauer and Prince.

Senate Committee on Ways & Means  
House Committee on Appropriations

**Background:** In 1982, 35 percent of the state motor vehicle excise tax (MVET) that was distributed to cities based on population for health and public safety was diverted to an account for city sales and use tax equalization. The agreement was that cities not imposing the second one-half cent sales tax would get their contribution back. This is the first distribution under city sales and use tax equalization. This distribution is equal to 35/65 of the population distribution.

Under city sales and use tax equalization, cities that impose the sales and use tax are eligible to receive moneys that, when added to their previous year's per capita sales and use tax revenues, equal 70 percent of the statewide average. The distribution is doubled if the city is imposing the second one-half cent sales tax. If any moneys remain after these distributions, the excess is distributed to cities imposing the second one-half cent sales tax based on population.

In 1993, under health care reform, one-third of the MVET that was distributed to cities based on population for health and public safety was diverted to county public health departments, and the cities were relieved of the obligation to fund these services, effective July 1, 1995. The first sales and use tax equalization distribution to cities not imposing the second one-half cent sales tax was not considered. Because the population distribution was reduced by one-third, the first sales and use tax equalization distribution to cities not imposing the second one-half cent sales tax, which is based on the population distribution (35/65), was inadvertently reduced.

**Summary:** The first city sales and use tax equalization distribution to cities not imposing the second one-half cent sales tax is increased to 45/55 of the population distribution.

**Votes on Final Passage:**

Senate	49	0
House	94	0

**Effective:** July 1, 1996

**SB 6302**

FULL VETO

Revising provision for appointment of a county legislative authority member of the forest practices board.

By Senators Haugen, A. Anderson, Owen, Snyder, Swecker, Fraser, Morton and Hargrove.

Senate Committee on Natural Resources  
House Committee on Natural Resources

**Background:** The membership of the Forest Practices Board consists of the Commissioner of Public Lands or designee, the Director of the Department of Community, Trade, and Economic Development or designee, the Director of the Department of Agriculture or designee, the Director of the Department of Ecology or designee, and an elected member of a county legislative authority appointed by the Governor. In addition, six members of the general public are appointed by the Governor, one representing an ownership of not more than 500 acres of forest land and one who is an independent lobbying contractor.

At the present time, the Washington Association of Counties submits a list of county legislative authority members to the Governor that the association supports for appointment to the Forest Practices Board. If the Governor does not like the association's preference, the Governor may ask for another list, and can continue to ask for lists until a name comes up that meets with the his or her approval. It was the Legislature's intent that the appointment of a county legislative authority member to the Forest Practices Board be derived from a list preferred by the Washington State Association of Counties. To make this clear, a modification of statutory authority is necessary.

**Summary:** The elected member of a county legislative authority appointed by the Governor comes exclusively from one list of three persons provided by the Washington State Association of Counties. The outdated language relating to the membership of the initial board appointed in 1977 is deleted.

**Votes on Final Passage:**

Senate	46	0
House	94	0

**VETO MESSAGE ON SB 6302**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Senate Bill No. 6302 entitled:

"AN ACT Relating to appointment of a county legislative authority member of the forest practices board;"

Senate Bill No. 6302 limits the governor's appointments to the Forest Practices Board. Currently the governor is required to appoint an elected member of a county legislative authority to serve as one of eleven members of the Forest Practices Board. This legislation would add the additional constraint of limiting the governor's selection to an exclusive list of three candidates

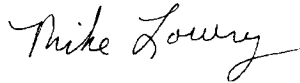
**SB 6305**

*specifically provided by the Washington State Association of Counties.*

*A change in the method of appointing the county representative to the Forest Practices Board is not appropriate. Limiting the governor's selection to a list of three candidates provided by the Washington State Association of Counties is a clear infringement on gubernatorial appointment authority and is an unwarranted delegation of governmental authority to a private association.*

*For these reasons, I have vetoed Senate Bill No. 6302 in its entirety.*

*Respectfully submitted,*



*Mike Lowry  
Governor*

**SB 6305**

C 276 L 96

Authorizing approval of off-site mitigation proposals for hydraulic projects.

By Senator Drew.

Senate Committee on Natural Resources  
House Committee on Natural Resources

**Background:** The Department of Fish and Wildlife administers hydraulic permits. The department has a policy of requiring on-site mitigation for hydraulic project effects upon fish life.

In some cases, off-site mitigation may provide more benefits to the fish resource than on-site mitigation.

**Summary:** The Department of Fish and Wildlife may approve off-site mitigation for hydraulic permits. If the department does not approve an off-site mitigation proposal, the applicant may submit the proposal to the Hydraulic Project Appeals Board for approval.

The Hydraulic Appeals Board may approve off-site mitigation proposals.

**Votes on Final Passage:**

Senate 47 0  
House 94 0

**Effective:** June 6, 1996

**SB 6312**

C 169 L 96

Changing the tuition exemption for veterans of the Persian Gulf combat zone.

By Senators Bauer, Oke, Kohl, Rasmussen, Sutherland, Snyder, Heavey, Goings and Sheldon.

Senate Committee on Higher Education  
House Committee on Higher Education

**Background:** The governing boards of the state's public higher education institutions may exempt veterans of the Persian Gulf combat zone from increases in tuition and fees that occur after the 1990-91 academic year. Veterans receiving the exemption must: (1) have qualified as a Washington resident student, had he or she been enrolled on August 1, 1990; (2) be enrolled for seven or more quarter credits per academic year; and (3) have an adjusted gross family income not exceeding Washington's median family income. Additionally, the veteran must have served as a member of the armed military or naval forces in a combat zone during any part of 1991.

**Summary:** Public institutions of higher education may exempt eligible Persian Gulf combat zone veterans from all or a portion of tuition and fee increases adopted after the 1990-91 academic year.

A veteran is eligible for the tuition waiver if the veteran could have qualified as a Washington resident, had he or she been enrolled as a student on August 1, 1990. The veteran must also have served on active duty in the armed forces of the United States during any portion of 1991 in the Persian Gulf combat zone. Three waiver conditions the veteran no longer must meet are that he or she: (1) remain continuously enrolled for at least seven credits per term; (2) have an adjusted gross family income at or below the state's median family income; and (3) could have qualified as a resident student on August 1, 1990.

This chapter expires June 30, 1999.

**Votes on Final Passage:**

Senate 49 0  
House 94 0 (House amended)  
Senate 47 0 (Senate concurred)

**Effective:** June 6, 1996



## SSB 6315

C 277 L 96

Revising procedures for recoupment of assessments against offenders.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Long, Kohl and Schow; by request of Department of Corrections).

Senate Committee on Human Services & Corrections  
House Committee on Corrections

**Background:** Under legislation passed in 1995, the Department of Corrections is required to record a debt against an offender's institution account when the department provides certain services and supplies to an inmate who is indigent. The department is further authorized to recoup the assessments if/when the offender's institution account later exceeds the indigency standard.

A federal district court in eastern Washington recently ruled that the department does not have authority under current law to collect court costs from an offender's institution account when the court dismisses the offender's lawsuit against the department and assesses court costs against him or her.

**Summary:** The authority of the Department of Corrections to collect offender debts is expanded to include other remedies after offenders are released from incarceration and no longer have institution accounts.

The department is also required to record as a debt against an offender's institution account any costs assessed by a court against an inmate plaintiff where the state is providing a defense to the action.

The department is authorized to use the collection services available through general administration or private collection agencies to collect outstanding debts owed by offenders to the department after their release from incarceration. These options are not the department's exclusive remedies, but are in addition to any other available remedy. The conditions for contracting with private collection agencies are specified.

**Votes on Final Passage:**

Senate	49	0	
House	96	0	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** June 6, 1996

## SSB 6322

C 237 L 96

Adjusting fees used for recreational vehicle sanitary facilities.

By Senate Committee on Transportation (originally sponsored by Senator Owen).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** In 1980, the Legislature created the RV account in the motor vehicle fund. The account is funded by an annual \$1 licensing fee for each licensed camper, travel trailer, and motor home. The Department of Transportation (DOT) is directed to use moneys deposited in the account for the construction and maintenance of recreational vehicle sanitary disposal systems in safety rest areas.

A citizens' advisory committee recommends how DOT should expend funds from the RV account. Since the fund was created, RV dump stations have been installed in 17 of the 39 safety rest areas. These facilities are very popular, and are often used when other public and private dump stations are closed.

Over the past few years, revenues generated by the RV licensing fee have been insufficient to cover the expenditures associated with the RV sanitary disposal systems. The primary reasons for the insufficient revenues are: (1) rising sewage costs; (2) heavier use of the facilities than was anticipated; and (3) the rate of inflation has outpaced the increase in the number of licensed recreational vehicles.

While there is currently a positive balance in the RV account, this has been achieved through deferral and cancellation of sanitary system construction. Furthermore, the true cost of maintaining and operating these facilities has not been reflected in the annual maintenance charges to the RV account. DOT plans to change this practice so that authorized costs are charged to the account.

**Summary:** The licensing fee for funding the RV account is raised from \$1 to \$3. The fee increase is effective with motor vehicle fees due or to become due September 1, 1996.

In the future, the Department of Transportation is authorized to increase the fee by a percentage that exceeds the fiscal growth factor. However, subsequent RV account fee adjustments: (1) may occur only once every four years, following consultation with representatives of the RV user community; (2) must be preceded by an evaluation; (3) may not exceed 50 cents/biennium; and (4) DOL must receive six month's prior notification.

## SB 6339

### Votes on Final Passage:

Senate	49	0	
House	94	0	(House amended)
Senate	45	0	(Senate concurred)

**Effective:** June 6, 1996  
September 1, 1996 (Section 1)

## SB 6339

C 311 L 96

Concerning the requirements for receipt of an alcohol server permit.

By Senators Haugen, Snyder, McCaslin, Pelz and Hale.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** In 1995, the Legislature passed a measure that established the alcohol server permit program. This program requires managers, bartenders and waitpersons involved in the sale or service of alcoholic beverages for on-premise consumption to obtain a Class 12 or Class 13 alcohol server permit.

To obtain a permit, an individual must complete training on state laws regarding the service of alcohol, how to check for proper identification, how to deny service to customers, and liability issues, among others. Individuals are required to obtain a permit by July 1, 1996. Liquor licensees have raised concerns regarding the lack of availability of training for their employees in time to meet the July 1, 1996 implementation date.

Provisions were included in the 1995 legislation that allow individuals who have completed a nationally recognized alcohol management or intervention program since July 1, 1993 to be issued a permit upon providing proof of completion of such training to the Liquor Control Board. The Liquor Control Board's alcohol server training program was not explicitly included under this grandfather provision. An expiration date for the grandfather provision was not included in the 1995 legislation.

**Summary:** The implementation date of the alcohol server permit program is changed from July 1, 1996 to January 1, 1997.

Individuals who complete the Liquor Control Board's alcohol server training program after July 1, 1993, but before July 1, 1995, may be issued a class 13 alcohol server permit upon providing proof of completing the training to the Liquor Control Board.

### Votes on Final Passage:

Senate	47	0	
House	94	0	(House amended)
Senate			(Senate refused to concur)
House	94	1	(House amended)
Senate	48	0	(Senate concurred)

**Effective:** June 6, 1996

## SB 6366

C 65 L 96

Authorizing the Washington state historical society to work with the Lewis and Clark trail committee in developing activities to commemorate the Lewis and Clark trail bicentennial.

By Senators Haugen, Prince, Wojahn, Sutherland, Winsley and Snyder; by request of Washington State Historical Society.

Senate Committee on Ecology & Parks  
House Committee on Government Operations

**Background:** The bicentennial of the Lewis and Clark Expedition is approaching. The importance of the expedition in obtaining information about the lands west of the Mississippi River to the Pacific Ocean, and its role in the Louisiana Purchase, are well known. Along the route of this historic expedition there are numerous counties, towns, rivers, colleges, schools and other place names that commemorate the expedition's legacy and its importance in the formation of the nation. There are numerous regional and national organizations that exist with the purpose of promoting an interest in the contribution of this exploration to the nation's history. To adequately prepare for the bicentennial commemorative activities, there is a need to coordinate among the various Washington historical organizations.

**Summary:** The Washington State Historical Society is directed to work with and provide leadership to the Lewis and Clark Trail Committee in planning commemorative activities relating to the expedition. The society is to coordinate its efforts with the State Parks and Recreation Commission, and work with other associations and state agencies to disseminate information about planned activities.

### Votes on Final Passage:

Senate	43	0	
House	96	0	

**Effective:** June 6, 1996

## SSB 6379

C 99 L 96

Expanding the definition of "training system" for purposes of work force training and education.

By Senate Committee on Higher Education (originally sponsored by Senators Bauer, Wood and Deccio).

Senate Committee on Higher Education  
House Committee on Higher Education

**Background:** The Work Force Training and Education Coordinating Board provides planning and coordination for the state training system, as well as advising the

Governor and Legislature on issues pertaining to the state training system.

The board consists of nine voting members appointed by the Governor. There are three business representatives, three labor representatives, the Superintendent of Public Instruction, the executive director of the State Board for Community and Technical Colleges, and the Commissioner of the Employment Security Department. The business and labor representatives serve a four-year term which expires on June 30 of the fourth year.

**Summary:** Private career schools and colleges are included in the definition of "work force training system" in the statute establishing the Work Force Training and Education Coordinating Board. Programs and courses offered by private career schools are also included in the definition of "work force training system."

**Votes on Final Passage:**

Senate	45	0	
House	95	0	(House amended)
Senate	44	0	(Senate concurred)

**Effective:** June 6, 1996

## SB 6380

C 100 L 96

Eliminating the requirement that degree-granting private vocational schools participate in the tuition recovery trust fund.

By Senators Bauer and Wood.

Senate Committee on Higher Education  
House Committee on Higher Education

**Background:** In 1987, the tuition recovery fund was established to assure that funds are available to pay student refunds in the event of a school closure. Non-degree granting private institutions fund the trust with semi-annual payments.

In 1994, an account in the tuition recovery fund was established for the degree-granting private career schools. The Attorney General's Office determined that the adopted rules were not consistent with the authority of the Higher Education Coordinating Board, and the law creating that account was never implemented.

The United States Department of Education has established new financial accountability standards. The new standards require schools to post an irrevocable line of credit to reimburse students in the event of a school closure. Tuition recovery funds do not meet this requirement.

**Summary:** The statute that requires degree-granting private vocational schools to participate in the tuition recovery trust fund is repealed.

**Votes on Final Passage:**

Senate	48	0
House	96	0

**Effective:** June 6, 1996

## ESSB 6392

C 312 L 96

Requiring disclosures by managed care entities.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Wood, Quigley, Roach, Cantu, Deccio, Prince and Moyer).

Senate Committee on Health & Long-Term Care  
House Committee on Health Care

**Background:** The health care delivery system is changing rapidly. Consumers need to know which options for patient care exist when selecting health plans. Patients frequently lack information necessary to make informed choices about the health plans they select. Concern exists that many consumers are unaware of which health care services are covered in their plans and which benefits are excluded until the time that services are needed.

It has been suggested that consumers have difficulty obtaining detailed information and understanding the language used in their health care policies.

**Summary:** All health insurers are required to provide a list of available disclosure items to all enrollees or potential enrollees and to provide those disclosure items if requested. Proprietary information does not have to be disclosed.

The disclosure must contain any documents referred to in the enrollment agreement and information on procedures enrollees must follow for prior authorization of health care and referrals to specialists. The disclosure must also state whether a point of service option is available, the grievance procedures available to enrollees and the use of drug lists or formularies.

Plans must disclose whether they require providers to comply with any specified numbers or targets and whether they use incentives or penalties to encourage providers to withhold services or specialty referrals. Circumstances in which a plan may make a retroactive denial of coverage for prior approved treatment must also be disclosed.

Contracts that prevent the exchange of information between providers and enrollees or that prevent enrollees from purchasing health care outside of the plan are prohibited. Immunity is provided for authors of comparison documents based on information provided in the disclosure.

The Insurance Commissioner is prohibited from promulgating any rules.

## ESSB 6398

### Votes on Final Passage:

Senate	47	2	
House	97	0	(House amended)
Senate	46	2	(Senate concurred)

**Effective:** July 1, 1996

## ESSB 6398

C 27 L 96

Providing for background checks of employees at the special commitment center.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Long and Oke; by request of Department of Social and Health Services).

Senate Committee on Human Services & Corrections  
House Committee on Children & Family Services

**Background:** Historically, the Special Commitment Center (SCC) required background checks on all prospective staff having resident contact. The authorization for such checks was derived from statutes covering persons with developmental disabilities. When the persons with developmental disabilities offender program was removed from the SCC, the SCC no longer could legally conduct background checks. The SCC wants prospective employees to comply with a background check to satisfy safety and security needs.

**Summary:** The Department of Social and Health Services has legal authority to require all Special Commitment Center current and prospective employees, as a condition of employment, to comply with a background check.

### Votes on Final Passage:

Senate	47	0
House	95	0

**Effective:** June 6, 1996

## SB 6401

C 170 L 96

Providing a sales and use tax exemption for carbon used in producing aluminum.

By Senators Bauer, Sellar, Snyder, Newhouse, Sutherland, Zarelli, Sheldon, A. Anderson, Spanel and Roach; by request of Department of Revenue.

Senate Committee on Ways & Means

**Background:** The sales tax is imposed on each retail sale of most articles of tangible personal property and certain services. Taxable services include construction, repair, telephone, short-term lodging, physical fitness, and some recreation and amusement services.

The retail sales tax does not apply to the purchase of property for the purpose of resale without intervening use by the person; to the purchase of property which becomes an ingredient or component of a new article of property for sale; or to the purchase of property which is a chemical used in processing, when the primary purpose of the chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale.

**Summary:** Sales of carbon, petroleum coke, coal tar, pitch, and similar substances that become an ingredient or component of anodes or cathodes used in producing aluminum for sale are exempt from sales tax.

### Votes on Final Passage:

Senate	47	0
House	98	0

**Effective:** July 1, 1996

## SB 6403

C 161 L 96

Revising the responsibility for fire investigation.

By Senators Winsley, Haugen, Hale, Sheldon, Goings and Hochstatter.

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** In 1995, the State Fire Protection Policy Board was directed by the Legislature to conduct a study on the overlapping and confusing jurisdiction and responsibilities of local governments concerning fire investigation. Among other findings, the board found that: confusion exists in statute regarding responsibility for investigating the origin, cause, and extent of loss of all fires; responsibilities within fire districts needed clarification; many small cities and towns with volunteer fire departments have very limited or no resources to carry out responsibilities of investigating fire cause and origin; and fire incident data collection is insufficient.

**Summary:** The responsibility for investigating the cause, circumstances, and extent of loss of all fires is assigned as follows: (a) within any city or town, the chief of the fire department; (b) within unincorporated areas of a county, the county fire marshal, or other fire official so designated by the county legislative authority.

Interlocal agreements may be entered into to meet the responsibilities of this act.

If the cause of a fire is determined to be suspicious or criminal in nature, the person responsible for the fire investigation must immediately report the results of the investigation to the local law enforcement agency and the State Fire Marshal.

Any law enforcement agency, sheriff, or chief of police may assist in the investigation of all fires within his or her respective jurisdiction.

A fire marshal or other person is precluded from entering the scene of an emergency until permitted by the officer in charge of the emergency incident.

**Votes on Final Passage:**

Senate	48	0	
House	86	0	(House amended)
Senate	45	0	(Senate concurred)

**Effective:** June 6, 1996

**ESB 6413**

C 238 L 96

Revising provisions for successor unemployment compensation contribution rates.

By Senators Pelz, Newhouse and Winsley; by request of Employment Security Department.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** In 1995, the Legislature, in response to the Joint Task Force on Unemployment Insurance, modified the manner in which unemployment taxes are calculated for new employers that take over an existing business. This process is generally termed by the Employment Security Department as "successorship." Under the legislation, a "successor" employer who did not have employees prior to the acquisition of a firm is assigned the lower of two unemployment rates: (1) the old firm's (predecessor's) rate class, or (2) the average industry rate class.

In administering the legislation, the department finds the provisions regarding the transfer of a purchased company's historical unemployment record or "experience rating" to be a complex and costly process and requests that this requirement be delayed.

**Summary:** The existing statutory provision requiring the Employment Security Department to transfer the "experience rating" of a purchased company to its successor is clarified.

For successor employers who participate in business transfers before January 1, 1997, the unemployment insurance contribution rate is determined without transferring the acquired business' "layoff experience." For transfers on or after January 1, 1997, the successor employer's contribution rate is determined by incorporating the acquired business' "layoff experience."

**Votes on Final Passage:**

Senate	48	0	
House	94	0	(House amended)
Senate	43	0	(Senate concurred)

**Effective:** June 6, 1996

**SB 6414**

C 28 L 96

Providing for federal income tax withholding from unemployment compensation benefits.

By Senators Pelz and Newhouse; by request of Employment Security Department.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** Currently, unemployment insurance benefits are subject to federal income tax; however, income tax payments are not withheld from a claimants weekly benefits. This has resulted in numerous complaints at both a state and federal level from claimants that face a substantial tax bill in April of each year and possible penalties from the IRS if they are unable to meet their tax liabilities.

In order to address this problem, federal legislation was enacted in 1994 requiring the states to deduct federal income tax payments from unemployment insurance benefits if the claimant so desires. Employment security departments of the states are required to conform to federal guidelines, effective December 31, 1996.

**Summary:** The Employment Security Department is required to inform unemployment insurance claimants that unemployment insurance is subject to federal income tax and that claimants may choose to have their federal income tax deducted from their unemployment benefits.

The Commissioner of Employment Security is directed to comply with all procedures of the United States Department of Labor and the Internal Revenue Service in regard to deducting and transferring income taxes.

**Votes on Final Passage:**

Senate	42	0
House	95	0

**Effective:** December 31, 1996

**SSB 6422**

C 239 L 96

Requiring additional planning for general aviation facilities.

By Senate Committee on Government Operations (originally sponsored by Senators Haugen, Morton, Hale, Swecker, Prentice and Sutherland).

Senate Committee on Government Operations  
House Committee on Transportation

**Background:** Counties and cities planning under the Growth Management Act (GMA) must develop comprehensive plans that include a transportation element and a land use element. GMA requires that the transportation and land use elements be consistent with each other, but it does

## ESB 6423

not require planners to protect general aviation airports from incompatible land uses.

**Summary:** Consideration of general aviation airport facilities is required in both the land use and transportation elements of the comprehensive plans of counties and cities planning under the GMA.

Every city and town, code city, charter city and county having a general aviation airport in its jurisdiction is required to discourage the siting of land uses that are incompatible with the airport. This policy must be implemented in the comprehensive plan and development regulations as they are amended in the normal course of land use proceedings. Formal consultation with the aviation community is required and all plans and regulations must be filed with the aviation division of the Department of Transportation.

**Votes on Final Passage:**

Senate	45	0
House	79	11

**Effective:** June 6, 1996

## ESB 6423

C 250 L 96

Creating the Washington electronic authentication act.

By Senators Sutherland, Finkbeiner and Sheldon; by request of Secretary of State.

Senate Committee on Energy, Telecommunications & Utilities

House Committee on Energy & Utilities

**Background:** Digital encryption allows a person to protect a message so that only the intended recipients can read it, and to digitally sign it so that people can verify that it came from the sender. Many digital encryption systems exist or are in development.

Dual key encryption uses two digital codes, or "keys": a secret key and a public key. The user keeps the secret key confidential, and shares the public key to friends, business associates, and others to whom confidential messages are sent. Each key can read a message that has been encrypted by the other. If a person wants to digitally sign a message, he or she may use the secret key to create a signature. The recipient then uses the sender's public key to verify the source of the message.

Private companies provide or plan to provide encryption services either as part of their existing services or as a commercial enterprise. In addition, government agencies such as courts or tax offices will have increased need to protect security of electronic documents.

Unless the integrity of digital transmissions can be assured, on-line services cannot be used for such tasks as court filings, financial transactions, or sensitive personal or business correspondence. Digital signatures also raise

several legal questions, such as their validity under the statute of frauds and the liability for damages for forgeries.

**Summary:** The Secretary of State is given authority to license and regulate certification authorities for digital signatures. The Secretary is directed to maintain a data base containing disclosure records for each licensed authority and to adopt rules to determine an amount appropriate for a suitable guaranty, set requirements for recordkeeping, and specify the form and contents of certificates, disclosure records and practice statements. The Secretary becomes a certification authority if none are licensed within six months of the effective date of the act. The Secretary is authorized to set fees for all services rendered in these efforts, and the fees are deposited in the state general fund.

Qualifications of certification authorities are listed. These entities must employ qualified personnel; file with the Secretary a suitable guaranty, with exceptions for public entities; have the right to a trustworthy computer system; present proof of working capital; and maintain an in-state office or have an in-state registered agent. Each licensed authority is required to be audited by a certified public accountant at least once per year with its level of compliance published by the Secretary. Exemptions are allowed for small or less active authorities.

A certification authority may issue a certificate only if: it has received a request; the prospective subscriber is confirmed; the information in the certificate to be issued is accurate; the prospective subscriber rightfully holds the private key corresponding to the public key in the certificate and the private key is capable of creating a digital signature; and the public key can be used to verify the digital signature. If the certificate is accepted, it must be published in a recognized repository. A certification authority must immediately revoke certificates if not issued correctly and may suspend a certificate pending investigation. The Secretary may order a certification authority to suspend or revoke a certificate.

A certification authority warrants that an issued certificate is accurate and satisfactory, and promises to act promptly to suspend or revoke a certificate and give reasonable notice to the subscriber if reliability is in question.

A subscriber of a certificate certifies that the subscriber holds the private key and all representations are true. The subscriber indemnifies the certification authority for loss or damage if a published certificate relies on false representation or failure to disclose required information.

By accepting the certificate, the subscriber assumes the duty to retain control of the private key. The private key is the personal property of the subscriber; if held by a certification authority, it is held as a fiduciary of the subscriber and it may only be used with approval.

A certification authority must suspend a certificate up to 48 hours if requested by the subscriber, a person likely to know of a compromise of the subscriber's security, or the Secretary. The Secretary or a county clerk may suspend under similar conditions. Immediate notice of the

suspension is required. Conditions of terminating a suspension are described.

A certification authority must revoke a certificate after receiving a request and confirming the validity of a subscriber, with confirmation and revocation required within one business day, or after confirming the death or dissolution of subscriber. Certificates may be revoked if they are unreliable. After meeting conditions, the subscriber and the certification authority are relieved of duties and warranties. A certificate must indicate an expiration date.

A reliance limit in a certificate is a recommended limit to persons other than the certificate authority and subscriber. A certification authority is not liable for losses due to fraud of the subscriber or in excess of the amount of the recommended reliance limit.

Details are specified for recovery of the amount of a qualified right to payment if the guaranty is a surety bond or letter of credit, including attorneys' fees and court costs. Filing written notice of claim is required, and must be done within three years of the occurrence of the violation.

When a lawful signature is required, a digital signature satisfies if the digital signature is verified by reference to the public key in a valid certificate, it is affixed by the signer with intent to sign, and the recipient has no knowledge that the signer either breached a duty or does not rightfully hold the private key.

A recipient of a digital signature assumes the risk of forgery if reliance on the digital signature is not reasonable under the circumstances. If not relied upon, the recipient must notify the signer and the grounds for the determination that it is not reliable. The legislation does not obligate a person to accept a digital signature or to respond to an electronic message containing a digital signature.

A message is as valid as if on paper if it bears in its entirety a digital signature, and the digital signature is verified by the public key listed in a certificate. The certificate must be issued by a licensed certification authority and be valid at the time the digital signature is created.

In adjudicating disputes involving digital signatures, a court presumes a certificate signed by a certification authority is issued by the certification authority and accepted by the subscriber; the information listed is accurate; and if verified by the public key, the signature is the subscriber's and is affixed with the intent of signing the message; that the recipient assumed it is valid; and that the signature is created before it is time-stamped.

The Secretary must recognize one or more repositories after finding that it is operated under the direction of a licensed certification authority; includes a proper data base; operates by means of a trustworthy system; does not contain a significant amount of incorrect information; contains conforming certificates; keeps an archive of suspended or revoked certificates; and complies with other rules of the Secretary. A repository may apply for recognition by the Secretary and may file written notice of discontinuing.

A repository is liable for loss from a suspended or revoked certificate if the loss is incurred more than one business day after receipt of the request to publish notice of suspension or revocation and the repository failed to publish the notice. The repository is not liable for an amount in excess of the recommended reliance limit in the certificate.

The Secretary is given authority to adopt rules to implement the legislation beginning July 1, 1996.

**Votes on Final Passage:**

Senate	48	1	
House	94	0	(House amended)
Senate	43	1	(Senate concurred)

**Effective:** January 1, 1998

## SB 6425

C 66 L 96

Concerning the indebtedness of a port district.

By Senators Swecker, Fraser and Zarelli.

Senate Committee on Government Operations  
House Committee on Capital Budget

**Background:** A port district may contract indebtedness, not authorized by the voters, of one-fourth of 1 percent of the value of taxable property in the district. Port districts having less than \$800 million in value during 1991 may contract indebtedness, not authorized by the voters, of three-eighths of 1 percent. With the assent of three-fifths of the voters, a port district may contract a total indebtedness of three-fourths of 1 percent of the value of the taxable property in the district.

Any municipal corporation, including port districts, may enter into a loan agreement containing the terms and conditions of a loan from an agency of the state of Washington or the United States. Generally, these loans are excluded from the computation of indebtedness of the municipal corporation.

**Summary:** It is clarified that the amount of a loan from an agency of the state of Washington or the United States is excluded from the computation of indebtedness of a port district.

**Votes on Final Passage:**

Senate	45	0
House	94	0

**Effective:** June 6, 1996

ESSB 6427

C 4 L 96

Using an unfinished nuclear energy facility.

By Senate Committee on Energy, Telecommunications & Utilities (originally sponsored by Senators Snyder, Hargrove, Sutherland, Owen, Loveland and Newhouse).

Senate Committee on Energy, Telecommunications & Utilities

House Committee on Energy & Utilities

**Background:** The Energy Facility Site Evaluation Council (EFSEC) is the entity in state government with the responsibility of siting electricity-generating plants that generate over 250 megawatts. EFSEC is a one-stop permitting and certificating agency that includes representatives of several state agencies and representatives of a local government in which a proposed site is located. EFSEC has powers to preempt the permit authority of other state and local agencies. In some cases, such as nuclear plants, EFSEC has an ongoing role to assure that the plant operator meets permit or certificate requirements, including site restoration.

In the decade of the 1970s, EFSEC approved several proposed nuclear reactor projects. Two of these were located at Satsop in Grays Harbor County, WNP-3 and WNP-5. These projects are owned by the Washington Public Power Supply System, and neither of these reactors were ever finished.

**Summary:** This legislation applies only to unfinished nuclear power projects that are not located on federal land. The certificate holder of such a project may contract, establish interlocal agreements, or use other formal means to transfer site restoration responsibilities, which may include economic development activities, to a political subdivision or combination of political subdivisions as long as these subdivisions have elected officials. These agreements may include transferring interest in the site or portions of the site, but must include transfers of any site responsibilities for maintaining the public welfare, specifically those responsibilities pertaining to public health and safety. If a transfer of the site or a portion of the site occurs, the Energy Facility Site Evaluation Council is directed to amend the site certification agreement.

If a transfer of site water rights is not accomplished through rules, within six months of a transfer of the site or a portion of the site, the Department of Ecology is directed to create a trust water right of between 10 and 20 cubic feet per second from existing valid water rights in the same basin. The trust water right must be used for site restoration activities, which may include economic development activities.

Any action of EFSEC pursuant to the act of transferring the site or portions of the site is exempt from the State Environmental Policy Act.

Votes on Final Passage:

Senate 49 0  
House 93 0

Effective: March 6, 1996

SB 6428

C 313 L 96

Revising irrigation district mergers.

By Senators Newhouse and Haugen.

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** Special districts include drainage improvement districts, joint drainage improvement districts, or consolidated drainage improvement districts. When a special district desires to merge with an irrigation district in which the lands of the special district are located, petition for merger may be made to the board of county commissioners. The board of supervisors of the special district signs the petition, which is then presented to the clerk of the board of county commissioners.

The merger of irrigation districts does not come under the purview of a boundary review board.

A desire has been expressed that the process for merging special districts with an irrigation district be consolidated and streamlined.

**Summary:** Either the special district's board of supervisors or ten landowners within the affected district are allowed to sign the petition requesting a merger.

Boundary review boards have no jurisdiction over the merger of a drainage improvement district, joint drainage improvement district, or consolidated drainage improvement district into an irrigation district.

Votes on Final Passage:

Senate 49 0  
House 93 0 (House amended)  
Senate 44 0 (Senate concurred)

Effective: June 6, 1996

SSB 6430

C 314 L 96

Changing social card game provisions.

By Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Schow and Spanel).

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor  
House Committee on Appropriations

**Background:** Under current law, taverns, restaurants, and other businesses primarily engaged in selling food or drink may be licensed to conduct social card games. Nonprofit



and charitable organizations are also allowed to conduct social card games.

Licensees may not operate more than five separate card tables at an establishment. House banked card games (such as blackjack) and player supported prize contests (such as jackpot poker) associated with card games are currently prohibited by state law.

Licensees are permitted to charge players an hourly sitting fee, currently set at a maximum of \$6 per hour, per player or a tournament entry fee not to exceed \$50. Licensees are prohibited from collecting any additional fee from the players.

**Summary:** A card room licensee may be allowed by the Gambling Commission to operate up to 15 separate card tables at an establishment. In addition, licensees are authorized to act as custodian of player supported prize contests associated with card games.

Licensees are authorized to collect a fee, including a percentage of a winner's prize, from card players.

**Votes on Final Passage:**

Senate	30	14	
House	78	13	(House amended)
Senate			(Senate refused to concur)
House	83	15	(House receded)

**Effective:** June 6, 1996

**SB 6441**

C 109 L 96

Requiring expiration dates on prescriptions dispensed by nonresident pharmacies.

By Senators Moyer, Franklin, Schow, Wojahn, Zarelli, Quigley, Wood, Winsley, Fairley, Deccio, Oke and Kohl.

Senate Committee on Health & Long-Term Care  
House Committee on Health Care

**Background:** Pharmacies that ship, mail or deliver prescriptions to the state of Washington are required to be licensed as nonresident pharmacies. These pharmacies are required to comply with rules for the provision of drug information to patients and information necessary to assure the proper utilization of the medication prescribed.

Current state law requires all in-state pharmacies to attach a label that contains information, including the expiration date of the medication, to all prescription containers. Nonresident pharmacies are not required to include the expiration dates.

The use of nonresident pharmacies has grown rapidly in recent years. Concern exists that many residents of Washington may be taking medications that have expired because nonresident pharmacies do not have to provide the medication's expiration date. Expired prescriptions may no longer be beneficial to a patient and may even be harmful.

**Summary:** Nonresident pharmacies are required to attach a label including the expiration date of the medication to any prescription dispensed in the state of Washington.

**Votes on Final Passage:**

Senate	49	0
House	93	0

**Effective:** June 6, 1996

**SSB 6466**

C 67 L 96

Allowing construction that has a minor impact on air quality to proceed without a notice of construction or review approval from the department of ecology.

By Senate Committee on Ecology & Parks (originally sponsored by Senators Spanel, Swecker, Sutherland, Morton, Bauer, A. Anderson and Fraser).

Senate Committee on Ecology & Parks  
House Committee on Agriculture & Ecology

**Background:** A "new source" is any construction or modification at a facility that increases the amount of air pollution being emitted or results in a new contaminant being emitted. The Washington Clean Air Act requires that new sources submit a prior notice of construction to the Department of Ecology or the appropriate local air authority for review. The reviewing agency then determines whether the construction/modification will meet state regulatory requirements. These requirements include the "best available control technology" (BACT), which is a regulated emission standard that specifies the type of technology to be used. Residences are currently exempt from the notice and review requirements.

**Summary:** A new exemption from the notice of construction and review requirements is created for "de minimis" new sources. "De minimis" is defined as a trivial level of emission that does not pose a threat to human health or the environment. The Department of Ecology must define by rule what new sources are considered de minimis, and can define them either by category, size or emission threshold.

The section on BACT requirements is rewritten. The notice of construction approval must include a determination that the new source will achieve BACT standards, or a more stringent federal standard as promulgated. The state's authority to develop more stringent standards is not impaired.

**Votes on Final Passage:**

Senate	49	0
House	93	0

**Effective:** June 6, 1996

SB 6467

C 29 L 96

Concerning the collection of pollution program fees.

By Senators Spanel, Swecker, Sutherland, Morton, Bauer, A. Anderson, Fraser, Roach and Haugen.

Senate Committee on Ecology & Parks  
House Committee on Agriculture & Ecology

**Background:** New sources of air pollution must file a "notice of construction" application, and pay a fee to cover the cost of processing the application. Cost-based fees are also collected from some facilities or sources for special, case-by-case RACT reviews. (RACT is Reasonably Available Control Technology, an emission limit that takes into account economic and technological limits.) Currently, new source review fees and RACT determination fees may be deposited in one of two separate state accounts: those from small non-permitted sources go into the air pollution control account, and those from major permitted sources go into the air operating permit account. There is currently about \$4.5 million in the air operating permit account, of which \$650,000 is from new source fees and RACT fees, and the remainder from air operating source fees.

This system was created so that all the fees paid by the major permitted facilities, whether for new source review, RACT determination or air operating permits, would go into one account. However, new source review and RACT determinations are infrequent or one-time charges, while air operating permits are an ongoing expense. Continuing to mix new source review fees and RACT determination fees into the air operating permit account makes it more difficult to track the expenditures for air operating permits.

**Summary:** All new source review fees and RACT determination fees collected by Ecology are deposited into the air pollution control fund. The language that distinguishes between funds from permit program sources and non-permit program sources is deleted.

**Votes on Final Passage:**

Senate 48 0  
House 95 0

**Effective:** June 6, 1996

SB 6476

C 315 L 96

Adjusting vehicle and vessel fees.

By Senators Sheldon and Schow.

Senate Committee on Transportation  
House Committee on Transportation

**Background:** The Department of Licensing (DOL) empowers county auditors to perform certain motor vehicle

licensing services. The county auditors may request DOL to appoint subagents within the county. A subagent is an authorized provider of licensing services. Both subagents and county auditors charge service fees in addition to regular licensing fees paid by the vehicle owner.

County auditor and subagent fees are set in statute. In 1992 the Legislature formed a Title and Registration Advisory Committee (TRAC) to make recommendations concerning the services provided by county auditors and subagents and the fees charged. The recommendations were due January 1, 1996.

This past interim TRAC recommended changes to state law, enabling county auditors and subagents to perform vessel licensing and titling and increasing service fees.

**Summary:** The licensing authority of county auditors and subagents is expanded to include vessel registration and titles. Every three years DOL must analyze and evaluate the service fee structure, and make any recommendations for increases to the Legislative Transportation Committee. Criteria for recommending fee increases are specified.

Fee increases for county auditors are authorized as follows: an increase from \$2 to \$3 for applications for registration of vehicles and vessels; an increase from \$3 to \$4 for certificates of ownership of vehicles and vessels; and a new \$1 fee for registration of trucks, tractors, buses, for hire vehicles, trailers, semi-trailers and pole trailers.

Fee increases for subagents are as follows: an increase from \$5.50 to \$7.50 for changes in ownership, verification of record and affidavits of lost title; and an increase from \$2.25 to \$3 for registration renewals, transit permits or miscellaneous licensing activities.

**Votes on Final Passage:**

Senate 48 1  
House 90 0 (House amended)  
Senate (Senate refused to concur)  
House 86 9 (House receded)

**Effective:** June 6, 1996

July 1, 1996 (Section 1)  
January 1, 1997 (Section 4)  
July 1, 1997 (Section 5)

SB 6482

FULL VETO

Providing for veterans' preferences.

By Senators Winsley, Haugen, Rasmussen and Oke.

Senate Committee on Labor, Commerce & Trade  
House Committee on Government Operations

**Background:** Veterans receive specific preferences on competitive examinations for public employment. The preference must be claimed within eight years. Veterans also receive other benefits such as license and property tax

benefits, military credit for retirement systems, potential tuition exemptions at state universities and preference in purchasing state property. Counties levy a tax to create the veterans' assistance fund, used for aiding indigent veterans and their families. A county may be required to pay for the burial of indigent veterans.

The definition of veteran includes an individual who has received an honorable discharge or a discharge for physical reasons with an honorable record, and who served in World Wars I or II, the Korean conflict, the Vietnam era or any other declared war.

**Summary:** The definition of veteran is expanded. The definition of the Vietnam era is clarified. The Persian Gulf War and its respective dates are added as a period of war. Other recent armed conflicts are added. The period of time which an individual must have served active military duty in order to qualify for veteran preference on competitive examinations for public employment is added.

The veteran participating in competitive examinations for public employment must receive a veteran's preference, and must receive a passing grade on the examination in order to receive the preference. Further clarification is given as to when the preference is applied, and what percentage is applied.

A veteran's preference must be claimed within ten years of the individual's release from active military service, instead of eight years.

Technical changes and clarifications to language are made.

**Votes on Final Passage:**

Senate	48	0
House	93	0

**VETO MESSAGE ON SB 6482**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Senate Bill No. 6482 entitled:

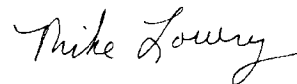
"AN ACT Relating to veterans' benefits;"

Senate Bill No. 6482 amends statutes that give preference in public employment to veterans who have served during specific armed conflicts. This bill adds to the list of eligible conflicts those that have occurred since 1975 and adds categories of veterans to those who currently receive preferences. The provisions of Engrossed Substitute House Bill No. 2781, which I have already approved, and this legislation are nearly identical.

Senate Bill No. 6482 contains ambiguities and conflicting language regarding eligibility of veterans for different levels of preferences. These ambiguities would likely result in inconsistent interpretation of law and administrative difficulties for all levels of government responsible for carrying out these important programs. When government grants rights and benefits, it is critical that the law is clear and unambiguous.

For these reasons, I have vetoed Senate Bill No. 6482 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**SSB 6487**

C 30 L 96

Revising qualifications for commercial driver's licenses.

By Senate Committee on Transportation (originally sponsored by Senators Owen and Prince; by request of Department of Licensing).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** Federal law requires operators of certain commercial motor vehicles to obtain a commercial driver's license (CDL). This includes operators of vehicles with 26,001 or more pounds Gross Vehicle Weight Rating (GVWR), and vehicles under 26,001 pounds GVWR if they are transporting hazardous materials or carrying 16 or more passengers including the driver. Current state law further requires a CDL if a person is operating a school bus regardless of size and weight, although federal law requires a CDL in such cases only if the vehicle has a GVWR of 26,001 or more pounds or is designed to carry 16 or more passengers, including the driver. State law must be at least as restrictive as the federal law to avoid penalties but can be more restrictive.

Changes and clarifications to the federal law are necessitating changes to the state law. Under current statute a school bus driver can test with a vehicle under 26,001 pounds GVWR or designed to carry less than 16 passengers and receive a CDL that permits operation of a vehicle carrying 16 or more passengers.

If not implemented, the state will lose 5 percent (\$3.5 million) of federal aid construction funds for the first year of noncompliance and 10 percent for subsequent years of noncompliance.

**Summary:** Two new CDL endorsements are added. The first new endorsement authorizes driving all vehicles carrying passengers, and the second new endorsement authorizes driving vehicles with a GVWR of less than 26,001 pounds carrying 16 or more passengers including the driver.

Penalties for violating out of service orders — for example, driving a vehicle that is out of service because of defective equipment — are added to comply with the new federal legislation. These penalties consist of time periods of commercial driver license suspension.

## SB 6489

### Votes on Final Passage:

Senate 49 0  
House 95 0

Effective: October 1, 1996

## SB 6489

C 31 L 96

Clarifying criteria for refund of overpayments of vehicle and vessel license fees.

By Senators Owen and Prince; by request of Department of Licensing.

Senate Committee on Transportation  
House Committee on Transportation

**Background:** The Department of Licensing has limited authority to issue motor vehicle excise tax refunds or refunds of vessel registration fees.

**Summary:** The Department of Licensing may refund motor vehicle excises taxes and vessel registration fees in the following circumstances:

(1) if the vehicle or vessel for which the renewal license is purchased is destroyed before the beginning date of the registration period;

(2) if the registered vehicle or vessel is permanently moved from the state either before the registration period begins, or during the registration period (in the latter case, only a pro rata share of the taxes and fees are refunded);

(3) if the vehicle or vessel license is purchased after the owner sold the vehicle or vessel.

### Votes on Final Passage:

Senate 47 0  
House 95 0

Effective: June 6, 1996

## SSB 6510

C 112 L 96

Changing the tax status of persons engaged in the business of cleaning up for the United States, or its instrumentalities, radioactive waste and other byproducts of weapons production and nuclear research and development.

By Senate Committee on Ways & Means (originally sponsored by Senators Loveland and Hale; by request of Governor Lowry).

Senate Committee on Ways & Means

**Background:** The sales tax is imposed on each retail sale of most articles of tangible personal property and certain services. The use tax is imposed on the use of articles of tangible personal property when the sale or acquisition has

not been subject to the sales tax. The use tax commonly applies to purchases made from out-of-state firms.

In general, building contractors charge sales tax on the full price of construction, including labor and materials, because the constructing, altering, repairing, and improving of real or personal property for consumers is subject to sales tax. Construction for the federal government is exempt from tax because federal law requires it. However, state law defines the contractor as the consumer in constructing, repairing, decorating, or improving structures for the federal government and, therefore, the contractor pays sales tax on materials purchased and use tax on materials used in the construction whether or not the materials are incorporated into the structure.

Washington's major business tax is the business and occupation (B&O) tax. Although there are several different rates, the principal rates are:

Manufacturing, wholesaling, & extracting	0.506%
Retailing	0.471%
Services:	
- Business services	2.0%
- Financial services	1.6%
- Other activities	1.829%

Federal contractors are subject to a special B&O tax rate of 0.506 percent.

**Summary:** Persons engaged in the business of cleaning up radioactive waste and other byproducts of weapons production and nuclear research and development for the United States or its instrumentalities are defined as consumers for purposes of the retail sales tax. In addition, a special B&O tax rate of 0.471 percent is imposed on this activity.

### Votes on Final Passage:

Senate 47 0  
House 93 5

Effective: July 1, 1996

## SB 6511

C 113 L 96

Providing sales and use tax exemptions for materials used in the construction of a laser interferometer gravitational wave observatory.

By Senators Loveland and Hale; by request of Governor Lowry.

Senate Committee on Ways & Means

**Background:** The sales tax is imposed on each retail sale of most articles of tangible personal property and certain services. The use tax is imposed on the use of articles of tangible personal property when the sale or acquisition has not been subject to the sales tax. The use tax commonly applies to purchases made from out-of-state firms.

In general, building contractors charge sales tax on the full price of construction, including labor and materials, because the constructing, altering, repairing, and improving of real or personal property for consumers is subject to sales tax. Construction for the federal government is exempt from tax because federal law requires it. However, state law defines the contractor as the consumer in sales to the federal government and, therefore, the contractor pays sales tax on materials purchased and use tax on materials used in the construction whether or not the materials are incorporated into the structure.

**Summary:** Personal property purchased by contractors on sales to the federal government is exempt from sales tax if the property is incorporated into, installed in, or attached to a building or other structure that is an integral part of a laser interferometer gravitational wave observatory on which construction is commenced before December 1, 1996.

**Votes on Final Passage:**

Senate	47	0
House	97	0

**Effective:** March 20, 1996

## SSB 6514

### PARTIAL VETO

C 240 L 96

Enhancing preservation services for families.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Long, Hargrove, Schow, Kohl and Winsley).

Senate Committee on Human Services & Corrections  
House Committee on Children & Family Services

**Background:** "Preservation services" for families are divided into two classes of services: "intensive family preservation services" and "family preservation services." Either service may be delivered in the home or in the community. The services include respite care, parenting skills, and the promotion of the child and family's well-being.

"Family preservation services" must ensure the safety of the child and strengthen the family, empower the family to become self-sufficient, utilize community supports, and locate and refer the family to basic support services. The services may be provided to children and their families when the child faces a "substantial likelihood of out-of-home placement" due to child abuse or neglect, a serious threat to their health, safety or welfare, or family conflict. Caseworkers may handle up to ten cases at a time and the services are limited to a maximum of 90 days.

"Intensive family preservation services" share many of the characteristics of family preservation services, but are available sooner, caseloads are limited to an average of two families, and are limited to 40 days in duration. The serv-

ices are provided when the child is in "imminent risk" of out-of-home placement.

The Department of Social and Health Services (DSHS) is required to provide the services through outcome-based, competitive contracts with social service agencies, unless there is no provider available. Last session, the Legislature required DSHS to develop a plan for the statewide implementation of both types of preservation services.

It has been suggested that the expanded use of paraprofessional workers and community support systems would provide expanded availability and effectiveness of preservation services. Additionally, it is believed that requiring follow-up services as part of the department's contracts would increase the cost-effectiveness of the services.

The providers of intensive family preservation services are required to demonstrate the services prevent out-of-home placement for at least six months in 70 percent of the cases served.

**Summary:** The department's contractors of preservation services for families may use paraprofessional workers in delivering the services. Paraprofessional workers are individuals who are trained to provide assistance and community support development. These workers are required to act under the supervision of a preservation services therapist.

The providers of preservation services must help the families in the development and maintenance of community support systems. The support systems include family, friends, neighbors, religious organizations, and other support groups or organizations. The providers may also provide follow-up services, on an individual case basis, for up to one year after the delivery of the initial services.

Caseload for intensive family preservation services may be increased from an average of two families per caseworker to five families when paraprofessional workers are used. The intensive services may be offered for up to 90 days instead of 40 days. The less intensive services may be provided for up to six months instead of 90 days. The department may require the services to be extended on an individual case basis. DSHS must adopt rules to implement the chapter.

**Partial Veto Summary:** The Governor vetoed the intent section of the bill.

**Votes on Final Passage:**

Senate	49	0	
House	92	0	(House amended)
Senate	44	0	(Senate concurred)

**Effective:** June 6, 1996

### VETO MESSAGE ON SB 6514-S

March 28, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 1, Substitute Senate Bill No. 6514 entitled:

“AN ACT Relating to preservation services;”

Substitute Senate Bill No. 6514 authorizes the use of paraprofessional workers to provide support services to families receiving preservation services from the Department of Social and Health Services (DSHS) or its contractors. This bill also allows DSHS and its contractors, when using paraprofessionals, to serve more families and to provide preservation services for a longer period of time.

Section 1 of this measure states that it is the intent of the legislature to target preservation services to families “most at risk”. This language suggests that DSHS must prioritize the provision of preservation services to families who are at high risk of having their children removed from their home due to abuse or neglect. More specifically, this language may be read as suggesting that the department serve high risk families before serving families who are at lower risk of an out-of-home placement, but who nevertheless have placed their children in danger and who could benefit from services designed to prevent the situation from escalating into a crisis resulting in an out-of-home placement.

While I agree that scarce resources should be targeted whenever possible, section 1 seems to be unduly restrictive and contrary to the prevention-oriented focus of Engrossed Substitute Senate Bill No. 5885. That important legislation, which was enacted last year and for which the legislature has appropriated funding this year, contained a clear expression of the legislature’s intent to provide “up-front services” to strengthen families and to prevent out-of-home placements. Last year’s measure also expanded preservation services to include less intensive services for families who are at lower risk of an out-of-home placement.

The 1996 supplemental operating budget, Engrossed Substitute Senate Bill No. 6251, expressly provides funding both for the existing intensive preservation services for high risk families and for the new preservation services established last year for lower risk families. Section 1 appears to be inconsistent with this legislative direction.

For these reasons, I have vetoed section 1 of Substitute Senate Bill No. 6514.

With the exception of section 1, Substitute Senate Bill No. 6514 is approved.

Respectfully submitted,

Mike Lowry  
Governor

**ESSB 6521**

C 241 L 96

Establishing electrical administration procedures.

By Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Heavey and Sutherland; by request of Department of Labor & Industries).

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** The Department of Labor and Industries administers the electrical contractor licensing and electrical certificates of competency statutes. The department issues the following licenses and certificates: electrical contractor license, electrical contractor administrator certificate, jour-

neyman electrician certificate, specialty electrician certificate, and trainee certificate.

An electrical contractor’s license may be obtained by submitting an application to the department, posting a bond or other security in the amount of \$4,000, and employing an individual who possesses a general or specialty electrical contractor administrator certificate. The administrator is responsible for ensuring that all electrical work completed by the firm is done in compliance with state laws. An administrator must take an exam in order to obtain a certificate.

A training certificate may be obtained by individuals who are enrolled in an electrical construction trade apprenticeship program or who are learning the electrical trade. These individuals may work in the electrical trade if they are supervised by a certified electrician and they possess a training certificate. A training certificate must be renewed annually. A trainee is required, when renewing the certificate, to submit to the department a list of the holder’s employers for the previous year and the number of hours worked for each employer.

The department has authority to deny, suspend or revoke electrical licenses and certificates for certain violations of state law.

The department and certain cities are responsible for inspecting electrical wiring, and equipment in or on all buildings to assure compliance with state law. Questions have been raised regarding whether all electrical wiring and equipment must be visually inspected, or whether other testing methods may be utilized to verify the safety of such wiring and equipment.

**Summary:** The department is authorized to deny renewal of an electrical license or certificate if outstanding penalties are owed for a final citation.

The department is prohibited from accepting an application for an electrical contractor administrator’s certificate for up to two years if the applicant’s previous administrator’s certificate is revoked for a serious violation of state law and all appeals are exhausted.

The department is authorized to audit the records of an electrical contractor to verify the hours of experience submitted by an electrical trainee. The information obtained from the Department of Labor and Industries during the audit is confidential information and is not open to public inspection.

The language governing the inspection of electrical wiring and equipment is modified to allow an inspector to employ any testing methods that assures that wiring and electrical equipment is in conformance with the state electrical code.

**Votes on Final Passage:**

Senate	43	6	
House	96	0	(House amended)
Senate	42	0	(Senate concurred)

**Effective:** June 6, 1996

**SB 6526**

C 162 L 96

Exempting from sales and use tax medicines prescribed by naturopaths.

By Senators Spanel, Roach and Kohl.

Senate Committee on Ways & Means

**Background:** The sales tax is imposed on retail sales of most items of tangible personal property and some services. The state tax rate is 6.5 percent and is applied to the selling price of the article or service. In addition, local sales taxes apply. The total rate is between 7 percent and 8.2 percent, depending on the location.

Sales tax applies when items are purchased at retail in the state. Sales tax is paid by the purchaser and collected by the seller. Use tax is imposed on the use of an item in this state when the acquisition of the item has not been subject to sales tax. Use tax applies to items purchased from sellers who do not collect sales tax, items acquired from out of state, and items produced by the person using the item. Use tax is equal to the sales tax rate multiplied by the value of the property used.

A number of exemptions from these taxes exist. Examples of exemptions that apply to both sales and use taxes are most food purchased in stores, prescription drugs, and medically prescribed oxygen.

The sale and use of medicines prescribed, administered, or used by a naturopath are not exempt from sales and use taxes.

**Summary:** The sale and use of medicines of mineral, animal, and botanical origin prescribed, administered, or used in treatment of an individual by a naturopath are exempt from both sales and use taxes.

**Votes on Final Passage:**

Senate	48	0
House	97	0

**Effective:** July 1, 1996

**SSB 6529**

C 68 L 96

Requiring the fish and wildlife commission to simplify licensing requirements for recreational hunting and fishing.

By Senate Committee on Natural Resources (originally sponsored by Senators Drew, Owen, Oke, Sutherland and Winsley).

Senate Committee on Natural Resources  
House Committee on Natural Resources

**Background:** The recreational fishing and hunting license structure of the Department of Fish and Wildlife is unne-

cessarily complex and difficult for public compliance, and dealer issuance.

The administration of recreational licenses needs to be simplified.

**Summary:** The Fish and Wildlife Commission is required to develop proposed legislation to simplify and modernize the recreational fishing and hunting license system by the 1998 legislative session.

The commission must make interim improvements to the current license system.

**Votes on Final Passage:**

Senate	46	0
House	93	0

**Effective:** June 6, 1996

**SSB 6532**

FULL VETO

Extending an exception from vessel registration.

By Senate Committee on Transportation (originally sponsored by Senators Owen, Oke, Spanel and Fraser).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** Vessels that have a valid registration number under federal law or by an approved issuing authority of the state of principal operation are exempt from vessel registration in the state of Washington. A vessel that is validly registered in another state, but is removed to this state for principal use, has 60 days to register with this state.

**Summary:** Vessels that are owned by nonresidents and used for personal use and enjoyment and are validly registered in another state are allowed to remain within this state for no more than six months before being required to register their vessels with Washington State. Vessels used in a nontransitory business are excluded from this exemption. This exemption is valid until July 1, 1999.

**Votes on Final Passage:**

Senate	44	0	
House	88	8	(House amended)
Senate	41	1	(Senate concurred)

**VETO MESSAGE ON SB 6532-S**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 6532 entitled:

"AN ACT Relating to exceptions from vessel registration;"

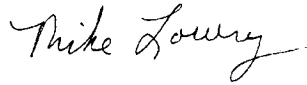
Substitute Senate Bill No. 6532 provides a blanket exemption from Washington's vessel registration laws for a period of up to

six months and does not require that a vessel be registered in any other jurisdiction.

My concerns with this are twofold. First, it could result in a violation of federal law and a loss of federal funds. Federal law requires a vessel operating in U.S. waters to have a valid registration from an issuing authority. In addition, I have been informed by law enforcement officials that the six month period would make registration enforcement efforts unworkable and would result in a loss of funds for boating safety and enforcement efforts.

For these reasons, I have vetoed Substitute Senate Bill No. 6532 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**SSB 6533**

C 101 L 96

Authorizing raffles for hunting of game animals.

By Senate Committee on Natural Resources (originally sponsored by Senators Owen, Oke, Bauer, Sutherland and Hochstatter; by request of Department of Fish and Wildlife).

Senate Committee on Natural Resources  
House Committee on Natural Resources

**Background:** The Fish and Wildlife Commission is not currently authorized to raffle permits for big game and wild turkey hunts. The commission has limited authority to authorize auctions for issuance of specialized post-mature trophy-quality animals.

The department entered into an agreement with Champion International which authorized raffles for big game and animal hunts for which it was not authorized.

**Summary:** Private landholders with wildlife management agreements may hold raffles for big game animals and wild turkeys if approved by the commission. The commission may authorize the hunting of big game and wild turkeys through permits issued by a raffle process. Revenues generated by raffles are to be used for conservation of the species being raffled.

**Votes on Final Passage:**

Senate	49	0	
House	97	0	(House amended)
Senate	44	0	(Senate concurred)

**Effective:** June 6, 1996

**SSB 6542**

FULL VETO

Deterring the unwarranted or abusive use of the offender grievance process.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Schow, Hargrove, Long and Oke).

Senate Committee on Human Services & Corrections  
House Committee on Corrections

**Background:** The Department of Corrections Offender Grievance Program was established in 1980 as a forum through which offenders can seek administrative remedies to their complaints against the department. It is available to offenders in department facilities and offenders under supervision by the department in the community.

The program allows for investigations and hearings to be conducted in an offender's facility or field office, and affords them the opportunity to appeal unfavorable decisions to their superintendent or area manager and, ultimately, to the appropriate division directors at department headquarters. The program has been certified by the federal government, which allows the federal court to reject certain inmate lawsuits until the offender can show he or she has completed the administrative grievance process.

Offenders who abuse the grievance program are currently subject to administrative sanctions by the department, including restricted access to the grievance program and/or loss of earned early release time, depending on the nature of their misconduct.

**Summary:** The Department of Corrections (DOC) is required to apply to the United States Attorney General for changes to the department's inmate grievance procedure certified by the federal government.

The changes DOC must seek include the following: (1) A \$2 fee assessment for the third and any subsequent grievance filed by an offender determined by the department to not have been filed in good faith; (2) fee assessments are to be in addition to any other disciplinary action taken by the department in response to unwarranted or abusive use of the grievance system; (3) fees may be collected from institutional accounts or debts assessed against indigents.

If the changes are determined by the federal government to comply with the certification requirements, they are to be implemented and notice given to all current and incoming offenders. If not, DOC is to explore with the federal government possible alternatives to accomplish the intent of the act.

DOC must report to the Legislature on its application to and response from the federal government.



**Votes on Final Passage:**

Senate	49	0	
House	97	0	(House amended)
Senate			(Senate refused to concur)
House	93	1	(House receded)

**VETO MESSAGE ON SB 6542-S**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 6542 entitled:

"AN ACT Relating to deterring the unwarranted or abusive use of the offender grievance process;"

Substitute Senate Bill No. 6542 directs the Department of Corrections (DOC) to apply to the United States Attorney General to make certain changes to the department's federally-certified Offender Grievance Program. The mandated changes include: (1) a \$2.00 fee would be assessed for the third and any subsequent grievance that DOC determines was not filed in good faith; (2) fee assessments would be in addition to, rather than in lieu of, any other disciplinary actions taken by DOC in response to abuse of the grievance system; and (3) fees could be collected from offenders' institutional accounts or debts assessed against indigent offenders. DOC is further required to review the Offender Grievance Program Policy with the Department of Justice and to explore options for addressing abuse without compromising certification and the integrity of the grievance process.

The Offender Grievance Program represents to DOC a cost-effective way for offenders to constructively voice their complaints and grievances. This program supports resolution of potential problems prior to them becoming major issues and avoids costly lawsuits being filed. Of the more than 17,500 offenders who had access to the Offender Grievance Program and who were incarcerated by the Department of Corrections in 1995, fewer than 5,000 filed 13,700 formal grievances. Forty-six percent of those were resolved in the offender's favor. Only 20 infractions were issued for abuse of the program during 1995.

Offenders who file malicious or threatening grievances are fractured and subject to disciplinary action. Depending on the circumstances, discipline can include a reprimand, warning, segregation, or the loss of earned early release time or general privileges. Offenders who file more than five grievances within one work week can be restricted to having only a limited number of complaints, formal grievances, or appeals in the system for 90 days from the finding of the abuse. The superintendents of prisons have the authority, and do exercise the right, to hold offenders accountable for these actions.

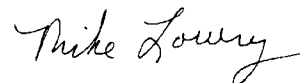
Further, the Offender Grievance Program reduces costly arbitration by providing administrative remedies to complaints that may otherwise be dealt with by the courts. Indeed, by virtue of program certification the courts can, and do, remand lawsuits back to the offender for exhaustion of DOC's grievance process. The Offender Grievance Program also serves as an early warning function alerting DOC to developing trends and to potential problems among the offender population or with staff.

The imposition of this fee requirement, on top of other penalties already in place, promises to discourage the use of the offender grievance system, thus, interfering with the ability of DOC to successfully monitor the environment of the offenders. Also, this action may result in more litigation. Today an offender can file a lawsuit in federal court without having to pay a fee. The imposition of this new assessment could result in a greater number of federal lawsuits challenging the constitutionality of such a fee.

Finally, I share the concern that this bill presents the potential for a chilling effect on offenders taking their grievances forward in an orderly and responsible way.

For these reasons, I have vetoed Substitute Senate Bill No. 6542 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor

**ESB 6544**

C 242 L 96

Regulating bail bond agency branch offices.

By Senators Smith and McCaslin.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** Persons and businesses involved in issuing bail bonds are regulated by the Department of Licensing. Records keeping and business practices are prescribed, but there are no requirements regarding physical locations of offices.

**Summary:** Bail bond agency branch office is defined.

A bail bond agency must maintain a branch office in each county in which it provides bail bond services. Each branch office must be separately licensed. The branch offices must operate under the same name as the principal bail bond agency and must have a qualified bail bond agent as manager.

**Votes on Final Passage:**

Senate	47	2	
House	90	0	(House amended)
Senate	43	0	(Senate concurred)

**Effective:** June 6, 1996

**SSB 6551**

C 163 L 96

Managing grazing lands.

By Senate Committee on Natural Resources (originally sponsored by Senators Loveland, Rasmussen, Snyder, Morton, Oke, Prince, A. Anderson, Hargrove, Hochstatter, Winsley and Sellar).

Senate Committee on Natural Resources  
House Committee on Natural Resources

**Background:** The Conservation Commission has adopted standards relating to grazing on state-owned and managed lands based on the requirement of SHB 1309 (1993). There has been some confusion as to the interpretation of

the legislative mandate and the Joint Administrative Rules Review Committee asked the Legislature to resolve the problem.

**Summary:** The purpose of the act is to ensure that all state agricultural grazing and grazable woodlands are managed in keeping with the statutory and constitutional mandates of each state agency. The ecosystem standards adopted in 1993 are not intended to prescribe practices. Land managers are encouraged to use adaptive management in selecting and implementing practices that work towards meeting the standards based on the best available science and evaluation tools. The standards are applied through a collaborative process, which includes the land managers and lessees looking at the land along with state agencies to reach agreement on management and resource objectives. Full discussion of management options must be made, and no land manager gives up his management prerogative.

Efforts are made to make land management plans economically feasible and compatible with the lessee's or land manager's entire operation. Coordinated resource management planning is encouraged where there are multiple ownerships. The Department of Fish and Wildlife is to consider multiple use on its lands and the Department of Natural Resources is to allow multiple use on lands owned and managed by the department. The ecosystem standards are to be achieved by applying land management practices on riparian lands in order to reach desired ecological conditions.

The Legislature urges state agencies to use the coordinated resource management and planning process where there are either multiple ownerships or multiple use resource objectives. In all cases, the use of coordinated resource planning is a voluntary decision by all concerned parties, including the agency's private landowners and other people.

The intent section states that many wild stocks of salmon are in a state of decline and that bull trout are petitioned for an endangered species listing. The Legislature directs that steps must be taken in areas of fish and wildlife habitat management, water conservation, salmon stock protection and education to prevent further losses.

The Legislature finds that maintenance and restoration of Washington's range lands and shrubs-steppe vegetation is vital to the long-term benefit of the state. The development of coordinated resource management plans that take into consideration the needs of wildlife, fish, livestock, timber production, water quality, and range land conservation improves the stewardship of the lands.

The Legislature finds that there is insufficient technical support for the coordinated resource management process and agencies need to emphasize that process. The purpose of the law is to establish state grazing lands as a model in the state for the development and implementation of standards that can be used in coordinated research management plans for all state-owned grazing lands.

**Votes on Final Passage:**

Senate	49	0	
House	97	0	(House amended)
Senate	44	0	(Senate concurred)

**Effective:** June 6, 1996

**ESSB 6554**

C 32 L 96

Providing for attachments to transmission facilities.

By Senate Committee on Energy, Telecommunications & Utilities (originally sponsored by Senator Sutherland).

Senate Committee on Energy, Telecommunications & Utilities

House Committee on Energy & Utilities

**Background:** A range of utilities own various facilities that allow them to connect over points and form a utility system. These utilities most commonly include those that provide electricity and telephone service, but also include those providing natural gas, water, and other services. The facilities used to make up a system include, but are not limited to, poles, ducts, and conduits used in a right of way.

Cable television companies and new entities providing telecommunications service view access to these facilities as essential to building and expanding their networks. These entities have an opportunity to protest to the Washington Utilities and Transportation Commission any access policies of investor-owned utilities. Concern has been raised that some consumer-owned utilities, such as those owned by cities, public utility districts, cooperatives, and similar entities may not have standard procedures that assure non-discriminatory pricing and access to utility facilities.

**Summary:** Electric utilities not regulated by the Washington Utilities and Transportation Commission (WUTC), including electric cooperatives, mutual corporations, cities, code cities, and public utility districts, are required to provide rates, terms and conditions pertaining to attachments to the utility's poles in a just, reasonable, nondiscriminatory and sufficient manner. Rates are required to be uniform for the same class of service throughout the utility's service territory. The WUTC is specifically prohibited from regulating these activities of these utilities.

**Votes on Final Passage:**

Senate	48	0
House	97	0

**Effective:** June 6, 1996

**E2SSB 6556**

C 171 L 96

Enhancing public electronic access to government information.

By Senate Committee on Ways & Means (originally sponsored by Senator Sutherland).

Senate Committee on Energy, Telecommunications & Utilities

Senate Committee on Ways & Means

House Committee on Government Operations

**Background:** With the expansion of “telematics” — the use of computers and telecommunications together — more information is available to citizens in a way that is comparatively quicker to retrieve than non-electronic methods. This applies to government information as well, and many state agencies and political subdivisions of the state have made a range of information available in various electronic formats.

In response to varying degrees of electronic accessibility among state agencies and political subdivisions, including a lack of standards for acceptable classifications of government information, the Legislature addressed this topic in 1994 by creating the Public Information Access Policy Task Force. The task force released its findings and recommendations in December, 1995.

**Summary:** Within existing resources and planning activities, state agencies are directed generally to plan for and implement processes for making information available electronically, with an emphasis on current information, public demand, two-way interaction, overcoming various barriers to information, maintaining accuracy, and protecting privacy. The Legislature and the court system are separately given directives pertaining to electronic information access similar to those given to state agencies. Agencies are directed to coordinate with state institutions of higher education in educating employees in the use and implementation of technology.

Guidelines are provided for state agencies when planning and implementing electronic access and two-way interaction and delivery technologies.

The Information Services Board is directed to establish statewide technical standards and to require state agencies to consider electronic public access when obtaining or upgrading information systems.

The state Library Commission is given the responsibility to promote and facilitate electronic access to public information and services and to establish content-related standards and common formats for state agency produced information.

In its state strategic information technology plan, the Department of Information Services is directed to include goals for electronic access to government information and services, and include an assessment of goals and progress

in this area in its biennial state performance report on information technology.

Within its strategic information technology plan, each state agency is directed to develop goals and an implementation strategy to provide electronic access to public information and services.

The State Library, with the assistance of the Department of Information Services and the State Archives, is directed to cooperatively design and implement a pilot government information locator system to enable easy public access to government information in an electronic format.

**Votes on Final Passage:**

Senate	48	0	
House	89	3	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** March 28, 1996  
June 30, 1997 (Section 8)

**ESB 6566**

C 164 L 96

Increasing the annual snowmobile registration fee.

By Senators Fraser, Loveland, Hochstatter and Newhouse.

Senate Committee on Ecology & Parks

House Committee on Natural Resources

House Committee on Appropriations

**Background:** All snowmobiles in the state must be registered annually with the Department of Licensing. The annual fee is established by the State Parks and Recreation Commission, in consultation with the Snowmobile Advisory Committee. The Snowmobile Advisory Committee includes representatives of snowmobilers, cross-country skiers, the Washington Association of Counties, and state agencies.

The snowmobile regulation fee is currently set at \$15, the maximum allowed in statute. The registration fees are deposited in a dedicated account to be expended by the State Parks and Recreation Commission for the development and operation of snowmobile facilities, and for snowmobile safety and education programs.

**Summary:** When establishing the annual snowmobile registration fee, the State Parks and Recreation Commission must consult with any statewide snowmobile user groups, in addition to the Snowmobile Committee.

The \$15 cap on the registration fee is eliminated. The commission must increase the fee by \$2.50 on September 30, 1996, and again on September 30, 1997, bringing the total registration fee to \$20. The fee may not be increased again after the 1997 fee increase.

## SSB 6572

### Votes on Final Passage:

Senate	48	0	
House	61	28	(House amended)
Senate	46	0	(Senate concurred)

**Effective:** June 6, 1996

## SSB 6572

C 69 L 96

Revising the competitive bid system.

By Senate Committee on Government Operations (originally sponsored by Senators McDonald, Haugen, Heavey and West).

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** The procurement of goods and services by the state is performed primarily by the Division of Purchasing in the General Administration Department. Procurement activity is governed by established procedures including requirements for soliciting bids, publishing specifications, receiving and opening sealed bids, and awarding contracts. Whenever there is reason to believe that the lowest acceptable bid is not the best price obtainable, all bids may be rejected and the Division of Purchasing may call for new bids or enter into direct negotiations to achieve the best possible price. There is concern that the procedures are too permissive in allowing the state to negotiate with individual bidders after sealed bids have been opened and the participants are aware of the proposals of their competitors. It is asserted that post-opening negotiations undermine the integrity of the bidding procedure and turn the process into a virtual auction.

There is also concern that when measuring the level of minority and women's business enterprise participation for minority and women's businesses, which are acting as brokers or packagers of goods or services provided to the state by some other party, that the measure should be based upon the commission or fee paid to the minority and women owned business and not the total value of the goods or services provided.

**Summary:** In a solicitation by the state for goods and services, after competitive bids are opened, the award must be made to that responsible bidder who submitted the lowest responsive bid, unless there is a compelling reason to reject all bids and cancel the solicitation. The state must make every effort to anticipate changes in a requirement before the date of bid opening, and notify all prospective bidders to allow modifications of bids without unnecessary exposure of bid prices. A solicitation may not be canceled because of an increased requirement. The increase must be solicited as a separate contract. The cancellation of a solicitation after bid opening, but prior to award of a contract, is permitted in specified circumstances which must be determined by the agency division or department head. The

responsibility of the agency division or department head may not be delegated.

After the opening of sealed bids, an agency may not reject all bids and enter into direct negotiations to complete the planned acquisition, but an agency can enter into negotiations exclusively with the lowest responsible bidder in order to determine if the lowest responsible bid may be improved. This authority may not be used to permit a bidder to change a nonresponsive bid into a responsive bid.

When measuring the level of minority and women's business enterprise participation in a state procurement contract, if the minority and women's business enterprise is acting as a broker of goods or services, only the fee or commission received by the minority and women's business enterprise is counted. The term "broker" is defined.

### Votes on Final Passage:

Senate	47	0
House	93	0

**Effective:** June 6, 1996

## SSB 6576

C 243 L 96

Protecting the privacy of adult adoptees.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Schow, Prentice, Hale, McCaslin, Finkbeiner, Sellar, Moyer and Long).

Senate Committee on Human Services & Corrections  
House Committee on Children & Family Services

**Background:** Current law prohibits the disclosure of any identifying information about an adoptee from the files of the Department of Social and Health Services, adoption agencies, and the court, except under limited circumstances.

Copies of an adopted person's birth certificate on file with the Department of Health must be provided to an adoptee's birth parents and, for adoptions after October 1, 1993, to adult adoptees unless the birth parents have filed an affidavit of nondisclosure.

Confidential intermediaries often assist birth parents and adopted people in locating their natural relatives through information they find on birth certificates and in court records.

**Summary:** A process is established for adult adoptees to file a certified statement with the Department of Health indicating their preferences with regard to having identifying information released from their adoption records or being contacted by a confidential intermediary.

The statement is to be placed with the original birth certificate, or if no original birth certificate is on file in Washington, then in a separate reference registry. A certified statement may be rescinded or amended by the adult adoptee at any time by filing a new certified statement.

The court is directed to consider the certified statement when deciding whether good cause exists to open a sealed adoption file.

Birth parents who seek the appointment of a confidential intermediary to assist in searching for an adult adoptee must include in their petition whether a certified statement is on file and, if so, what preferences are expressed in it.

**Votes on Final Passage:**

Senate	48	0	
House	98	0	(House amended)
Senate	43	0	(Senate concurred)

**Effective:** June 6, 1996

## SSB 6579

C 5 L 96

Insuring credit unions.

By Senate Committee on Financial Institutions & Housing (originally sponsored by Senators Prentice, Hale, Fraser, Sellar, Roach, Snyder, Sutherland and Winsley).

Senate Committee on Financial Institutions & Housing  
House Committee on Financial Institutions & Insurance

**Background:** In Washington, there are approximately 210 credit unions. Of this number, 103 are federally chartered and 106 are state chartered credit unions. Of the state chartered credit unions, approximately 30 insure deposits (shares) under the federal share insurance program and approximately 75 insure their deposits through membership in a mutual guarantee program called the Washington Credit Union Share Guaranty Association (WCUSGA).

Federally chartered credit unions are legally required to insure their shares through the National Credit Union Share Insurance Fund (NCUSIF). State chartered credit unions have a choice between the NCUSIF and WCUSGA. NCUSIF requires member credit unions to maintain a deposit equal to 1 percent of insured deposits. Each year, the amount of that deposit is adjusted to account for any increase or decrease in the credit union's insured deposits. The NCUSIF invests these deposits and the earnings of the fund in government securities. The revenue from the investments pays for operating expenses, any insured losses, and adds to the retained earnings of the fund. When interest income fails to cover these expenses, NCUSIF may charge an annual premium of up to 1/12 of 1 percent of insured deposits. If a credit union terminates its coverage, the 1 percent is returned to the credit union.

In 1975, the Legislature created WCUSGA, which is a nonprofit association that guarantees payment to credit union shareholders of losses to their share and deposit accounts because of liquidation, and provides services to promote the stability of state chartered credit unions. WCUSGA is managed by a board of directors and officers elected from the credit union membership.

The Director of the Department of Financial Institutions is given authority to examine the financial affairs of WCUSGA at any time. The examination authority does not include supervisory authority.

The association is funded by each member credit union holding a contingency reserve of 1 percent of its outstanding guaranteed deposits. The funds are maintained and invested by each individual member credit union and are subject to an assessment by the association in the event of a member credit union liquidation. A member credit union's potential liability is a maximum of 1 percent of guaranteed deposits in any given year. A portion of the 1 percent contingency reserve is paid to the association in actual cash to cover operating expenses and obligations that require immediate payment. The remainder of the 1 percent contingency reserve is payable following an assessment within a 90-day period.

**Summary:** Procedures and standards are provided for the transition of all WCUSGA members to the federal share insurance program, and the statutes authorizing the existence of the association are repealed.

Members must file a completed application for federal insurance, an application to merge into a credit union covered by federal insurance, or a notice of liquidation by either September 1, 1996 or December 31, 1996. The date the members are required to act depends on their current composite capital adequacy, asset quality, management, earnings, and liquidity rating by the department. Once the member completes conversion to federal insurance, the association's guarantee of that credit union terminates.

Members that obtain share insurance under the federal program or merge with other credit unions must continue their contingency reserve with WCUSGA, and continue to be liable for assessments, until December 31, 1998.

All credit unions must be insured by the federal share insurance program by December 31, 1998. After December 31, 1998, credit unions must be either insured under the federal program or an equivalent share insurance program. An equivalent program is defined as one that (1) holds reserves proportionately equal to the federal program, (2) holds adequate reserves and other sources of funds, such as reinsurance, and (3) has share insurance contracts that reflect a national geographic diversity.

Before any credit union can insure in an equivalent program, the Director of the Department of Financial Institutions must make a finding that the alternative program meets the standards set forth in the bill. This finding must follow a public hearing and report on the basis for the finding to appropriate standing committees of the Legislature. Any such finding must be made before December 1 in any year and does not take effect until the end of the regular legislative session of the following year.

The Director of the Department of Financial Institutions must determine annually whether any allowed alternative share insurance program meets the standards prescribed by the bill. If a determination is made that the standards are

## SSB 6583

not met, the director must order credit unions to convert to federal share insurance.

The Director of the Department of Financial Institutions is given authority to enforce the application and conversion procedures established in the bill.

WCUSGA is given additional assessment authority to assist any members that may not qualify for federal insurance because of inadequate capital.

The statute creating the association is repealed effective December 31, 2000.

### Votes on Final Passage:

Senate	49	0
House	97	0

**Effective:** March 6, 1996 (Sections 1-4)  
June 6, 1996 (Sections 5, 6, and 9)  
December 31, 2000 (Section 7)

## SSB 6583

### PARTIAL VETO

C 120 L 96

Clarifying eligibility requirements for state-funded benefits for part-time academic employees of community and technical colleges.

By Senate Committee on Higher Education (originally sponsored by Senators Spanel, Bauer, Kohl, McAuliffe, Winsley, Rinehart and Smith).

Senate Committee on Higher Education  
Senate Committee on Ways & Means  
House Committee on Higher Education  
House Committee on Appropriations

**Background:** State employees who work more than one-half time are eligible for state health benefits. Part-time community college faculty receive different benefits at different institutions because there is not a uniform method for calculating part-time work loads. Additionally, there are some institutions where part-time faculty do not receive any benefits.

**Summary:** Definitions are created for the purposes of determining eligibility of state-mandated insurance and retirement benefits for part-time academic employees in community and technical colleges. Community and technical colleges must report to the appropriate agencies the hours worked by part-time academic employees as a ratio of the part-time academic work load to the full-time academic work load in a given discipline in a given institution.

A task force is created to conduct a best practices audit of compensation packages and benefits for part-time faculty in the community and technical college system. The task force must include members of the State Board for Community and Technical Colleges, part-time faculty, full-time faculty, and governing board members. The task force must focus on the treatment of part-time faculty. The

task force must report its findings to the state board and other interested parties by August 30, 1996. By September 30, 1996, the state board must adopt a set of best practices principles.

**Partial Veto Summary:** The emergency clause is eliminated.

### Votes on Final Passage:

Senate	46	3	
House	91	0	(House amended)
Senate	43	0	(Senate concurred)

**Effective:** June 6, 1996

### VETO MESSAGE ON SB 6583-S

March 21, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 4, Substitute Senate Bill No. 6583 entitled:

"AN ACT Relating to higher education;"

Substitute Senate Bill No. 6583 establishes definitions for full and part-time academic employees in the community and technical college system for the purpose of standardizing medical and retirement benefits and requires a task force to study, provide recommendations on, and implement best practices regarding academic employee benefits.

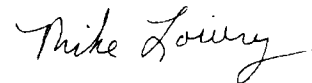
This legislation includes an emergency clause in section 4. Funding to implement the provisions of this bill is included in the supplemental budget and cannot be expended until fiscal year 1997. Since the bill without section 4 is otherwise effective 90 days following the close of the legislative session, which is before the start of fiscal year 1997, the emergency clause is without moment.

Moreover, the inclusion of an emergency clause prevents this bill from being subject to a referendum under Article II, section 1 (b) of the state Constitution and unnecessarily denies the people of this state their power, at their own option, to approve or reject this bill at the polls.

For these reasons, I have vetoed section 4 of Substitute Senate Bill No. 6583.

With the exception of section 4, Substitute Senate Bill No. 6583 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**SB 6615**

C 102 L 96

Protecting certain business information.

By Senators Hale, Sheldon and Haugen.

Senate Committee on Government Operations

House Committee on Government Operations

**Background:** The Administrative Procedure Act requires state agencies to maintain a rule-making file for each rule it proposes or adopts. This file must contain a variety of information including citations to data, factual information, studies, or reports on which the agency relies, unless such data, factual information, studies or reports are gathered under the Regulatory Fairness Act for preparation of a small business economic impact statement and can be identified to a particular business. This exemption does not apply to data, factual information, studies or reports which can be identified to a particular business, which are gathered under the special procedures for adoption of significant legislative rules, and which could result in public disclosure of proprietary information.

**Summary:** The rule of confidentiality pertaining to certain proprietary information obtained by a state agency is extended. An agency rule-making file is not required to include data, factual information, studies or reports which can be identified to a particular business and which are gathered pursuant to the special procedures for adoption of significant legislative rules.

**Votes on Final Passage:**

Senate	47	0
House	96	0

**Effective:** June 6, 1996

**SB 6617**

C 103 L 96

Imposing fines or sanctions against mortgage brokers.

By Senators Prentice, Sellar and Fraser; by request of Department of Financial Institutions.

Senate Committee on Financial Institutions & Housing

House Committee on Financial Institutions & Insurance

**Background:** In response to consumer complaints, the Legislature adopted a permanent mortgage broker licensing program in 1994. Mortgage brokers operating in Washington are required to possess a license issued by the Department of Financial Institutions (DFI).

The DFI is responsible for implementing and enforcing the provisions of this licensing program. The director of the DFI has specific authority to suspend, revoke or deny licenses or to impose penalties upon violators of cease and desist orders or other orders of the director. Current law also includes language that attempts to provide the director

with authority to impose fines for violations of provisions of the Mortgage Broker's Practices Act and rules adopted under this act. The DFI has been challenged regarding whether the director does, in fact, possess this explicit authority under current law.

**Summary:** The director of the DFI's authority to deny licenses, suspend or revoke licenses, and impose fines and penalties for certain actions is clarified. The director is given explicit authority to suspend, revoke or deny licenses or impose penalties or fines for specific violations of the Mortgage Broker's Practices Act.

**Votes on Final Passage:**

Senate	47	0	
House	95	1	
House	96	0	(House reconsidered)

**Effective:** July 1, 1996

**ESB 6631**

C 33 L 96

Exempting thermal energy companies from utilities and transportation commission authority.

By Senators Sutherland, West, Finkbeiner, Loveland, Heavey, Rasmussen, Hochstatter, Strannigan and Morton.

Senate Committee on Energy, Telecommunications & Utilities

House Committee on Energy & Utilities

**Background:** The Legislature enacted measures in 1983 and 1987 intended to promote the use of district heating, including clarifying that this service is subject to only minimal regulation by the Washington Utilities and Transportation Commission (WUTC). With recent changes to regulations pertaining to cooling systems, there is renewed interest in promoting district cooling. District heating and cooling services are now termed "thermal energy services" in the industry. The WUTC has not used the existing laws to regulate district heating.

**Summary:** Sections allowing minimal regulation of district heating by the Washington Utilities and Transportation Commission are repealed.

It is clarified that the WUTC is not authorized to regulate the rates or services of thermal energy companies.

The definition of "waste heat" is clarified as it pertains to state agencies or school districts selling energy or waste heat.

**Votes on Final Passage:**

Senate	49	0
House	96	0

**Effective:** June 6, 1996

**ESB 6635**

C 70 L 96

Concerning application permits for small public works projects mines.

By Senators Morton and Drew.

Senate Committee on Natural Resources  
House Committee on Natural Resources

**Background:** Small counties operating portable rock crushers and small mining sites are concerned that the fees established by the Department of Natural Resources for permits and reclamation plans are too great a cost.

**Summary:** Mining fees for public works projects with less than seven acres of disturbed area per mine are waived when they are primarily used for a public works project if the mines are owned and primarily operated by counties with a 1993 population of less than 20,000 persons.

**Votes on Final Passage:**

Senate 48 0  
House 96 0

**Effective:** June 6, 1996

**SSB 6636**

C 172 L 96

Authorizing designation of rest areas as POW/MIA memorials.

By Senate Committee on Transportation (originally sponsored by Senators Bauer, Oke, Owen and Kohl).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** The Washington State Department of Transportation operates 38 safety rest areas, 29 of which are located along interstate highways.

Last session, the Legislature enacted legislation which expanded the adopt-a-highway program beyond traditional roadside litter pick-up activities. For example, the legislation allows private entities to finance activities including planting vegetation and removing graffiti at safety rest areas.

In Illinois, the Department of Transportation has instituted a program allowing memorial signs to be placed in their safety rest areas for prisoners of war (POW) and those missing in action (MIA).

**Summary:** The Transportation Commission may designate interstate safety rest areas as locations for memorial signs to prisoners of war and those missing in action. The commission is directed to adopt policies for the placement of memorial signs in interstate safety rest areas. The policies must include, but are not limited to, guidelines with

respect to memorial signs pertaining to their size, location, and inscriptions.

Nonprofit associations may have their name identified on a memorial sign, provided they bear the cost of supplying and maintaining the sign.

**Votes on Final Passage:**

Senate 49 0  
House 98 0 (House amended)  
Senate 45 0 (Senate concurred)

**Effective:** June 6, 1996

**SSB 6637**

PARTIAL VETO

C 325 L 96

Limiting growth management hearings board discretion.

By Senate Committee on Government Operations (originally sponsored by Senators Haugen, Sheldon, Winsley, Hale, Wood and Long).

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** The Growth Management Act (GMA) established three regional growth management hearings boards to review compliance with statutory deadlines, and the sufficiency of plans and development regulations adopted by cities and counties pursuant to the act. There is concern that clarification is needed with regard to: (a) the standards of conduct for board members; (b) the requirements for standing to petition the boards; (c) the consequences and procedures when a board invalidates a county or city regulation or plan; (d) the extent of deference the boards must give to local government decisions; and (e) the burden and standard of proof on petitioners.

**Summary:** The procedures and standards for the three GMA hearings boards are amended. Boards are required to publish and distribute their decisions. It is made clear that the boards are governed by the Administrative Procedure Act (APA) and that board members are subject to disqualification under the standards of the APA. Unless they are certified by the Governor or are an aggrieved party under the APA, it is clarified that persons must have participated orally or in writing before a city or county on a matter in order to have standing to petition the board on that matter. The definition of "person" for purposes of standing is expanded to include state agencies.

The provisions regarding the board's authority to invalidate parts of comprehensive plans or development regulations are modified. While the standard for invalidation remains the same, the process is divided into two steps. First, the board may make a determination of invalidity at the time it enters a final order. An order effectuating the invalidity may be entered no sooner than 90 days after the determination. The 90-day period may be



extended if the board finds that the county or city is making substantial progress toward remedying the defective part or parts of their comprehensive plan or development regulations.

If a board enters an order effectuating a determination of invalidity, the consequence is that the jurisdiction may not subsequently approve any division of land within the area affected by the invalidation unless that division conforms to a corrected plan or development regulation which would not be declared invalid.

If a determination of invalidity or order effectuating a determination of invalidity is appealed to superior court, the court must conduct an independent review and expedite the hearing on the issue.

With regard to matters pending before a board, the presumption of validity not only includes comprehensive plans and development regulations, but is extended to designations and other actions required by the GMA. The boards may not substitute their judgment for that of a county or city regarding choices made within the broad range of discretion given to counties and cities under the act. The boards may not prioritize, balance, or rank the goals established by the GMA.

It is made clear that in matters brought before the hearing boards the burden of proof is on the petitioner, and that a petitioner must show that a state agency, county, or city erroneously interpreted the GMA or that the action of the state, county or city is not supported by evidence that is substantial when reviewed in light of the whole record.

**Partial Veto Summary:** The amendments modifying the authority of growth management hearings boards to invalidate parts of comprehensive plans and development regulations and modifying the consequences of an invalidation on the vesting of permit applications are vetoed. Language providing that a court conduct an "independent" review of appeals from boards is vetoed.

Vetoed are amendments extending the presumption of validity to "designations" and other actions required by the GMA; prohibiting boards from prioritizing, balancing or ranking GMA goals; and expressly prohibiting a board from substituting its judgment for that of a county or city regarding decisions within the discretion of the county or city.

Amendments addressing the burden and standards of proof are also vetoed.

**Votes on Final Passage:**

Senate	18	31	(Senate failed)
Senate	36	13	(Senate reconsidered)
House	66	30	(House amended)
Senate			(Senate refused to concur)
House	68	30	(House amended)
House	69	29	(House reconsidered)
Senate	41	8	(Senate concurred)

**Effective:** March 30, 1996

**VETO MESSAGE ON SB 6637-S**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 3 and 5, Substitute Senate Bill No. 6637 entitled:

"AN ACT Relating to limitations on growth management hearings board discretion;"

Substitute Senate Bill No. 6637 clarifies the statutes dealing with the Growth Management Hearings Boards.

Sections 1 and 2 of this bill are simple clarifications of current law governing board actions and are not controversial. Section 4 provides for expedited judicial review of board actions in cases in which a board issues a determination of invalidity and such a determination is appealed. While the authority of the legislature to direct the courts to expedite review is not clear, it is reasonable to encourage prompt consideration by the courts of such board actions within their civil dockets given the significant impacts that may be involved in the invalidation of local land use ordinances.

Section 3 of this bill has two major elements, one changing provisions regarding invalidity, the other addressing how courts should review board decisions.

The legislature acted in 1995 to respond to uncertainty regarding the vesting status of projects in jurisdictions in which boards had found comprehensive plans or development regulations out of compliance with the Growth Management Act. Prior to 1995, there was concern that the result might be an effective moratorium on development. The legislature provided that projects vest under a local land use statute, even if it has been found out of compliance, unless and until a board issues a determination of invalidity. Such a determination must meet a higher standard than is needed to find noncompliance. For a board to issue a determination of invalidity, it must find that the continued validity of the plan or regulation would "substantially interfere with the fulfillment of the goals" of the act. After a determination of invalidity, new projects vest under whatever ordinance is eventually adopted in compliance with the act.

Since this change in 1995, there has been significant controversy regarding the use of this authority by the boards. Some have argued that boards have used the authority to respond to repeated refusal by a small minority of local governments to pass statutes that complied with the act. Others have argued that the use of this power has created temporary chaos rather than greater certainty and that the use of this power has altered the "bottom up" nature of growth planning. The legislature responded by revisiting the 1995 sections in this bill.

Substitute Senate Bill No. 6637 requires that when a board makes a determination of invalidity, it must specify the provisions to which the determination would apply and must wait ninety days before effectuating the order. Additional time must be granted to the local government if it is making "substantial progress" toward adopting a plan or regulations.

During this period, all projects vest to the local ordinance which has been found to substantially interfere with fulfillment of the goals of the act. After this period, the board may issue an order effectuating the determination of invalidity. When such an order is issued, it provides that divisions of land vest to new ordinances ultimately found in compliance by the boards. Other development continues to vest to the provisions which have been found invalid by the boards, until new ordinances have been enacted. The concept that projects should vest to provisions of law that substantially interfere with fulfillment of the goals of the act is not wise.

This was an honest attempt to develop a compromise in a difficult area of the law. I commend the legislature for its efforts, but as drafted, Substitute Senate Bill No. 6637 is not without significant flaws.

To permit vesting to a plan or regulation that has been found to substantially interfere with fulfillment of the goals of the act is an incentive for local governments to continue to remain out of compliance with legitimate board orders. Despite the local nature of growth planning, the act reflects statewide concerns. The boards are intended to ensure that local solutions remain within the requirements and goals of the act. If board determinations are ignored, the boards are nothing more than a time-consuming annoyance on the way to court. Meanwhile traffic congestion worsens, sprawl continues, air quality degrades, habitat is lost, the public's ability to pay for infrastructure is strained and frustration mounts.

The section also provides that in appeals of Growth Management Hearing Board decisions, the court is to conduct an independent review of the board's legal conclusions. It is unclear whether this merely clarifies the current court practice of independently reviewing the actions of quasi-judicial boards as to their legal conclusions or whether it directs the courts to grant no deference to the board's specialized expertise. At best, this lack of clarity makes the court's task in reviewing board decisions more difficult than would already be the case. At worst, these provisions render the decisions of the boards meaningless and prolong the resolution of underlying dispute.

I am aware of criticism of a few board actions, but in the vast majority of the appeals brought to the boards, they have been successful in achieving prompt resolution of the issues in dispute. The boards were established to resolve difficult land use planning disputes, including those between local governments, to reflect regional differences, to bring more expertise to these issues, and to resolve issues more quickly than court action would require.

I believe that this provision is a message by the legislature to the boards directing them to use discretion in their authority to invalidate local ordinances. I echo this message. There are some situations in which local actions are so far out of compliance with the requirements and goals of the act that severe action is appropriate. However, overuse of this authority will only serve to weaken both the authority of the boards and the act itself.

I am requesting that the Land Use Study Commission, established in 1995, make recommendations to the 1997 Legislature and to the governor proposing how to clarify and simplify the law in this area. Such recommendations should propose how to establish greater certainty in local growth planning and encourage local planning and actions to comply with the requirements and goals of the Growth Management Act.

Section 5 of Substitute Senate Bill No. 6637 recognizes the broad range of discretion that may be exercised by local governments under the Growth Management Act. In the act, the legislature specified a set of goals and a related series of procedural and substantive requirements towards achieving them. While requiring compliance, the legislature recognized the diversity of the state and the power inherent in local land use decision-making. Consistent with these requirements, local governments retain broad discretion.

However, local discretion must be exercised in a manner that is consistent with the requirements of the act. The boards have the difficult responsibility of interpreting the legislative meaning of the act in specific local disputes without substituting their judgment for that of local governments. This is among the most difficult challenges facing the boards and local governments.

Section 5 of this bill states that the boards are not to prioritize, balance or rank the goals of the Growth Management Act. This provision appears to prevent the boards from evaluating whether local governments have been guided by the goals or whether, in meeting the requirements of the act, they have reflected the value content of the goals. Such a limitation would reduce the boards to a purely procedural role. If this provision were to become law, most local disputes would require court action for resolution. The boards can only function effectively if they have the authority, when resolving disputes, to ensure that local governments are complying with the requirements and not substantially interfering with fulfillment of the goals of the act.

This section also clarifies that in cases heard by Growth Management Hearings Boards, the burden of proof is on the petitioner. This principle was understood at the establishment of the boards. The boards have adopted rules which include this standard.

Section 5 of Substitute Senate Bill No. 6637 clarifies the standard of review to be used by the boards to judge cases. In matters of law, the bill directs the boards to find compliance unless they find that a state agency or local government erroneously interpreted the chapter. In issues of fact, compliance is to be found if the action of the state agency or local government is not supported by evidence that is substantial when reviewed in light of the whole record before the board.

In reviewing legal questions, the boards must determine whether local governments have been right or wrong in their legal interpretation of the provisions of the Growth Management Act as evidenced by their application of the act. The standard for reviewing questions of fact directs the boards to defer somewhat to local governments as long as they present enough evidence to allow a reasonable person to act. This is similar to the direction by the boards to local governments to "show your work", stating that local governments deserve deference if they establish a rational basis for making complex land use decisions.

I believe the boards should grant deference to local governments in how they plan for growth consistent with the requirements and goals of the act. Local comprehensive plans and development regulations require local governments to balance priorities and options for action in full consideration of local circumstances. While the act requires that local action take place within a state framework, the local land use process is not aimed at perfection but at allowing local communities to make choices about their future.

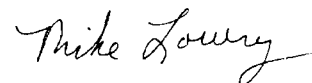
The legislature attempted to clarify the standard that boards must use to resolve disputes between local governments and affected parties. With one exception, I believe that they succeeded. However, the prohibition against board action regarding the goals of the act appears to prevent the boards from ensuring that the goals have their intended effect. I cannot approve this. After six years, implementation of the act is forcing us again to consider how to maintain local control within a framework of state goals and requirements. In many jurisdictions, plans have been adopted and many are fully involved in implementing their plans. In these jurisdictions, we can see the results of good planning. But in some jurisdictions, the distance between traditional development patterns and practices and the dramatic changes required by the act have divided communities and resulted in angry disputes between local governments and the boards.

People acting in good faith have come to very different conclusions about how best to manage growth. The state must revisit the issue of how to resolve these disputes. I am requesting that the Land Use Study Commission make recommendations to the legislature and to the governor regarding improvements to our dispute resolution structure.

For these reasons, I have vetoed sections 3 and 5 of Substitute Senate Bill No. 6637.

With the exception of sections 3 and 5, Substitute Senate Bill No. 6637 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**ESB 6651**

C 71 L 96

Allowing public record storage on compact disc.

By Senators Finkbeiner, Drew, Haugen, Swecker, Winsley, Johnson and Strannigan.

Senate Committee on Energy, Telecommunications & Utilities

House Committee on Government Operations

**Background:** State law requires different classifications of public records to be filed and stored. These public records may be stored in a variety of different media, including, among others, paper, film, and machine-readable material.

Compact discs allow for the storage of a large amount of data in a comparatively small physical space.

**Summary:** The allowed forms of public record storage are expanded to include compact discs.

**Votes on Final Passage:**

Senate	49	0
House	96	0

**Effective:** June 6, 1996

**SSB 6656**

**PARTIAL VETO**

C 173 L 96

Providing sales and use tax exemptions for manufacturing machinery and equipment.

By Senate Committee on Ways & Means (originally sponsored by Senators Bauer, Cantu, Sutherland, Moyer, Owen, Hale, Hargrove, Schow, Heavey, Wood, Rasmussen, Strannigan, Sheldon, Finkbeiner, Franklin, Johnson, Snyder, West, Winsley, Zarelli, Long, Deccio, Oke, Spanel and A. Anderson).

Senate Committee on Ways & Means

**Background:** The sales tax is imposed on each retail sale of most articles of tangible personal property and certain services. Taxable services include construction, repair, telephone, lodging of less than 30 days, physical fitness, and some recreation and amusement services. Materials and labor used to alter or improve real or personal property are subject to the tax. Exempt from tax are purchases for resale and purchases of components and ingredients that become part of another product for sale.

SB 5201, passed in the 1995 session, exempts from sales and use taxes, new and replacement machinery and equipment used directly in the manufacturing process, including installation labor. Replacement parts are exempt only if they improve efficiency, increase productivity or extend the useful life of the equipment.

**Summary:** The replacement parts and costs of repairing and/or cleaning equipment used in the manufacturing process are exempt from sales tax and use tax. The requirement to improve efficiency, increase productivity or extend the useful life of the equipment is no longer necessary.

**Partial Veto Summary:** Section 4 of the bill, the effective date of January 1, 1997, was vetoed.

**Votes on Final Passage:**

Senate	47	1
House	74	24

**Effective:** June 6, 1996

**VETO MESSAGE ON SB 6656-S**

March 28, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 4, Substitute Senate Bill No. 6656 entitled:

“AN ACT Relating to sales and use tax exemptions for manufacturing machinery and equipment;”

Substitute Senate Bill No. 6656 provides an exemption from the sales and use taxes for repair and replacement parts with a useful life of one year or more, as well as a sales and use tax exemption for labor and service charges for repairing, cleaning, altering, or improving machinery and equipment.

I agree with the finding of the legislature that this measure would improve the ability of Washington State to compete with other states in our region for manufacturing investment. This type of legislation helps bring more family wage jobs to the state as well as enhance and solidify the state's competitive position. I further agree with the legislature's finding that the health, safety, and welfare of the people of the state of Washington are heavily dependent upon the continued development and expansion of the state's manufacturing industries. In that light, I am vetoing section 4 of Substitute Senate Bill No. 6656. This section establishes an effective date for the bill of January 1, 1997.

The necessity and importance of this type of legislation dictates that it be put into effect as soon as possible so that the economic benefits of increased employment and family wage jobs for the people of the state of Washington can begin immediately rather than next year. In addition, allowing the bill to become law within the usual 90 days after adjournment of the legislature will provide an additional \$11.2 million in sales and use tax relief to manufacturers in the state.

For this reason, I have vetoed section 4 of Substitute Senate Bill No. 6656.

With the exception of section 4, Substitute Senate Bill No. 6656 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**ESSB 6666**

C 316 L 96

Providing for a long-term solution to nuisance aquatic weeds.

By Senate Committee on Ecology & Parks (originally sponsored by Senators Winsley, Haugen, Fairley, Swecker, McDonald, Fraser, McAuliffe and Rasmussen).

Senate Committee on Ecology & Parks  
House Committee on Agriculture & Ecology

**Background:** Rapid urbanization, the introduction of non-native plants and excessive plant nutrients have created aquatic plant problems for many lakes in Washington. Long term or permanent solutions like source control can be costly and difficult. Citizens often prefer quicker, less expensive responses such as the use of aquatic pesticides. There is scientific debate about the health and environmental impacts of long-term use of aquatic pesticides.

Several state and local government entities are involved in lake management issues. The Department of Fish and Wildlife may require hydraulic approval permits before the use of manual or biological methods of control. The Department of Agriculture regulates aquatic pesticide applicators and approves pesticide uses. County government may also get involved through their shoreline permitting program, or sometimes their health departments, as well as their noxious weed eradication programs (the state designates some non-native, invasive nuisance weeds as "noxious weeds").

The Department of Ecology issues short term modifications of water quality permits for the application of aquatic pesticides under their state and federal water quality authorities. The department has run this permit program based on a programmatic Environmental Impact Statement (EIS) for noxious emergent plants that was adopted in early 1992.

Limited options now exist for funding long term solutions. There has been a decrease in the amount of money in the state's centennial clean water fund potentially available for lakes and rivers, and the federal clean lakes program has been phased out. Under the statute regulating the outflow of lakes, lakeside property owners can petition the superior court for a special assessment to be levied to pay for weed control measures. There are about seven lakes so managed, including Steilacoom, Louise, Gravelly, Ohop, American, Spanaway and Clear Lakes.

**Summary:** A legislative committee is established to develop a state lake health plan to address long-term solutions to lake problems. The plan must look at: the science of lake management; an analysis of the federal and state laws pertaining to lakes; jurisdictional overlaps; funding needs and mechanisms; and public education requirements. The committee must consult with state agencies, local government, pesticide applicators, academic experts

and interested citizens including lakeside homeowners and lake users.

On lakes managed under the statute regulating the outflow of lakes, the Department of Ecology must expedite applications for the use of registered pesticides, particularly the herbicides copper sulfate and diquat. The application approval may be conditioned on actions to protect fish and to notify residents of the applications. Local health departments may be required to conduct sampling to determine the environmental effects of the applications. This requirement of expediting application approvals expires April 1, 1998, which is after the Legislature considers the recommendations in the lake health plan.

**Votes on Final Passage:**

Senate	46	0	
House	65	27	(House amended)
Senate			(Senate refused to concur)

Conference Committee

House	98	0
Senate	48	0

**Effective:** March 30, 1996

**SB 6672**

C 278 L 96

Requiring department of corrections personnel to report suspected abuse of children and adult dependent and developmentally disabled persons.

By Senators Hargrove, Long and Oke; by request of Department of Social and Health Services and Department of Corrections.

Senate Committee on Human Services & Corrections  
House Committee on Children & Family Services

**Background:** While supervising offenders in the community, Department of Corrections (DOC) personnel often observe the homes, families, and living conditions of offenders and the children with whom they are in contact. As a result of the supervision, DOC staff may observe signs of child maltreatment or neglect.

Department of Corrections personnel are not currently included on the list of professionals who are mandated to report suspected abuse and neglect of children, dependent adults, or people with developmental disabilities.

The Department of Social and Health Services (DSHS) is requesting this legislation to encourage the reporting of dangerous conditions for children and to facilitate joint planning between DSHS and DOC to protect children and vulnerable adults who may be residing with an offender or at a residence where an offender will be residing.

**Summary:** Certain Department of Corrections (DOC) personnel are added to the list of professionals who are required to report suspected instances of abuse or neglect of a child, adult dependent, or a developmentally disabled

person. The DOC personnel who are made mandatory reporters include those who, in the course of their employment, observe offenders or the children with whom the offenders are in contact.

The mandatory reporting requirement applies only when, as a result of observations or information received in the course of their employment, DOC personnel have reasonable cause to believe abuse or neglect occurred.

**Votes on Final Passage:**

Senate	47	1	
House	93	0	(House amended)
Senate			(Senate refused to concur)
House	96	0	(House receded)

**Effective:** June 6, 1996

## SSB 6673

C 104 L 96

Combatting fuel tax evasion.

By Senate Committee on Transportation (originally sponsored by Senators Owen and Wood).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** In Washington, motor fuel taxes are collected at the distributor level. Fuel taxes are collected by motor vehicle fuel (gasoline) distributors, special fuel (diesel) dealers, and aviation fuel distributors and paid to the Department of Licensing (DOL). Dealers and distributors must be licensed with the department. Fuel tax evasion is a class C felony and upon conviction the evader is liable for the taxes owed and a 100 percent penalty assessment.

During the 1995 interim, the Legislative Transportation Committee convened a task force of legislators and stakeholders to examine fuel tax evasion. An interim report was presented in December. The final report is due in March.

**Summary:** Fuel tax revenues collected by motor fuel dealers and distributors are considered to be held in trust for the state. Personal liability for unpaid taxes is applied to persons, partnerships, and corporations. The nonpayment of funds held in trust and the illegal claim that fuel has been exported in order to avoid payment of fuel tax are deemed felonies or gross misdemeanors depending on the magnitude of the offense. Miscellaneous offenses in the aviation fuel statutes are deemed gross misdemeanors rather than misdemeanors.

Items to be included on the application for a dealer or distributor's license are set forth. A person who supplies false information on the application may be prosecuted for false swearing. DOL is given authority to gather updated application information from current license holders. The reasons for which DOL may revoke or refuse to issue a distributor or dealer license are expanded.

DOL is authorized to conduct background investigations, including fingerprint record checks, of motor fuel distributors and dealers before issuing a license. Applicants are to be charged \$50 for each background check.

Dealers and distributors must retain records for five years rather than three years.

By July 1, 1996, DOL must establish a fuel tax advisory group of state agency and petroleum industry representatives. By December 1, 1996, DOL is required to draft language to merge the motor vehicle fuel, special fuel, and aviation fuel statutes into one RCW chapter. By December 31, 1996, DOL must develop a database of license application information.

**Votes on Final Passage:**

Senate	49	0
House	92	0

**Effective:** June 6, 1996

## ESSB 6680

PARTIAL VETO

C 317 L 96

Strengthening legislative review of agency performance.

By Senate Committee on Ways & Means (originally sponsored by Senators Snyder, McDonald, Loveland, Sellar, Rinehart, West, Strannigan, Quigley, Cantu, Oke, Winsley, Kohl, Long and Roach).

Senate Committee on Ways & Means  
House Committee on Government Operations  
House Committee on Appropriations

**Background:** Authority and responsibility for performance assessment, performance audits, and performance improvement is vested in a number of agencies within state government.

The Legislature created the Washington Performance Partnership (WPP) in 1994, directed at improving the performance of state government, measured in terms of quality, accountability, cost-effectiveness, and productivity. The WPP was created as a two-tracked process for the long-term improvement of state government. The first area of effort was intended to clarify the purpose(s), goals, basic services, and priorities of state government, consistent with the desires of the public. The second area of effort is a focus on improving performance of programs and services by clarifying objectives, measuring performance, analyzing processes, and redesigning systems.

Staff of the WPP continues to work on the second area of effort in a limited number of agencies. The first area of effort has received little attention, resulting in part from a lack of consensus regarding a workable approach. The WPP Council, consisting of legislators, agency officials, labor representatives, and private sector experts has not held a meeting for about a year.

In addition, the Legislative Budget Committee (LBC) is authorized to conduct performance audits, program evaluations, and management surveys, all of which are intended to provide independent examination of agency and program performance, along with recommendations for improvement. LBC examinations are intended to review compliance with statutes and intended purposes, efficiency, economy, effectiveness, potential duplication, required modifications, and the extent to which program goals and objectives are achieved.

Currently, the State Auditor is authorized to conduct performance verifications to verify the accuracy of measurements and reports used by agencies in measuring their performance. These performance verifications must be specifically authorized in the omnibus biennial appropriations act.

**Summary:** The Legislative Committee on Performance Review (LCPR) is established. The 13-member bipartisan committee consists of the minority and majority leaders of each house, the chairs and ranking minority members of the appropriations committees of each house, four additional members—one from each caucus, and the Lieutenant Governor, who serves as a nonvoting member and chair of the committee. An executive committee consisting of the minority and majority leaders of each house appoints a director of the Legislative Office of Performance Review (LOPR). The director is employed through a three-year contract, renewable at the end of each year by an affirmative vote of three of the four members. At any time during the term of the contract, the employment of the director may be terminated by unanimous vote of the executive committee. The director is required to establish and manage the Legislative Office of Performance Review.

The director has primary responsibility for performance reviews of state agencies, programs, and activities. The director is required to work in consultation with the State Auditor, the director of the Legislative Budget Committee, and the director of the Office of Financial Management (OFM) to conduct performance reviews. The director must also work closely with the chairs and staff of standing legislative committees.

Prior to the completion of each legislative session, the LCPR must approve a performance review plan for the subsequent 12 to 15 months. The audit plan includes a schedule of agencies, programs, or activities for which performance reviews will be initiated during that period. In preparing a draft plan for consideration by the committee, the director must consult with the State Auditor, the chair and staff of the Legislative Budget Committee, the director of OFM, and the chairs and staff of appropriate legislative standing committees. The State Auditor is authorized to participate in performance reviews, subject to the annual plan.

Performance reviews include a “re-thinking” of the programs and functions of state agencies, performance assessments of programs and activities, and establishment

of benchmarks against which to measure future performance of the agency or program. In conducting performance reviews, staff of the LOPR works closely with appropriate front-line employees, managers, customers of the program, taxpayers, legislators or legislative staff, staff from OFM, and other public or private sector experts.

In advance of performance reviews, agencies are required to identify each discreet function or activity of the agency, along with associated costs and staff. In “re-thinking” an agency or program, the director must work with appropriate assistance to formulate a list of those activities and programs that should be continued, those that should be abandoned, and those activities that need to be redirected or restructured. Criteria for the “re-thinking” review process are specified.

Performance reviews must also determine the existence and utility of a vital agency or program strategic plan which includes a concise statement of mission, a vision for future direction, measurable goals and objectives, and clear strategies to achieve them. The director must determine the extent to which the plan is vital to the management and accountability of the agency or program, using criteria specified in the bill.

In the absence of acceptable public or private benchmark operations against which to measure the performance of state agencies and programs, the director must conduct a review sufficient to recommend the benchmark operations to the agency, the Governor, and the Legislature.

As a part of each performance review, the director must work with the director of the agency being reviewed and the director of OFM to develop recommendations regarding statutes that inhibit or do not contribute to the agency’s ability to perform effectively and efficiently.

When the LOPR completes a performance review, and prior to public release of the findings, the agency and OFM have the opportunity to respond. Comments of the LCPR are also included in the final report. Final reports of findings of the director from all agency and program performance reviews are made public and distributed by appropriate means.

A revolving fund is created to allow the director the authority to assess agencies all, or a part of, the cost of performance reviews. The fund is subject to appropriation.

As part of the requirements for budget development and financial reporting, statutes are amended to reinstate the requirement, repealed in 1994, for agencies to develop missions, goals, and measurable program objectives. In preparing agency budget requests and the Governor’s budget, findings of agency and program reviews completed by the LOPR during the preceding fiscal period must be specifically addressed. OFM and other affected agencies are required to outline potential costs and savings associated with findings and recommendations from performance reviews.

OFM, working with legislative fiscal committees, is required to develop a plan to merge the budget development process with agency strategic plans and performance measurement. The plan is to include a schedule to transition agencies to the revised budget development process over six years, beginning in the 1997-99 biennium.

Each state agency is required to adopt procedures for continuous self-assessment using its mission, goals, and performance measurements.

The Washington Performance Partnership is repealed. However, OFM is required to provide professional technical assistance to agencies in developing their missions, goals, objectives, and performance measures.

**Partial Veto Summary:** The entire bill is vetoed except for two sections. One section contains the requirements that agencies develop missions, goals, and measurable performance objectives; develop self-assessment procedures; and link budget requests to agency mission, goals, and objectives. It also requires OFM to develop and implement a six-year plan revising the budget process to integrate performance measures. The only other section not vetoed is the section repealing the Washington Performance Partnership.

**Votes on Final Passage:**

Senate	47	0	
House	97	0	(House amended)
Senate	45	0	(Senate concurred)

**Effective:** June 6, 1996

**VETO MESSAGE ON SB 6680-S**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 13, and 14, Engrossed Substitute Senate Bill No. 6680 entitled:

“AN ACT Relating to the performance assessment of state government;”

Engrossed Substitute Senate Bill No. 6680, for the most part, creates a new legislative committee and office to conduct performance reviews of state agencies and programs. These reviews would determine whether agencies and programs should be strengthened, abandoned, or redirected and would evaluate whether there is still a valid purpose for them. They would also look at program costs, priorities, performance improvements, and strategic plans. These kinds of inquiries are valid and usually provide useful direction to state agencies. They also identify where state government programs should be cut back because of changing circumstances or should be expanded to meet new needs. I support these efforts and believe they should be strengthened.

However, the powers and duties given to the new Legislative Committee on Performance Review and to its staff office are unfunded and seriously overlap current responsibilities of the Legislative Budget Committee and its successor agency, the Joint Legislative Audit and Review Committee. This committee was created by Engrossed Second Substitute House Bill No. 2222.

While I strongly support any coordinated, well-planned, and properly funded effort to evaluate state agency performance, I am concerned that two legislative agencies with overlapping direc-

tives in this area would not be beneficial. Indeed, they could result in conflicting demands and directives on executive branch agencies that would be difficult and costly to fulfill. I cannot approve those sections of the bill relating to the powers and duties of the Legislative Committee on Performance Review and the Legislative Office of Performance Review.

On the other hand, section 10 of Engrossed Substitute Senate Bill No. 6680 provides reasonable and timely direction to state agencies and the Office of Financial Management (OFM) in a number of critical areas. It directs agencies to define their missions, goals, and objectives; to establish performance measures; and to adopt processes for continuous self-assessment and improvement. Section 10 also directs OFM to institute performance-based budgeting and to assist agencies in developing performance measurement systems. The supplemental appropriations act provides OFM with additional resources to accomplish these goals. These are useful steps that should be taken, and they build on work already done by agencies, OFM, and the Washington Performance Partnership Council. Section 10 should, therefore, be approved.

Section 12 of Engrossed Substitute Senate Bill No. 6680 repeals the enabling act for the Washington Performance Partnership Council. That organization and its staff contributed significantly to developing a workable Washington State management model, defined the role of state executives in strategically managing change, and began the process of incorporating continuous process improvement and performance measurement into our management culture. Since their work is done and they are no longer funded, the repealers in section 12 are appropriate.

For these reasons, I have vetoed sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 13, and 14 of Engrossed Substitute Senate Bill No. 6680.

With the exception of sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 13, and 14, Engrossed Substitute Senate Bill No. 6680 is approved.

Respectfully submitted,



Mike Lowry  
Governor

**SB 6684**

C 279 L 96

Authorizing student transportation funding for students living within one mile of the school.

By Senators McAuliffe, Johnson, Goings, Finkbeiner, Pelz, Rasmussen, Fairley, Hochstatter, Bauer and Winsley.

Senate Committee on Education  
House Committee on Education  
House Committee on Appropriations

**Background:** Each school district determines which students will be transported to and from school by the district and what routes will be used to transport the students.

If a school district elects to provide student transportation, then the state allocates funds for student transportation based on the number of students who are eligible and who actually ride buses. Eligible students include certain students with disabilities, students whose route stop is more than one radius mile from the student's school, and students whose route stop is less than one radius mile from the student's school, if their walking

conditions qualify them for hazardous conditions transportation.

Money allocated by the state for student transportation must be spent for student transportation activities and cannot be used to mitigate hazardous walking conditions.

**Summary:** The allocation formula for student transportation is changed. Instead of funding based on the existence of a hazardous walking condition existing for students living within one radius mile of school, funding is based on the number of students in grades kindergarten through five living within one radius mile of school.

Funds allocated to school districts for students living within one mile of school can be spent to alleviate hazardous walking conditions. Actions to alleviate these conditions can include the use of bus transportation, funding of crossing guards, and matching funds for local and state transportation projects intended to mitigate hazardous walking conditions. Priority must be given to students in grades kindergarten through five.

**Votes on Final Passage:**

Senate	46	0	
House	92	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** June 6, 1996

**SSB 6692**  
FULL VETO

Providing for state and federal cooperation for weed control on federal land.

By Senate Committee on Agriculture & Agricultural Trade & Development (originally sponsored by Senators Rasmussen, Morton and Hargrove).

Senate Committee on Agriculture & Agricultural Trade & Development  
House Committee on Agriculture & Ecology

**Background:** There are substantial weed problems on federal lands. Weeds eventually spread from federal lands to state and private lands.

**Summary:** The state Noxious Weed Control Board must work with various federal agencies to coordinate state and federal weed control, and also must encourage federal agencies to devote more time and resources to weed control. The board is required to assist federal land management agencies by supporting increased funding.

County weed boards must work with various land management agencies to identify emergent weed problems, outline and plan necessary weed control actions, develop coordinated weed control programs, and notify local federal agencies of weed problems on their lands.

County weed boards are authorized to enter federal lands to control weeds. The county weed board may bill the federal land management agency for the cost of weed

control if the federal agency fails to control weeds on federal lands. If the federal agency refuses to pay, the boards may use their funds or, if available, funds from the Department of Agriculture. County weed boards must consult with state agencies. The Attorney General's Office and county prosecuting attorneys must assist the state and county boards.

**Votes on Final Passage:**

Senate	49	0	
House	64	28	(House amended)
Senate	45	0	(Senate concurred)

**VETO MESSAGE ON SB 6692-S**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 6692 entitled:

"AN ACT Relating to the state weed board;"

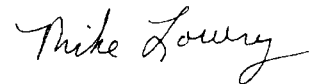
Substitute Senate Bill No. 6692 directs the State Noxious Weed Control Board to work with various federal and tribal land management agencies to coordinate weed control. The bill declares that county weed boards and weed districts are authorized to enter federal lands to control noxious weeds and may not be held liable for those actions. The bill authorizes the county weed boards and weed districts to bill federal agencies for all the costs of the noxious weed control performed on federal land. It also directs each county prosecuting attorney's office to assist in any challenges to the authority of these entities or actions under this chapter and in the collection of all costs related to the noxious weed control performed on federal land.

Substitute Senate Bill No. 6692 contains language in section 1(3) that may create legal problems which would lead to administrative difficulties or may prevent the law from becoming operational. The intent of the bill, however, is admirable. The spread of noxious weeds causes economic and environmental damage on state and private lands. Improved coordination and more effective control of noxious weeds in Washington State are needed. To accomplish these goals, we must work with federal agencies to build a stronger partnership.

I strongly encourage the State Noxious Weed Control Board to work with all stakeholders as they prepare their recommendations for the 1997 Legislature. I am confident that these efforts will lead to improved effectiveness and to better coordination in the control of noxious weeds in Washington State.

For these reasons, I have vetoed Substitute Senate Bill No. 6692 in its entirety.

Respectfully submitted,



Mike Lowry  
Governor



**SSB 6694**

C 105 L 96

Microchipping equine.

By Senate Committee on Agriculture & Agricultural Trade & Development (originally sponsored by Senators Morton, A. Anderson and Rasmussen).

Senate Committee on Agriculture & Agricultural Trade & Development

House Committee on Agriculture & Ecology

**Background:** Implanting microchips in horses as a means of identification is becoming more common. Normally, the chip is located in the neck ligament where it can be scanned with a microchip reader.

Livestock can be identified as to ownership by placing on the animal a brand registered with the Department of Agriculture. Removal or alteration of a brand without the prior written permission of the director is gross misdemeanor.

There currently is no specific penalty for removal of a microchip from horses.

**Summary:** Microchipping is defined as the implantation of a microchip or similar electronic identification device for the purpose of establishing the identity of an individual animal. In horses, microchips may be implanted in the nuchal ligament in the neck. For other livestock, when requested by an association of producers of that species of livestock, the director may establish by rule the location that a microchip may be implanted.

A person who removes or causes to be removed a microchip with the intent to defraud a subsequent purchaser is guilty of a gross misdemeanor.

The Department of Agriculture is authorized to investigate incidents where it is apparent that a microchip is removed from a horse.

**Votes on Final Passage:**

Senate	48	1
House	96	0

**Effective:** June 6, 1996

**SSB 6699**

C 244 L 96

Facilitating transportation of persons with special transportation needs.

By Senate Committee on Transportation (originally sponsored by Senator Prince).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** There are two types of ride sharing — commuter ride sharing, and ride sharing for the elderly and handicapped. Ride sharing for the elderly and handi-

capped is provided by a public social service agency or private nonprofit transportation provider in a car pool or van pool with a seating capacity of 15 persons, including the driver. A ride-sharing vehicle is a passenger vehicle with a seating capacity of not more than 15, including the driver, used for commuter ride sharing or ride sharing for the handicapped or elderly.

A private nonprofit transportation provider transports the elderly (60 years old) and handicapped, and their assistants, for compensation. Handicapped persons fall into three categories: (1) ambulatory persons who are blind, deaf, have a mental disability such as mental retardation or emotional illness, or a physical disability that still allows the individual to walk comfortably; (2) semiambulatory persons who require special aids such as canes, crutches, walkers, respirators or human assistance; and (3) nonambulatory persons who must use wheelchairs.

Nonprofit transportation providers are regulated by the Utilities and Transportation Commission (UTC) under the most relaxed entry standard of fit, willing and able. Nonprofit providers are subject to the insurance and safety requirements of the commission. There is no rate regulation; however, if the carrier charges a fee for transportation services, a tariff must be filed. Few nonprofit providers charge a fee as their main source of operating revenue is contracts with transit agencies, local area organizations, such as the Council on Aging, and the Department of Social and Health Services. Capital grants from the Federal Transit Administration are used for the purchase of vehicles.

Vehicles operated as ride sharing vehicles are exempt from the retail sales tax and motor vehicle excise tax (MVET) when used for (1) commuter ride sharing by not less than five people, including the driver, or not less than four persons, including the driver when at least two of those persons are confined to wheelchairs; or (2) ride sharing for the elderly and handicapped. The MVET exemption applies to vehicles 10,000 pounds or less. Because of special rider equipment required by the Americans with Disabilities Act, some vehicles exceed the 10,000 pound limit. Nonprofit transportation providers are eligible for gas and diesel fuel tax rebates.

Liability insurance (“reasonable and ordinary standard of care”) is required for ride-sharing operations. Operators are exempt from regulations governing drivers and owners of for hire vehicles, common carriers or public transit carriers. This same language is duplicated in the private, nonprofit transportation providers statutes, even though nonprofits are part of the ride sharing statutes.

**Summary:** The term “elderly or handicapped” is replaced with “persons with special transportation needs” and the terms “elderly” and “handicapped” are removed from the definition of ride sharing and private nonprofit transportation providers. “Persons with special transportation needs” are individuals (and personal attendants) who, because of physical or mental disability, income status, or age are

unable to transport themselves or to purchase appropriate transportation.

“Commuter ride sharing” is conducted in a passenger vehicle with (1) a gross weight not to exceed 10,000 pounds, excluding special rider equipment; and (2) a seating capacity not to exceed 15 persons that is used by (a) no fewer than five people, including the driver, or (b) four persons, including the driver, when at least two persons are confined to wheelchairs (current language used for the ride-sharing MVET and sales tax exemption).

The Department of Licensing is charged with developing a definition of “ride-sharing for persons with special transportation needs.” The definition is to include small buses, cutaways, and modified vans that are a maximum of 28 feet in length.

The MVET exemption that applies to commuter ride sharing and private nonprofit transportation provider vehicles weighing 10,000 pounds or less, is expanded to exclude special rider equipment.

The language setting forth the liability insurance provisions and driver/owner qualifications is (1) repealed for nonprofit transportation providers as this is already addressed in other nonprofit transportation provider statutes; and (2) modified in the commuter ride-sharing statutes to clarify that the provisions apply to commuter ride sharing only.

**Votes on Final Passage:**

Senate	46	0	
House	98	0	(House amended)
Senate	44	0	(Senate concurred)

**Effective:** June 6, 1996

**ESB 6702**

**PARTIAL VETO**

C 318 L 96

Clarifying and streamlining of the joint administrative rules review committee.

By Senators Fraser, McCaslin, Sheldon, West, Winsley and Hale.

Senate Committee on Government Operations  
House Committee on Government Operations

**Background:** The Joint Administrative Rules Review Committee (JARRC) was established by statute in 1981 to provide selective review of agency rules. The committee considers whether a rule is within the intent of the Legislature, whether the rule was adopted in accordance with all applicable provisions of law, whether an agency is using a policy statement in place of a rule and whether a policy statement is outside legislative intent.

The committee may require that the agency hold a hearing to consider the committee’s decision. Ultimately, the committee may request that the Governor suspend a rule

for a limited period of time. The Code Reviser publishes the transmittals from the committee and the Governor regarding these issues in the Washington State Register.

The experience of the committee over the years has led to suggestions for operational changes that would better effectuate the committee’s statutory duty.

**Summary:** A person must petition the relevant agency to change a rule before a petition can be made to JARRC to review the rule. A majority vote of the whole committee is required for committee decisions. The elements of a sufficient petition are enumerated. The provision that allows JARRC jurisdiction to consider whether a policy statement is within the intent of the Legislature is removed. Various sections are edited for clarity. Redundancies and inconclusive language are eliminated. Four alternates must be appointed, one from each caucus of each house. The committee’s recommendation to the Governor that a rule be suspended establishes a rebuttable presumption that the rule is invalid. The burden of demonstrating the rule’s validity is then on the agency.

**Partial Veto Summary:** Citing concerns with constitutionality and separation of powers, the Governor vetoed the provision establishing a rebuttable presumption of invalidity and shifting the burden of proof of a rule’s validity to the agency.

**Votes on Final Passage:**

Senate	49	0
House	76	15

**Effective:** June 6, 1996

**VETO MESSAGE ON SB 6702**

March 30, 1996

To the Honorable President and Members,  
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 8, Engrossed Senate Bill No. 6702 entitled:

“AN ACT Relating to clarifying and streamlining procedures of the joint administrative rules review committee;”

The Joint Administrative Rules Review Committee (JARRC) plays an important role in providing a bipartisan forum for selective review of agency rules. This legislation clarifies a number of JARRC’s procedures. I commend the members of the legislature for their continuing hard work.

However, section 8 of Engrossed Senate Bill No. 6702 includes language that I have vetoed from two other bills in prior legislative sessions. This section would give JARRC the ability, by a simple majority vote of committee members, to establish a rebuttable presumption in judicial proceedings that a rule does not comply with the legislature’s intent. The burden of proof to establish that a rule was within legislative intent would be shifted to the state agency rather than placed on the individual bringing the challenge. This would mean that five legislators out of a total of 147 could determine legislative intent. These five individual legislators would have this ability regardless of their participation in the policy committees that developed the underlying legislation upon which the rule is based.

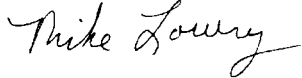
I have serious concerns about the constitutionality of this kind of authority. Article II, section 22 and Article III, section 12 of the state constitution require that legislative acts be passed by a majority of the members elected to each house of the legislature,

with presentment to the governor for approval. This section violates these provisions. Moreover, section 8 of Engrossed Senate Bill No. 6702 violates the separation of powers doctrine in that it intrudes unduly into those constitutional powers reserved for the executive and judicial branches of government.

For these reasons, I have vetoed section 8 of Engrossed Senate Bill No. 6702.

With the exception of section 8, Engrossed Senate Bill No. 6702 is approved.

Respectfully submitted,



Mike Lowry  
Governor

## E2SSB 6705

C 137 L 96

Requiring a higher education technology plan.

By Senate Committee on Ways & Means (originally sponsored by Senators Bauer, Wood, Kohl, Zarelli, Sutherland, Cantu, Prince, Sheldon, Loveland, Winsley, Hale and Rasmussen).

Senate Committee on Higher Education  
Senate Committee on Ways & Means  
House Committee on Higher Education

**Background:** The state of Washington affirmed its efforts toward statewide technology planning in 1987 by requiring the Superintendent of Public Instruction and the Higher Education Coordinating Board to jointly develop and recommend an educational telecommunications network plan to provide coordination between the common schools and higher education institutions. In the same year, the Department of Community Development and the Department of Information Services were charged with the responsibility of conducting a study for a video telecommunications plan for state government.

As one of its duties, the Information Services Board is "to assure the cost-effective development and incremental implementation of a state-wide video telecommunications system to serve: Public schools; educational service districts; vocational technical institutes; community colleges; colleges and universities...." In addition, the 1995-97 budget states that "Prior to any such expenditure by a public institution of postsecondary education, a telecommunications expenditure plan shall be approved by the higher education coordinating board. The higher education coordinating board shall coordinate the use of video telecommunications for instruction and instructional support in postsecondary education, including the review and approval of instructional telecommunications course offerings."

**Summary:** The Legislature recognizes that access to educational opportunities for the citizens of Washington State are enhanced by maximum use of a common telecommu-

nications backbone network in building and expanding education technology systems. Therefore, coordinated policy and planning to ensure program quality, interoperability, and efficient service delivery are the highest priorities of the Legislature.

The K-20 Telecommunications Oversight and Policy Committee (TOP) is established. By April 15, 1996, the Department of Information Services (DIS) must convene the committee, which includes the following voting members or their designees: the Governor; one member from each caucus of the Senate, appointed by the President of the Senate; one member from each caucus of the House of Representatives, appointed by the Speaker of the House; the Superintendent of Public Instruction (SPI); the chair of the Higher Education Coordinating Board (HECB); and the chair of the Information Services Board (ISB). The voting members must reach a consensus in approving the network design and implementation plan. On a nonvoting basis, the committee also includes the following members or their designees: one community college or technical college president, appointed by the State Board for Community and Technical Colleges (SBCTC); one president of a public baccalaureate institution, appointed by the Council of Presidents (COP); the state librarian; one Educational Service District (ESD) superintendent, one school district superintendent, and one representative of an approved private school, each appointed by the SPI; one representative of independent nonprofit baccalaureate institutions, appointed by the Washington Friends of Higher Education; and one representative of the computer or telecommunications industry, appointed by the ISB.

The duties of the K-20 Telecommunications Oversight and Policy Committee include, but need not be limited to, the following: (1) By June 1, 1996, establishment of timelines for the submission of plans and adoption of policy goals and objectives for a K-20 telecommunications system; (2) authorization of the construction and acquisition of a network backbone upon its approval of phase one of a technical plan for the network; (3) adoption of a network design and implementation plan and subsequent updates; and (4) authorization for release of funds for network purposes.

The HECB and SPI, for their respective educational systems, must immediately begin to develop programming plans and location plans for connection to the network. The ISB must prepare the technical plan for the network. For each site proposed for connection to the network, the HECB and SPI must recommend service delivery specifications that include, but need not be limited to, an assessment of community needs and programming and service levels that provide for effective use of network resources. Each system must prioritize the implementation of the proposed location plan prior to submission to TOP, which then considers the recommendations of the HECB, the SPI and the ISB when adopting the network design and implementation plan. The HECB and SPI must also

recommend to the TOP a network governance structure that ensures participation by all members of the network and adheres to the goals and objectives of the committee.

The ISB must develop the technical plan in phases. Phase 1 includes a telecommunications backbone connecting ESDs, main campuses of public baccalaureate institutions, branch campuses of public research institutions, and the main campuses of the community colleges and the technical colleges. Phase 2 must (a) provide for connection the network by entities that include, but need not be limited to, school districts, public higher education off-campus sites and extension center, branch campuses of technical colleges and community colleges, and independent nonprofit baccalaureate institutions as prioritized by TOP; and (b) distance education facilities and components for entities in both phases. Subsequent phases may include, but need not be limited to, connections to public libraries, state and local governments, community resource centers, and the private sector.

The role of the HECB is clarified regarding coordination of and planning for statewide telecommunications programming, location selection, and meeting community needs.

The membership on the ISB is expanded to include a second representative of the private sector, the SPI or an appointee of the SPI, a Senator and a member of the House of Representatives not of the same political party, and the director of DIS.

The K-20 technology account is created in the state treasury. DIS must deposit into the account all moneys received from legislative appropriations, gifts, grants, and endowments for the K-20 system. The account is subject to appropriation and may be expended solely for the K-20 telecommunications system. Disbursements from the account are made with the authorization of the director of DIS with approval of the Telecommunications Oversight and Policy Committee.

Nothing in the act prevents the ongoing maintenance and operation of existing telecommunications and information systems or programs.

**Votes on Final Passage:**

Senate	43	6	
House	93	0	(House amended)
Senate			(Senate refused to concur)
House	98	0	(House amended)
Senate	47	1	(Senate concurred)

**Effective:** March 25, 1996  
June 30, 1997 (Section 12)

Funding local government archives and records management.

By Senators Sutherland, McDonald, Finkbeiner, Winsley, Haugen and Hochstatter; by request of State Archivist.

Senate Committee on Ways & Means  
House Committee on Finance

**Background:** The Secretary of State, through the Division of Archives and Records Management, provides for the preservation and storage of the official records of state agencies and 1,200 local government entities through a system of central archives and five regional branches. The division is funded through revolving fund charges assessed against state agencies based on the size of each agency (FTE's) and the volume of records generated.

In the 1993 biennial budget act, the Legislature directed the Secretary of State to assess archives charges against local governments to cover the cost of archive services being provided to the local governments. In 1994, the Legislature imposed a \$20 surcharge on the filing of unpaid tax warrants in superior court. The revenue from this surcharge was intended to provide local governments with sufficient funds to pay the cost of local archive services. However, the revenue produced by the surcharge was only 37 percent of the anticipated funds, creating a shortfall of approximately \$200,000.

**Summary:** County auditors are directed to impose a \$1 surcharge on each document filed with the auditor. This surcharge is transmitted to the State Treasurer for deposit in the Archives and Records Management Account and may be used solely for local government archives and records services. The surcharge expires on June 30, 2001, and is subject to review prior to expiration.

The surcharge on the filing of unpaid tax warrants is continued, with the proceeds dedicated to local government records services, including disaster recovery, essential records protection services, and records management training.

**Votes on Final Passage:**

Senate	41	6	
House	85	12	(House amended)
Senate	42	3	(Senate concurred)

**Effective:** July 1, 1996

**SSB 6725**

C 72 L 96

Exempting electrical switchgear and control apparatus from chapter 70.79 RCW.

Senate Committee on Energy, Telecommunications & Utilities

House Committee on Energy & Utilities

**Background:** The State Board of Boiler Rules is charged with overseeing the safe and proper construction, installation, repair, use and operation of boilers and similar unfired pressure vessels in the state. Several categories of this type of equipment are exempt from this regulation. These types of equipment include, among others, those used by railroads subject to the Interstate Commerce Act, lower-pressure vessels not located in public places, domestic water heating tanks, and small electric boilers with a working pressure under 80 pounds per square inch.

Several electric utilities in the state use a type of high-voltage circuit breakers that utilize sulfur hexafluoride gas under pressure. The gas is contained within pressured tanks at approximately 75 pounds per square inch. These tanks are generally located in restricted areas such as electric substations.

A 1993 ruling by the State Board of Boiler Rules requires increased inspection and certification requirements for these pressurized vessels utilizing sulfur hexafluoride gas.

**Summary:** The list of types of boilers and pressurized vessels exempt from regulation by the State Board of Boiler Rules is expanded to include electrical switchgear and control apparatus that have no external source of energy to maintain pressure and that are located in restricted access areas under the control of an electric utility.

**Votes on Final Passage:**

Senate	49	0
House	92	0

**Effective:** June 6, 1996

**SSB 6748**

C 106 L 96

Regulating the interest in property on which retail liquor is sold.

By Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Heavey and Deccio).

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** Under current law, a liquor manufacturer, importer, or wholesaler is prohibited from having any financial interest in an establishment that holds a retail liquor license. A manufacturer or wholesaler is also prohibited from owning property upon which a retail liquor licensee

conducts business. Furthermore, a retail liquor licensee is prohibited from conducting business upon property in which a manufacturer, importer or wholesaler has an interest. This prohibition was established in an effort to prevent manufacturers or wholesalers from exerting undue pressure on a retail liquor licensee to exclude the sale of one liquor product over another or to increase consumption.

**Summary:** The prohibition on a liquor manufacturer, importer or wholesaler from holding a financial interest in a licensed retail establishment or owning property upon which the establishment operates is modified. These business arrangements may be permitted if the Liquor Control Board reviews the ownership and operating agreements and determines that the operation of the retail liquor licensee is not going to be unduly influenced by the manufacturer, importer or wholesaler.

**Votes on Final Passage:**

Senate	47	0
House	95	0

**Effective:** June 6, 1996

**ESSB 6753**

C 280 L 96

Improving the Tacoma Narrows bridge.

By Senate Committee on Transportation (originally sponsored by Senators Oke, Prince, Prentice, Sheldon, Swecker, Wojahn, Deccio, Schow, A. Anderson, Sellar, Winsley, Strannigan, Finkbeiner, Moyer, McDonald, Haugen, Wood and Rasmussen).

Senate Committee on Transportation  
House Committee on Transportation

**Background:** The Public-Private Initiatives in Transportation (PPI) program was established in 1993 to test the feasibility of privately financed transportation improvements in Washington State. The legislation provides a wide range of opportunities for private entities to undertake all or a portion of the study, planning design, finance, construction, operation and maintenance of transportation facilities that will become state owned.

Changes in the program by the 1995 Legislature require an advisory vote on projects selected by the Washington State Department of Transportation (WSDOT) that receive public opposition following selection, and prohibit the WSDOT from entering into agreements with private sector developers of projects with opposition prior to the advisory vote taking place. Three projects received the requisite number of signatures in opposition (SR 16/Tacoma Narrows, SRs 520 and 522 corridor improvements) and are subject to the advisory vote requirement.

Concern has been expressed that current law requiring that the advisory vote be on the imposition of tolls on a

## SB 6757

conceptual project will delay project construction and prevent a meaningful vote.

Proponents of changes in the PPI program favor an advisory vote on a preferred alternative that would be identified through the Environmental Impact Statement (EIS) required under the state and federal environmental review process.

**Summary:** The requirements apply to all PPI projects selected to date and are not limited to the SR 16 corridor/Tacoma Narrows bridge improvement project.

For a PPI project that requires a vote, the vote must be on the preferred alternative identified through the environmental review process required by the State Environmental Policy Act (SEPA) and, if applicable, the National Environmental Policy Act (NEPA).

The execution of the advisory vote process by the WSDOT is subject to prior legislative appropriation of funds to conduct environmental impact studies, a public involvement program, local involvement committee activities, traffic and economic impact analysis, engineering and technical studies, and the advisory vote.

WSDOT is authorized to enter into a contract with a developer of a PPI project to conduct the work necessary to identify the preferred alternative, but is prohibited from entering into a franchise agreement with a developer prior to the advisory vote.

### Votes on Final Passage:

Senate	43	0	
House	92	2	(House amended)
Senate	42	1	(Senate concurred)

**Effective:** March 29, 1996

## SB 6757

C 246 L 96

Exempting first class school districts from conflict of interest provisions relating to contracts.

By Senator Morton.

Senate Committee on Education  
House Committee on Education

**Background:** Current law provides a general rule that officers of municipalities cannot benefit from contracts entered into by the municipality. However, current law provides some exceptions. Second class school districts may contract with a company in which a school board member has an interest if the contract is for less than \$750 a month, there is public disclosure that there is a contract, and the school board member does not vote on the authorization of the contract.

Current law does not permit first class districts to contract with a company in which a school board member has an interest.

First class school districts have 2,000 or more students. Second class districts have fewer than 2,000 students.

**Summary:** First class school districts may contract with a company in which a school board member has an interest if the contract is for less than \$750 a month, there is public disclosure by having an available list of such a contract and by publishing notice of the contract in one or more local newspapers, and the school board member does not vote on the authorization of the contract.

### Votes on Final Passage:

Senate	46	0	
House	96	2	(House amended)
Senate	43	0	(Senate concurred)

**Effective:** June 6, 1996

## SSB 6767

C 319 L 96

Establishing procedures for compensation modifications for state employees under chapter 41.06 RCW.

By Senate Committee on Ways & Means (originally sponsored by Senators Rinehart and West).

Senate Committee on Ways & Means

**Background:** The Washington Personnel Resources Board is responsible for adopting and revising the comprehensive classification plan for classified, civil service employees as well as exempt employees under the jurisdiction of the Board. The Board uses this authority to grant salary adjustments and reclassifications to groups of employees. Prior to the current biennium, the Office of Financial Management (OFM) reviewed the proposals for reclassifications for their fiscal impact, and passed on for the Board's review only those requests the costs for which could be absorbed. This sometimes resulted in agencies building bowwave costs for the approved salary adjustments into their budgets for the following biennium.

Legislation enacted in 1995 requires that the Board approve only those salary adjustments and reclassifications during the 1995-97 biennium that meet certain criteria. The Board can approve those salary adjustments that address recruitment and retention issues, correct salary compression or inversion problems, recognize increased duties and responsibilities, or correct salary inequities. A salary inequity exists where similar work is assigned to different classified positions that have a salary difference greater than 7.5 percent.

Last year's omnibus appropriations act provides \$5 million GF-S and \$5 million in other funds for Board-approved salary adjustments. The 1996 supplemental budget adds another \$4.475 million GF-S for these purposes. The 1995 budget act further specifies that the Board can approve another \$2.5 million GF-S, \$2.5 million other funds of salary adjustments the costs for which can be

absorbed by the requesting agencies. The total cost of all salary adjustments approved by the Board cannot exceed these amounts specified in the appropriations acts.

The Washington Management Service (WMS) was created by legislation enacted in 1993. The Director of the Department of Personnel (DOP) has rule-making authority over WMS. In establishing WMS rules, the director must provide for flexibility in setting and changing salaries.

**Summary:** The criteria in effect for the current biennium concerning granting salary adjustments and reclassifications are made permanent.

OFM must review the agency's fiscal impact statement. If OFM determines that the agency can absorb the cost of the salary adjustment within the agency's current authorized level of funding for the current fiscal biennium and for the subsequent fiscal biennia, the Board can approve the salary adjustment at any time during the biennium.

If the agency cannot absorb the cost of the salary adjustment, then the following procedures must be followed:

The Board prioritizes the requests for salary adjustments and reclassifications and submits the prioritized list to the Governor, the House and the Senate at the same time DOP's biennial budget request is submitted to OFM. The Legislature establishes, in the biennial appropriations act, the level of funding that may be applied by the Board to the prioritized list and may specify the implementation dates for Board-approved salary adjustments. The Board may approve salary adjustments and reclassifications only to the extent that the total cost does not exceed the level of funding established in the budget.

Salary adjustments for classified employees and for exempt employees under the jurisdiction of the Board fall under the new procedures and criteria.

In developing WMS rules concerning setting and changing salaries, the director of DOP must require review and approval by the director for any salary change greater than 5 percent proposed for a group of employees.

**Votes on Final Passage:**

Senate	43	0
House	98	0

**Effective:** June 6, 1996

**ESB 6776**

C 73 L 96

Authorizing emergency grants to flood-damaged short-line or light-density railroads.

By Senators Owen and Prince.

Senate Committee on Transportation

**Background:** In 1995, the Legislature merged the essential rail banking account with the essential rail assistance account (ERAA). Use of moneys in the account were further restricted. One such restriction is that privately-owned

railroads may not receive grants from the ERAA (although they may qualify for loans).

**Summary:** Privately-owned short-line or light density railroads may receive state grants from the essential rail assistance account, but only for the purpose of repairing damage caused by recent flooding. This emergency exception to the Legislature's policy of providing strictly loans expires on December 31, 1998, or sooner upon repair of flood damage.

**Votes on Final Passage:**

Senate	45	0
House	98	0

**Effective:** March 13, 1996

**SJM 8023**

Requesting the department of transportation to name an overpass after Senator Matson.

By Senators Deccio, Owen, Newhouse, Sellar, Snyder, Bauer, McCaslin, A. Anderson, Prince, Rasmussen, Roach, C. Anderson, Cantu, Drew, Fairley, Finkbeiner, Franklin, Fraser, Goings, Hale, Hargrove, Haugen, Heavey, Hochstatter, Johnson, Kohl, Long, Loveland, McAuliffe, McDonald, Morton, Moyer, Oke, Palmer, Pelz, Prentice, Quigley, Rinehart, Schow, Sheldon, Smith, Spanel, Strannigan, Sutherland, Swecker, Thibaudeau, West, Winsley, Wojahn, Wood and Zarelli.

Senate Committee on Transportation

House Committee on Transportation

**Background:** Senator James T. Matson (R) served the people of the 14th District and the state of Washington as a member of the Washington State Senate from 1969 to 1981 and 1989 to 1993. From 1977 to 1979, Senator Matson served as Republican Minority Leader and more recently Chair of the Labor and Commerce Committee in 1991 and 1992.

**Summary:** The state Department of Transportation is requested to name the overpass at Selah, Washington after Senator James T. Matson.

**Votes on Final Passage:**

Senate	49	0
House	98	0

SJM 8028

Requesting clarification of the Indian Gaming Regulatory Act of 1988.

By Senators Wojahn, Pelz, Sutherland, Heavey, Haugen, Schow, Oke and Morton.

Senate Committee on Labor, Commerce & Trade  
House Committee on Commerce & Labor

**Background:** In 1988, Congress enacted the Indian Gaming Regulatory Act (IGRA) to provide a comprehensive scheme to govern gambling on Indian reservations.

IGRA allows tribes to conduct class I and class II gaming without state approval as long as the state permits such gaming. Class I gaming consists of "social games solely for prizes or minimal value or traditional forms of Indian gaming engaged in as part of or in connection with tribal ceremonies or celebrations." Class II gaming consists of bingo, and if played at the same location as bingo, "pull-tabs, lotto, punchboards, tip jars, instant bingo and other games similar to bingo provided the state permits such gaming." Banking card games and electronic or electro-mechanical facsimiles of any game of chance or slot machines of any kind are specifically excluded from the definition of class II gaming. Class III gaming is defined as "all forms of gaming that are not class I gaming or class II gaming."

Class III gaming may be operated on tribal lands only if the games are authorized by the governing body of the tribe; located in a state that permits such gaming for any purpose by any person, organization, or entity; and conducted in conformance with a tribal-state compact entered into by the Indian tribe and the state. A tribe that desires to conduct class III gaming must request the state to negotiate a compact. The state must negotiate with the tribe in good faith.

There has been dispute over the meaning of the phrase "such gaming for any purpose by any person, organization or entity." Some say that if "such gaming" means any class III gaming, then a state that allows any class III gaming, such as horse racing or a state lottery, must negotiate with the tribes over all forms of class III gaming requested. Several states, including Washington, have decided that "such gaming" as used in IGRA refers to a specific type of class III gaming. As a result, Washington State has been unwilling to negotiate with the tribes for the operation of slot machines or any other class III gaming activity which is specifically prohibited by state law. Federal courts have handed down various opinions on this matter — some support our state's interpretation and some do not. Given the various interpretations of this provision, it is clear that some clarification of IGRA is needed in this area.

**Summary:** Congress is requested to implement legislation clarifying the intent of the Indian Gaming Regulatory Act. Congress is specifically asked to implement legislation ensuring that only those specific gambling activities

authorized under state law are subject to negotiation between tribal governments and a state government, and that no state is required to negotiate on any specific type of gambling that is not either authorized, or played, or both within a particular state.

**Votes on Final Passage:**

Senate	45	0
House	69	24

SCR 8428

Approving recommendations of the 1996 higher education master plan.

By Senators Bauer, Wood, Kohl, Hale, Sheldon, Prince, Drew, McAuliffe and Rasmussen.

Senate Committee on Higher Education  
House Committee on Higher Education

**Background:** According to statute, the purpose of the Higher Education Coordinating Board (HECB) is to "provide planning, coordination, monitoring, and policy analysis for higher education in the state of Washington...." The Legislature intends that the board represent the broad public interest above the interests of the individual colleges and universities.

The board must prepare a comprehensive master plan, updated every four years. The plan must be submitted to the Governor and appropriate legislative policy committees. Following public hearings, the Legislature must, by concurrent resolution, approve or recommend changes to the initial plan and subsequent updates. The plan then becomes state higher education policy unless legislation is enacted to alter the policies in the plan.

During the most recent process to update the master plan, the HECB, through a public opinion survey and public meetings, learned the public has high expectations for the postsecondary system. The board reports that the state's higher education system will need to provide opportunities for an additional 84,100 students in the year 2010.

**Summary:** With access to postsecondary education that will provide Washington's residents with the education and training necessary to keep pace with the demands of an ever changing world identified as a most significant challenge to the higher education system, the board recognizes that the system cannot continue to conduct "business as usual." The Legislature commends the Higher Education Coordinating Board for its dedication and commitment to the state. The Legislature thanks the board for describing many of the challenges facing the state in its attempts to provide the postsecondary education and training needed by the state's citizens.

The Legislature approves the following recommendations in the updated plan:



(1) by the year 2010, the state will need to provide additional higher education opportunities for 84,100 FTE students; and

(2) solutions to the enrollment challenge may, in part, be found through technology, shifting the educational focus from teaching to learning, expanding partnerships, providing financial aid to needy and meritorious students, and using existing facilities in more effective ways.

The Legislature asks the board to refine the plan over the next year and to report to the 1997 Legislature with its refinements. As it works on the refinements, the Legislature suggests that the board consult a diverse group of people and use innovative approaches to develop further the solutions described in the updated plan. In addition, the Legislature requests that the board focus its attention on the following areas:

(1) recommendations on a governance structure and framework for the integration of technology into the educational enterprise. The technology issues that the Legislature expects the board to address are described;

(2) provision of an initial list of duplicative and low-productivity programs, and description of a process for examining ways to reconfigure, consolidate, or eliminate the programs;

(3) recommendations on ways institutions can increase access while maintaining quality and reducing costs. The recommendations may, in part, be based on draft restructuring plans created by colleges and universities;

(4) recommendations on appropriate state and institutional roles for providing remedial and developmental education;

(5) the development of a student information system; and

(6) a study of physical capacity in public and private colleges in the state.

The Legislature asks the 1997 Legislature to respond, by concurrent resolution, to the refinements submitted by the board.

The Legislature also requests that, by December 15, 1996, the board provide to the citizens and the Legislature a statutorily required annual report on the status of higher education expenditures, performance measures, and accomplishments.

Institutions of higher education are expected to submit draft restructuring plans within timelines specified by the HECB. The types of technology recommendations the HECB must present to the Legislature are described. These include a location plan for each site on the higher education telecommunications network; a governance structure for the network; a technology plan developed in cooperation with all higher education sectors, K-12, the State Library, and the Department of Information Services; and methods for integrating instructional technologies into the education enterprise.

**Votes on Final Passage:**

Senate	49	0	
House	94	0	(House amended)
Senate	41	0	(Senate concurred)

**SCR 8429**

Establishing a joint select committee on oral health care.

By Senators Thibaudeau, Quigley, Moyer, Deccio, Winsley, Wood, Franklin, Wojahn, Prentice, Fairley and Kohl.

Senate Committee on Health & Long-Term Care

**Background:** It is estimated that over 36 percent of the preschool children in Head Start programs in Washington State need dental treatment. While there is general agreement that low-income children and the elderly have high rates of dental disease in this state, many feel more data on dental primary and preventive services is needed to fully understand the problem of widespread dental disease among certain populations.

**Summary:** A joint select committee on oral health is established with the concurrence of the House of Representatives. The committee must identify barriers to access to oral health care services, including financial, regulatory, and administrative barriers and potential solutions. The committee must report back to the Legislature by December 1, 1996.

**Votes on Final Passage:**

Senate	Adopted
House	Adopted

**SCR 8432**

Recognizing the importance of preserving the Hanford Fast Flux Test Facility.

By Senators Hale, Loveland and Rasmussen.

**Background:** The Fast Flux Test Facility (FFTF) is a late-generation research reactor located at Hanford. For the last several years the FFTF has been without a specific mission and the United States Department of Energy has begun the process to close the reactor.

The reactor can be used for a variety of projects, including the creation of certain medical isotopes that presently are nearly all imported. Concern has been raised over the cost of closing the facility, and interest exists to privatize the operation of the project.

## SCR 8435

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**Summary:** The state of Washington is directed to call on the President and Congress to ensure the restart and continued operation of the Hanford Fast Flux Test Facility.

**Votes on Final Passage:**

Senate    Adopted  
House    Adopted

### SCR 8435

Requesting an Attorney General's opinion concerning trust lands.

By Senators Drew, Snyder, Oke, Hargrove, Owen, Rinehart and Bauer.

**Background:** A habitat conservation plan (HCP) is a long-range planning effort authorized under the federal Endangered Species Act (ESA). Development of an HCP offers an applicant an avenue around the ESA's general prohibition on the "taking" of species listed as endangered or threatened under the act. The idea behind this alternative avenue is that it may be acceptable under the ESA to allow activities that harm an individual member of a listed species as long as a comprehensive long-range management strategy for the property conserves the species as a whole. A landowner initiates development of an HCP, chooses the species that are to be included, and negotiates for approval of the plan with the U.S. Fish and Wildlife Service or, in the case of anadromous fish, the National Marine Fisheries Service.

**Summary:** The chairs of the Natural Resources Committees of the House and Senate are authorized to request the Attorney General to render an opinion no later than August 1, 1996, in response to questions regarding the authority, rights and responsibilities among agencies and institutions with respect to state trust lands. The chairs must consult with the Governor, the Commissioner of Public Lands, the presidents of Washington State University and the University of Washington, and the Superintendent of Public Instruction. The chairs must also request that the Attorney General identify factual information that may be necessary to resolve disputes under the legal principles set forth in an imposed opinion. In addition, the chairs of both committees must request the Attorney General to appoint a facilitator to assist in information gathering.

The Legislature requests that the Attorney General's office provide recommendations for legislation to clarify the authority and responsibilities among state agencies and institutions. The Legislature requests that the trusts make every attempt to reach consensus with the Department of Natural Resources before any long-term contract is entered into with respect to a habitat conservation plan under the federal Endangered Species Act. The Legislature also requests that each member of the Board of Natural Resources make every effort to reach consensus and that the board not take final action on a proposed habitat

conservation plan for a sufficient time after the issuance of the Attorney General's Opinion, but in no case less than 60 days after the issuance of the opinion.

The Legislature requests that the Board of Natural Resources hold public hearings in each of the seven Natural Resources Department regions of the state and further asks the Department of Natural Resources to provide a trust-by-trust analysis of how much land is to be forest production and how much land is to be in wildlife habitat or other designation. The Legislature also requests that the department provide the beneficiaries of state-managed lands information that is required pertaining to the proposed habitat conservation plan, including the economic information that gives the baseline calculation on a trust-by-trust basis to the satisfaction of each of the trusts.

**Votes on Final Passage:**

Senate    Adopted  
House    Adopted

## Sunset Legislation

**Background:** The Washington State Sunset Act (Chapter 43.131 RCW) was adopted in 1977 as a means to improve legislative oversight of state agencies and programs. The sunset process provides an automatic termination of selected state agencies, programs and statutes. One year prior to termination, program and fiscal reviews are conducted by the Legislative Budget Committee and the Office of Financial Management. The program reviews are intended to assist the Legislature in determining whether agencies and programs should be allowed to terminate automatically or be reauthorized by legislative action in either their current or modified form prior to the termination date.

**Session Summary:** The Legislative Budget Committee submitted three sunset reports to the Legislature in 1996. These studies covered the Department of Information Services (DIS), the Community Diversification Program, and the Pacific Northwest Export Assistance Program. The Legislature repealed the sunset date for DIS but did not act to continue the other two programs which are scheduled to sunset in 1997.

Legislation was enacted which added a new program to the sunset process: the Public Defender's Office.

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### **New Programs Placed on Sunset Schedule**

**Public Defender's Office**      SSB 6189 (C 221 L 96)

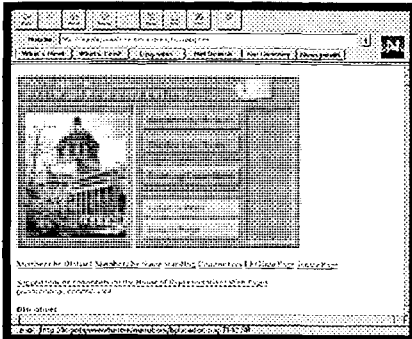
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### **Programs Extended without Sunset Provisions**

**Department of Information Services**      HB 2638 (C 74 L 96)

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The Washington State House of Representatives homepage allows visitors to find information on each House member by entering the member's name or legislative district. Each representative's homepage includes a photo, a short biography, a link to a map of his or her legislative district, and information on how to contact the representative. You can also find a list of the committees each serves on and send electronic mail messages to the representatives directly from their biography page.



The House page also displays a separate list of House standing committees, committee members, and a link to committee meeting schedules is available.

## SECTION II

### Budget Information

Budget/Balance Sheet

Operating Budget

Capital Budget

Transportation Budget



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**1996 Supplemental Operating Budget (ESSB 6251)**

**Estimated Revenues and Expenditures  
General Fund - State  
(Dollars in Millions)**

**RESOURCES**

Unrestricted Beginning Balance	661.4
February Cash Forecast *	17,559.2
B&O Tax Reduction, Ch. 1, Laws of 1996 (SB 6117)	-132.4
Other Tax Reduction Legislation (Reflects Governor's Vetoes)	-42.7
Budget Driven Revenue	6.5
<b>Total Revenue</b>	<b>17,390.6</b>
Transfer Flood Costs to Flood Control Assistance Account	-23.2
<b>Total Resources</b>	<b>18,028.8</b>

**EXPENDITURES**

1995 Appropriations Act	17,598.8
1996 Supplemental Budget (Reflects Governor's Vetoes)	12.7
GF-S Appropriation in Transportation Budget	1.4
<b>Total Expenditures</b>	<b>17,612.9</b>

**BALANCE**

<b>Estimated Ending Balance</b>	<b>415.9</b>
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\* Note: The February cash forecast was actually \$17,426.8 million. It included the \$132.4 million reduction in Chapter 1, Laws of 1996 (SB 6117).

# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Revenue Adjustments General Fund - State (Dollars in Thousands)

			Legislature As Enacted	Governor After Vetoes
<b>TAX REDUCTION LEGISLATION</b>				
SB	6117	B&O Tax Rate Reduction	-132,380	-132,380
SSB	6656	Repair & Replacement of Manufacturing Equip	-8,318	-19,549 *
HB	2484	Research & Development Equipment	-389	-12,441 **
SB	6511	Laser Interferometers Gravitational Wave Observatory	-3,586	-3,586
SSB	6510	Nuclear Clean-up Firms	-1,966	-2,239
HB	2290	Wind and Solar Power	-1,445	-1,445
SB	6401	Carbon Anodes Used in Aluminum Production	-1,428	-1,428
SHB	2590	Guided Tours and Charters	-1,206	-1,206
SB	6526	Naturopathic Prescriptions	-253	-253
SHB	2778	Farmworker Housing	-175	-175
HB	2337	Distressed Area Tax Relief	-133	-120 ***
HB	2593	Railroad Public Utility Tax	-113	-113
SHB	2119	Preserved Fruit and Vegetables	-92	-92
ESSB	6284	Public Records	-80	-80
HB	2440	Low-Density Light and Power	-17	-17
SSB	6279	Fermented Apple and Pear Cider	-2	-2
HB	2190	Railroad Associations Regulatory Fees	0	0
ESHB	2214	Human Tissue Research & Development	0	0
HB	2457	Senior Citizen Property Tax Exemption	0	0
HB	2589	Unclaimed Property Procedures	0	0
HB	2591	Obsolete Tax Provisions	0	0
ESHB	2592	Penalties and Interest	0	0
SHB	2708	Warehouse Study	0	0
HB	2789	Small Business Excise Tax Reporting	0	0
HB	2861	Academic Transcripts	0	0
ESSB	6241	Hotel/Motel Taxes	0	0
SB	6718	Local Government Archives	0	0
SHB	2447	Motor Vehicle Wholesale Auctions	-435	Vetoed
<b>Total</b>			<b>-152,018</b>	<b>-175,127</b>

\* SSB 6656 was enacted with a January 1, 1997, effective date. The Governor vetoed the effective date making the bill effective June 6, 1996.

\*\* HB 2484 was enacted with a July 1, 1997, effective date. The Governor vetoed the effective date making the bill effective June 6, 1996.

\*\*\* HB 2337 received a partial Governor veto.

<b>BUDGET DRIVEN REVENUE</b>		
Treasurers' Service Account Transfer	5,000	5,000
IMR Tax	1,494	1,494
<b>Total</b>	<b>6,494</b>	<b>6,494</b>



## 1996 Supplemental Operating Budget (ESSB 6251)

### 1995-97 Washington State Operating Budget Appropriations Contained Within Other Legislation (Dollars in Thousands)

Bill Number and Subject	Session Law	Agency	GF-S	Other	Total
ESHB 2343 - Transp Operating Budget	C 165 L 96	Legislative Transpo Committee	0	250	250
ESHB 2343 - Transp Operating Budget	C 165 L 96	LEAP Committee	0	205	205
ESHB 2343 - Transp Operating Budget	C 165 L 96	Transportation Commission	0	87	87
ESHB 2343 - Transp Operating Budget	C 165 L 96	Washington State Patrol	0	3,296	3,296
ESHB 2343 - Transp Operating Budget	C 165 L 96	Department of Licensing	0	15,425	15,425
ESHB 2343 - Transp Operating Budget	C 165 L 96	Department of Transportation	0	31,341	31,341
HB 2490 - Reinsured Ceded Risks	C 297 L 96	Insurance Commissioner	0	10	10
ESHB 2875 - PS Water Qual Protect	C 138 L 96	Department of Ecology	0	1,000	1,000
<b>Total Other 1996 Session Operating Legislation</b>			<b>0</b>	<b>51,614</b>	<b>51,614</b>

### 1995-97 Capital Appropriation -- General Fund - State (Dollars in Thousands)

Bill Number and Subject	Session Law	Agency	GF-S	Other	Total
ESHB 2343 - Transp Budget	C 165 L 96	Department of Transportation	1,400	0	1,400

**Budget Highlights**

**EDUCATION TECHNOLOGY**

**K-20 Education Network -- \$27.0 million GF-S; \$15.3 million state bonds; \$12.0 million Data Processing Revolving Account**

The budget supports the establishment of the Washington Education Network by providing a total of \$54 million. The statewide network of distance learning and educational communication will link all of the state's public schools and higher education institutions. Funding is linked to planning and approval processes outlined in SB 6705.

**Technology Grants -- \$10.0 million GF-S**

Funds for technology equipment and related programs will be distributed through a grant program prioritizing funding to school district programs that are consortia, provide local match, and exhibit evidence of partnerships with the technology industry, higher education or other organizations using technology as a learning tool.

**Vocational Equipment Investments -- \$5.0 million GF-S**

\$5.0 million is provided to upgrade high-technology vocational equipment. The funds are allocated at a rate of \$91.46 per FTE vocational student in the 1996-97 school year.

**K-12 EDUCATION  
SAFE SCHOOLS -- \$26.7 MILLION**

**Student Safety To-and-From School -- \$7.8 million GF-S**

The 1995-97 budget reduced funding by 50 percent for hazardous walking conditions for students living within one mile from school and required school districts to strictly adhere to the laws under which such funding is provided. The supplemental budget funds hazardous walking conditions at 67 percent for the 1995-96 school year. For the 1996-97 school year, additional funds are provided to implement a new funding formula based on students in grades K-5 living within one mile from school. The new funding formula allows school districts greater funding options in getting students to school safely by authorizing the schools to use the funds not only to transport students, but also to hire crossing guards, build sidewalks or implement other student safety measures.

**Safer School Buses -- \$9.0 million GF-S**

Currently school buses are expected to last 8, 15, or 20 years, depending on the size of the bus. The state provides bus replacement payments to school districts based on these expected lifetimes. The supplemental budget provides \$9.0 million to reduce the expected bus lifetimes to 8, 13, and 18 years, in order to increase the safety and efficiency of district bus fleets.

**School Security Grants -- \$2.8 million Public Safety and Education Account**

The biennial budget provided \$3.1 million for school security programs in secondary schools. Additional funding is provided to serve more districts, and the program is broadened to serve grades K-12.

**K-12 Employee Record Checks -- \$4.1 million GF-S**

K-12 employees hired after June 11, 1992 are required to undergo background checks. The budget provides an additional \$4.1 million for record checks for an estimated 61,500 employees hired prior June 11, 1992. Record checks for the employees are required to be in process by June 30, 1997. The funds are provided to the Washington State Patrol and the Superintendent of Public Instruction to implement Second Substitute Senate Bill 6272.

**Alternative Programs for Troubled Youth -- \$2.0 million GF-S**

The supplemental budget provides \$2.0 million for a grant program to establish alternative programs for students who have been suspended, expelled or subject to other disciplinary actions. Such students do not do well in a traditional learning environment and frequently disrupt learning for other students.

**Conflict Resolution and Anger Management Training -- \$1.0 million GF-S**

\$1.0 million is provided for conflict resolution and anger management training for teachers and training for students in alternatives to violence.

**OTHER ENHANCEMENTS**

**Summer School Vocational Education -- \$1.9 million GF-S**

The supplemental budget provides \$1.9 million to restore summer school vocational education at skill centers for the summer of 1996 for almost 4,000 students.

**Early Reading Emphasis Grants -- \$1.5 million GF-S**

The supplemental budget provides \$2.1 million for training primary teachers in the use of the new reading assessment developed by the Commission on Student Learning.

**Extended Day Skills Center -- \$750,000 GF-S**

The supplemental budget provides \$750,000 for programs providing skills training for secondary students who are at risk of dropping out of school and are enrolled in extended day school-to-work programs.

**HIGHER EDUCATION**

**Access to Higher Education -- \$14.0 million GF-S; \$7.7 million local tuition funds**

Funding is provided for 3,365 new enrollments for public higher education. Of this amount, 2,625 are earmarked for the four-year institutions while 740 are assigned to the community and technical colleges. Enrollments at the four-year institutions are prorated according to the institution's request. Funding is provided based on the average cost of instruction for graduates and undergraduates as determined by the Higher Education Coordinating Board in the Educational Cost Study.

**Financial Aid -- \$4.5 million GF-S**

The state's commitment to low-income student access is maintained by adding an additional \$2.0 million in new funds for the State Need Grant. These funds are provided to meet the increased need for grants which will accompany the new enrollments. In addition, \$500,000 is added for 200 new grants under the Equal Opportunity Grant Program; \$2.0 million is provided to support an additional 1,300 work study awards, and \$50,000 is provided for 25 matching grants of \$2,000 each to community groups that raise scholarship funds. Additionally, \$140,000 is provided for the Higher Education Coordinating Board to design a Pre-Paid Tuition Program which guarantees that students and parents who save for college will be able to afford the cost at the time of enrollment.

**Community and Technical Colleges Competitive Grants -- \$3.5 million GF-S**

The budget establishes two grant pools for the community and technical colleges. \$1.5 million is provided for special requirements related to serving disabled students, and \$2.0 million is provided for improving student productivity and learning.

**Cooperative Library Project -- \$5.2 million GF-S**

These funds will complete phase one of a project to standardized library information systems at the four-year institutions and connect these libraries to form an integrated system. Completion of this project will allow students from any of the six institutions to search and retrieve resources (paper and electronic) from any of the institutions.

**Part-time Community College Faculty Health Benefits -- \$2.7 million GF-S**

Senate Bill 6583 establishes a standardize method of determining health benefit eligibility for part-time community college faculty. An estimated 660 part-time instructors who work over half-time will now be able to participate in state health insurance. The state share of the insurance coverage is funded with \$2.7 million GF-S.

**Technical College Accreditation -- \$2.0 million GF-S**

An additional \$2 million GF-S is provided for faculty, counselors, and library facilities to meet college standards required as part of the transition of the technical colleges from the K-12 system to the community college system.

**Wine and Wine Grape Research -- \$525,000 GF-S**

Funds are provided for Engrossed Substitute House Bill 1741, which was passed during the 1995 session.

**HUMAN SERVICES**

**CHILDREN AND JUVENILE SERVICES**

**Employment Child Care -- \$4.9 million GF-S; \$4.9 million Federal**

Funding is provided for 3,050 child care slots for low-income workers. The funds provided will reduce the current waiting list of 6,000 by half. Employment child care helps low-income working families to stay off public assistance.

**Social Worker Caseload Reduction and Training - \$4.5 million GF-S; \$2.0 million Federal**

Funds are provided to hire an additional 109 social workers, 11 supervisors and 18 clerical staff in the Division of Children and Family Services. The additional staff will help reduce caseloads carried by field workers in the Division by four cases per staff.

**Foster Care, Group Care and Child Care Licensors -- \$1.1 million GF-S; \$500,000 Federal**

Funds are provided to hire an additional 15 foster care and group home licensors and an additional 20 child care licensors in the Division of Children and Family

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Services. The additional staff will help in reducing caseloads carried by licensing staff to allow for additional assistance and monitoring of each licensed facility.

### **Family Preservation Services -- \$2.0 million GF-S**

The budget provides funding to expand intensive family preservation services, currently offered to some families by the Division of Children and Family Services. Additionally, funding is provided to create a new service, family preservation services, for families needing a less intensive preservation program.

### **At-Risk Youth -- \$9.0 million GF-S; \$300,000 Federal**

The budget provides funding for the at-risk youth bill (Engrossed Second Substitute Senate Bill 5439), passed by the Legislature in 1995. Funding includes provision for increased local court costs and associated staff, increased therapeutic child care, assessments for at-risk youth, school district costs for truancy boards, increased family reconciliation services, alternative education for truants, staff secure facility costs as defined in ESHB 2217, substance abuse treatment, and substance abuse detoxification and stabilization for at-risk youth.

### **Special Projects for Children -- \$2.2 million GF-S**

Two projects for which funding is scheduled to end on June 30, 1996 are extended for one year. Street Youth and Continuum of Care will be funded for one additional year to give the Public Health and Safety Networks time to complete planning and to consider offering these projects within their available funding.

### **Juvenile Institutions Health and Safety -- \$1.4 million GF-S**

Funding is provided to improve the health and safety of residents and staff at state operated juvenile institutions. Additional night staff, security staff and supervisors are provided to ensure safety at institutions. Consistent psychiatric services are provided to ensure that residents receive appropriate care. Training is provided to institutional staff in dealing with youth who are housed in institutions.

### **Forecast Increase -- \$6.8 million GF-S; \$1.9 million Federal**

Funding is provided for the forecasted increase in juvenile populations at state institutions.

### **Public Health and Safety Networks -- \$300,000 GF-S**

Funding is provided for operational activities of the Public Health and Safety Networks from the time Networks' plans are approved to the end of the current biennium. Activities

funded include planning, Network meeting support and fiscal agent payments.

### **County Juvenile Justice Funding Enhancements -- \$2.5 million GF-S**

The daily rate paid to counties for detention services is increased to keep pace with the actual costs of operating detention facilities. An early intervention program is funded to enable counties to operate programs which deal effectively with juveniles before they become repeat offenders.

### **Chemical Dependency Assessment and Treatment -- \$1.9 million GF-S; \$800,000 Federal**

Funding is provided to address the substance abuse problems experienced by parents of children in contact with child protective services. The amount covers outpatient treatment, child care during treatment and assessment. Funding can only be used by clients referred by the Division of Children and Family Services.

## SERVICES FOR PEOPLE WITH DISABILITIES

### **Developmental Disabilities Personal Care -- \$6.1 million GF-S; \$6.2 million Federal**

Funds are appropriated to provide personal support services to an average of 175 more children and 400 more adults than were originally budgeted for the first year of the biennium. In the second year of the biennium, and average of 300 more children and 700 more adults than originally budgeted will be served.

### **Community Long-Term Care Services -- \$11.8 million GF-S; \$12.5 million Federal**

Funds are appropriated to provide chore, COPES, and personal care services for a monthly average of 850 more elderly and disabled adults than were originally budgeted for FY 96, and for a monthly average of 2,100 more people than were originally budgeted for FY 97.

### **Lower Nursing Home Caseloads -- \$7.5 million GF-S Savings; \$7.6 million Federal savings**

Because the 1995 and the 1996 budgets are providing more options for people to receive the care they need in their own homes and other settings, a monthly average of 230 fewer people than originally budgeted are expected to require state-funded nursing home care.

### **Restore Mental Health Primary Intervention Projects -- \$950,000 GF-S**

Funding is provided to continue the projects which provide counseling and family support in 29 school districts for children in grades K-3 who are showing early

signs of emotional disturbance. The original 1995-97 budget assumed that these projects would be funded at local discretion through the community Public Health and Safety Network block grants. It now appears that the networks will not have completed their planning and funding decisions in time for the 1996-97 school year.

## LOW-INCOME HEALTH CARE

### **Competitive Managed Care Contracting -- \$7.0 million GF-S savings; \$2.6 million Health Services Account savings; \$9.7 million Federal savings**

The Medical Assistance Administration is directed to achieve reductions in the rates it pays for managed care services. This is to be accomplished by selectively contracting with only those managed care plans which offer the lowest rates in an area, while meeting minimum quality standards. Additionally, the same restrictions on moving among health care plans during an enrollment year as presently apply to Basic Health Plan enrollees and state employees are to be applied to medical assistance recipients. The Medical Assistance Administration is also directed to report to the Legislature by July 1996 on the potential savings and health implications of requiring point-of-service co-pays and premium-sharing for some recipients.

### **Trauma Care -- \$4.6 million GF-S**

In order to reduce the amount of uncompensated and under-compensated care they are required to provide, hospitals which have been designated as trauma centers will be reimbursed at a higher rate for services provided to medically indigent and general assistance patients who have severe injuries. This is expected to provide an important incentive for hospitals to participate in the coordinated statewide system of trauma care services.

### **Basic Health Plan Co-Pay Cap -- \$400,000 Health Services Account**

An annual limit of \$600 per individual and \$1,200 per family will be placed on what BHP enrollees will be required to contribute toward the cost of their medical services and supplies. Such a limit is needed to provide a safety net for the relatively small number of enrollees who experience long hospitalizations and high prescription costs.

### **Basic Health Plan Coverage for Foster Parents -- \$900,000 Health Services Account**

Additional subsidies are provided for up to 2,000 foster families to enroll in the Basic Health Plan. Foster parents with family incomes below 200 percent of the federal poverty level will receive BHP coverage at a cost of \$10 per month.

## CRIMINAL JUSTICE

### **State Criminal Alien Assistance Program -- \$2.2 million GF-S savings**

The Department of Corrections has received reimbursement from the federal government for part of the cost of incarcerating illegal aliens. The grant is used to make a one-time reduction in state costs in the 1996 fiscal year.

### **Delayed Opening in an Airway Heights Corrections Center Unit -- \$1.9 million GF-S savings**

The supplemental budget reduces the Department of Corrections budget as a result of a delay in opening a 256-bed medium security unit from July 1996 to November 1996.

### **Tower Staffing -- \$650,000 GF-S**

A Thurston County Superior Court injunction and an unfair labor practice allegation prevented the Department of Corrections from reducing staff in perimeter guard towers in accord with the original 1995-97 operating budget. The supplemental budget provides one year of funding pending the result of legal actions on this issue.

## OTHER HUMAN SERVICES

### **Summer Youth Employment and Training Program -- \$5.4 million GF-S**

Federal funds that historically have supported disadvantaged youth employment and training programs have been reduced. The supplemental budget provides partial replacement for these reduced funds.

## NATURAL RESOURCES

### **Jobs and The Environment -- \$4.0 million Water Quality Account**

The Department of Natural Resources is provided \$4.0 million in additional funding to continue habitat and water quality restoration work in priority watersheds identified by the Watershed Coordinating Council. Increased funding for the program is designed to improve habitat for endangered salmon while providing employment opportunities for displaced natural resource workers.

### **Puget Sound Action Team -- \$1.3 million GF-S; \$1.0 million Water Quality Account**

The 1996 Legislature enacted legislation (ESHB 2875) creating the Puget Sound Action Team to continue efforts to maintain and improve the environmental quality of Puget Sound. \$1.3 million in general fund state support

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is provided for the Action Team to develop and implement a work plan and budget for protection of the Sound in consultation with the newly created Puget Sound Council. The Action Team is also directed to provide technical assistance to local governments and coordinate water quality monitoring programs. As a part of the legislation, \$1.0 million is provided for grants to local governments for on-site septic system projects identified in local watershed action plans.

### **Fish Hatcheries -- \$1.3 million GF-S; \$66,000 Wildlife Fund**

One-time emergency funding of \$813,000 is provided to the Department of Fish and Wildlife to help keep federally supported "Mitchell Act" hatcheries on the Columbia River operating through September of 1996. The Mitchell Act hatcheries were originally established to mitigate the impacts of federal dams which prevent fish from migrating up the river. Federal budget reductions would have jeopardized hatchery fish that are not yet ready to be released. Replacement funding is intended to ensure full term rearing of several million chinook, coho, and steelhead smolts. Funding is also provided to keep up with power rate increases at hatcheries across the state and to restore the recently renovated Minter Creek Hatchery to full production.

### **Improving Community Air Quality -- \$2.1 million Air Pollution Control Account**

There are currently 13 areas across the state that do not meet state and federal air quality standards and are, therefore, designated as "nonattainment areas." Many of these areas have seen significant improvements in air quality and are close to achieving redesignation as attainment areas. \$2.1 million from the Air Pollution Control Account is appropriated to the Department of Ecology to help expedite compliance with air quality standards and reach attainment status. Of this amount, \$1.1 million is provided to local air agencies.

### **Information Integration Project -- \$590,000 GF-S; \$510,000 Other Funds**

The Department of Ecology recently initiated a project to better integrate computer information systems in programs across the agency. Originally, the systems were designed to meet individual program requirements without regard to what information could be shared. By integrating the computer systems, information can be shared internally as well as with the general public and other federal state and local entities.

### **Tire Pile Clean Up -- \$2.5 million Vehicle Tire Recycling Account**

Funds are provided for the Department of Ecology to award contracts for clean up of several hazardous tire piles across the state. The \$2.5 million appropriated for this purpose represents the remaining funds from a state-authorized tire tax that expired in 1994.

## GOVERNMENTAL OPERATIONS

### **Early Childhood Education -- \$3.8 million GF-S**

Currently, there are waiting lists at many Early Childhood Education Assistance Program (ECEAP) and Headstart sites across the state. An amount of \$3.9 million is provided to serve an additional 860 ECEAP and Headstart children. The additional funding is intended to serve children currently on the waiting list for each of these programs.

### **Emergency Food Assistance Program -- \$2.5 million GF-S**

Federal funds in support of food banks were eliminated and \$2.5 million in state funds is provided to continue to purchase food for distribution through approximately 300 food banks and 127 soup kitchens statewide.

### **Office of Public Defense -- \$5.8 million Public Safety and Education Account**

The Budget implements Senate Bill 6189, establishing a new, independent Office of Public Defense to provide legal defense services to indigent persons in criminal appellate cases. Existing funding is transferred from the state Supreme Court and the Administrator for the Courts to support the new office.

### **Enhancements to Public Disclosure and Campaign Reform -- \$452,000 GF-S**

The budget provides funding to implement three bills that will: (a) authorize the Public Disclosure Commission to increase enforcement and compliance with state public disclosure laws; (b) expand the laws to cover more local government officials; and (c) reform political campaigns by limiting contributions and expenditures.

### **Community Action Programs -- \$1.0 million GF-S**

An amount of \$1.0 million is provided to Community Action Agencies to restore federal funding declared ineligible for certain "nonentitlement" communities in the state. The federal Housing and Urban Development agency declared that certain community action agencies were illegally receiving Community Development Block Grant monies. The state funds will allow community

action agencies to continue serving low-income individuals in these ineligible areas.

### **Responding to Headstart Reductions -- \$1.0 million GF-S**

In anticipation of reduced federal funding for Headstart services to children, \$1.0 million in state funds is provided to the Department of Community, Trade, and Economic Development to partially offset the loss of federal funds.

### **Legal Services for the Poor -- \$1.0 million Public Safety and Education Account**

As a result of federal budget decisions, legal services programs have been operating under a 36 percent budget reduction since the beginning of the federal fiscal year. In order to help maintain access to legal services for low-income citizens, the budget provides \$1 million to partially offset the federal reductions.

### **Clean Washington Center -- \$200,000 Litter Account; \$500,000 Vehicle Tire Recycling Account**

The 1995-97 operating budget provided partial funding for the Clean Washington Center in the second year of the biennium. The supplemental budget provides additional funding to support the Center's recycling market development programs through the remainder of the biennium.

## **EMPLOYEE COMPENSATION**

### **Employee Health Benefits -- \$11.6 million Employees Insurance Account Expenditure; \$5.2 million GF-S savings**

The 1995-97 health benefits rate for K-12, higher education and state employees set in the original 1995-97 budget was \$314.51 per month per employee. At the beginning of fiscal year 1997, the Public Employees' Benefits Board will have a surplus of \$19.8 million in the state and higher education employees' insurance account (generally, K-12 employees do not purchase health benefits from the Board). The conference budget lowers the 1997 monthly rate for state and higher education employees to \$304.31 per employee. Because of the surplus in the state and higher education employees insurance account, lowering the rate will not result in decreased benefits or increased employee premiums or point-of-service charges. The conference budget will result in \$11.6 million of the \$19.8 million employee insurance account surplus being used to maintain current benefits and employee charges which will result in a GF-S savings of \$5.2 million. The conference budget keeps the K-12 health benefit rate at \$314.51 per month per employee.

### **Salary Adjustment Monies -- \$4.475 million GF-S**

The original 1995-97 budget contained a reclassification pool of \$5 million state general funds and \$5 million other funds for the Washington Personnel Resources Board to fund salary increases for state job classes with serious salary inequities. The 1996 supplemental budget added \$4.475 million GF-S to the pool, for a total of \$9.475 million GF-S and \$5 million other funds. The reclassification pool can be used by the Board to increase salaries for job classes where recruitment and retention difficulties exist, salary compression or inversion between subordinates and their supervisors has occurred, duties and responsibilities have increased, or a salary disparity greater than 7.5 percent has developed between two job classifications with similar duties and responsibilities. The Board has received requests for salary adjustments totaling \$14.4 million GF-S. Included in that total is \$8.6 million for a Department of Corrections (DOC) request for a 10 percent salary increase for correctional officers and sergeants. The basis of the DOC request is that salary levels have not kept pace with the expanding duties and responsibilities of correctional officers and sergeants. The total cost of salary increases approved by the Board cannot exceed \$9.475 million GF-S and \$5 million other funds. The Board is responsible for deciding whether to increase the salaries of correctional officers as well as the salaries of all other job classes requesting funding from the pool, and will make these decisions at the May 1996 board meeting for implementation July 1, 1996.

## **DISASTER RECOVERY**

### **Federal Emergency Management Agency (FEMA) Disaster Recovery -- \$23.2 Flood Control Assistance Account; \$98.2 million Federal; \$6.7 million Transportation**

In response to the extensive damage caused by previous biennia disasters, and recent winter storms and floods, the budget provides \$23.2 million in state and \$98.2 million in federal disaster assistance for: immediate individual assistance; future flood prevention; and reconstruction of public facilities such as schools, sewage treatment plants, and public buildings. In addition to these funds, the transportation budget (HB 2343) allows \$6.7 million of existing appropriations to be used for the FEMA match requirements for state and local governments.

### **Dikes and Levees Repair -- \$5 million Flood Control Assistance Account**

\$5.0 million in grants is provided for replacement or repairs to local dikes and levees damaged in the recent winter storms and floods. These repairs are not eligible for federal disaster assistance.

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### MAJOR REVENUE ADJUSTMENTS OTHER REVENUE LEGISLATION

#### **Business and Occupation (B&O) Tax Reduction (SB 6117) -- \$132.4 million GF-S Revenue Decrease**

Reduces the B&O tax on service activities effective January 1, 1996 as follows: the selected business service rate is reduced from 2.5 percent to 2.0 percent; the financial business service rate is reduced from 1.7 percent to 1.6 percent; and the permanent portion of the "other activities" rate is reduced from 2.0 percent to 1.75 percent. In addition, a new B&O credit is authorized for job training.

#### **Repair and Replacement (SB 6656) -- \$8.3 million GF-S Revenue Decrease**

Extends the manufacturing sales and use exemption to include replacement parts and the costs of repairing and/or cleaning equipment used in the manufacturing process. This exemption takes effect January 1, 1997.

#### **Sales Tax Exemption for Laser Interferometers (SB 6511) -- \$3.6 million GF-S Revenue Decrease**

Personal property used to build a laser interferometer gravitational wave observatory at Hanford is exempt from sales tax if the construction is commenced before December 1, 1996.

#### **Tax Status of Nuclear Clean-Up Firms (SB 6510) -- \$2.0 million GF-S Revenue Decrease**

The business and occupation tax on persons engaged in the business of cleaning up radioactive waste for the United States is reduced from the service rate of 1.829 percent to the retail rate of 0.471 percent.

#### **Wind/Solar Power Sales Tax Exemption (HB 2290) -- \$1.4 million GF-S Revenue Decrease**

Provides a sales and use tax exemption for machinery and equipment used directly in generating electricity using wind or sun energy. Only facilities capable of generating 200 kilowatts of electricity are eligible.

#### **Sales Tax Exemption for Carbon (SB 6401) -- \$1.4 million GF-S Revenue Decrease**

Sales of carbon, petroleum coke, coal tar, pitch, and similar substances that become an ingredient or component of anodes or cathodes used in producing aluminum for sale are exempt from sales tax.

#### **Guided Tours and Charters (HB 2590) -- \$1.2 million GF-S Revenue Decrease**

Guided tours and guided charters are removed from the sales tax; however, day trips for sightseeing purposes continue to be subject to sales tax. Wholesale sales of day trips and other amusement and recreation services (such as

golf, pool, billiards, skating, bowling, and ski lifts) are exempt from sales tax. The special business and occupation tax rate of 0.287 percent for travel agents is applied to tour operators.

#### **B&O Exemption on Wholesale Vehicles (HB 2447) -- \$435,000 GF-S Revenue Decrease**

A business and occupation tax exemption is provided for wholesalers of automobiles on sales of automobiles at auctions to dealers licensed in this or another state.

#### **R & D Equipment (HB 2484) -- \$389,000 GF-S Revenue Decrease**

Effective July 1, 1997, expands the sales and use tax exemption on machinery and equipment for manufacturers to include machinery and equipment used by manufacturers for research and development. Effective July 1, 1996, provides a sales and use tax exemption on materials used in designing and developing aircraft parts for taxpayers with annual gross sales less than \$20 million.

#### **Sales Tax Exemption for Naturopaths (SB 6526) - \$253,000 GF-S Revenue Decrease**

Provides a sales and use tax exemption for medicines of mineral, animal and botanical origin prescribed, administered, or used in treatment of an individual by a naturopath.

#### **Farmworker Housing Sales Tax Exemptions (HB 2778) -- \$175,000 GF-S Revenue Decrease**

A sales tax exemption is provided for labor and material used to construct, repair, decorate, or improve agricultural employee housing. The housing must be used for agricultural employees for a minimum of five years and must be built in conformance with the Uniform Building Code if used year round. The exemption does not apply to housing built for the employer or family members.

#### **Defining Distressed Area Designation (HB 2337) - \$133,000 GF-S Revenue Decrease**

For manufacturing, research and development, and computer service businesses locating in areas of high unemployment, a \$2,000 business and occupation tax credit is provided for each new job and a sales and use tax exemption is provided on building construction and expansion. These programs are expanded to include counties with a median household income that is less than 75 percent of the state median household income for the previous three years.



**Railroad Public Utility Tax (HB 2593) -- \$113,000 GF-S Revenue Decrease**

The public utility tax rate for railroads and railroad car businesses is reduced from 3.852 percent to 1.926 percent. The rental of rail cars is removed from the public utility tax and made subject to the sales tax.

**Preserved Fruit and Vegetables B&O (HB 2119) -- \$92,000 GF-S Revenue Decrease**

The B&O tax rate on the sale of wholesale fresh fruits and vegetables that are canned, preserved, frozen or dehydrated by the seller and sold to purchasers who transport the product out-of-state is reduced to 0.33 percent.

**Sales Tax Exemption for Public Records (SB 6284) -- \$80,000 GF-S Revenue Decrease**

A sales and use tax exemption is provided for the sale and use of public records that are copied under a request for the record for which no fee is charged other than a statutorily set fee or a fee to reimburse the agency for its copying costs. This includes a request for a document not available to the public but available to those persons who by law are allowed access to the document, such as requests for fire reports, law enforcement reports, taxpayer information, and academic transcripts.

**Low Density Light and Power Deductions (HB 2440) -- \$17,000 GF-S Revenue Decrease**

Doubles the public utility tax deduction for low density light and power companies.

**Taxation of Fermented Apple and Pear Cider (SB 6279) -- \$2,100 GF-S Revenue Decrease**

The tax on fermented apple and pear cider is reduced from 22.92 cents per liter to 6.11 cents per liter before July 1, 1997, and 8.14 cents per liter thereafter.

**Railroad Association Exempt Regulatory Fees (HB 2190) -- No GF-S Revenue Impact**

Provides an exemption from the 1.5 percent annual Utilities and Transportation Commissions fee for railroad associations that qualify as not-for-profit charitable organizations.

**R & D Human Tissue Sales Tax Exemption (HB 2214) -- No GF-S Revenue Impact**

Provides a sales and use tax exemption for human blood, tissue, organs, bodies or body parts for medical research and quality control testing purposes. A sales and use tax exemption is provided for the purchase and use of boom trucks for the manufacturing of building trusses in a town with a population of less than 1,200 persons with high timber unemployment in those counties that do not have high unemployment.

**Senior Citizen Property Tax (HB 2457) -- No GF-S Revenue Impact**

The valuation of the residences of persons eligible for the senior citizens and disabled persons property tax exemption program is frozen at the assessed value, rather than the market value, of the residence on January 1st of the year the person first qualifies under for the program or January 1, 1995, whichever is later.

**Unclaimed Property Tax (HB 2589) -- No GF-S Revenue Impact**

Makes technical changes to the unclaimed property procedures of the Department of Revenue.

**Obsolete Tax Provisions (HB 2591) -- No GF-S Revenue Impact**

Repeals specific obsolete or unnecessary tax provisions relating to mobile home park fees, the petroleum products tax, and the ride sharing tax exemption.

**Penalties and Interest (HB 2592) -- No GF-S Revenue Impact**

Provides for clear and consistent penalty and interest administration by the Department of Revenue.

**Warehouse Study (HB 2708) -- No GF-S Revenue Impact**

Directs the Department of Revenue to study the warehousing and distribution industry in the state.

**Small Business Excise Tax Reporting Exemptions (HB 2789) -- No GF-S Revenue Impact**

The tax exemption threshold for the public utility tax is increased from \$6,000 to \$24,000 per year, and the threshold for filing business and occupation tax and public utility tax returns is increased from \$12,000 to \$24,000 per year.

**Academic Transcripts (HB 2861) -- No GF-S Revenue Impact**

The sale and use of academic transcripts is exempt from the business and occupation tax and the sales and use tax.

**Hotel/Motel Taxes in Certain Cities (SB 6241) -- No GF-S Revenue Impact**

Makes a number of changes to the hotel/motel tax statutes. Based upon current populations, it allows Winthrop to levy an additional 3 percent tax for tourism promotion, allows Kennewick and Richland to levy an additional 2 percent tax for a convention center, allows La Conner to levy an additional 2 percent tax for a convention center, and expands the allowable uses of the state shared hotel motel tax proceeds to include historic maritime vessels and street banners.

## **1996 Supplemental Operating Budget (ESSB 6251)**

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### **Local Government Archives (SB 6718) -- No GF-S Revenue Impact**

County auditors are directed to impose a \$1 surcharge on each document filed with the auditor. This surcharge is transmitted to the State Treasurer for deposit in the Archives and Records Management Account and may be used solely for local government archives and records services.

### **BUDGET DRIVEN REVENUE**

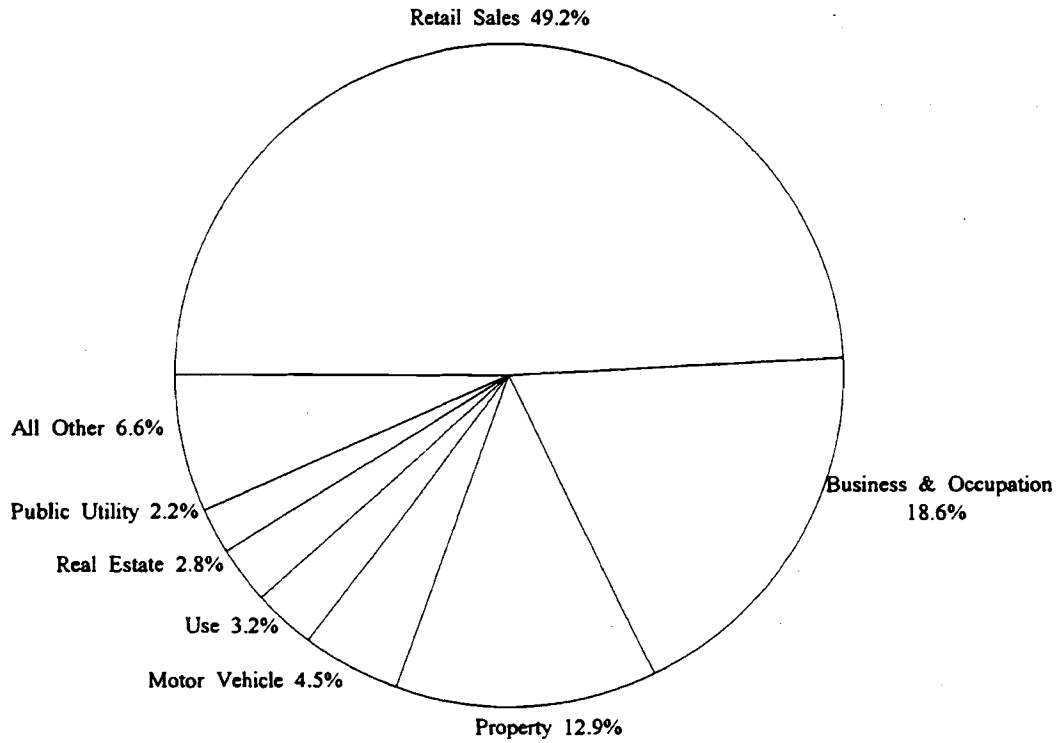
#### **IMR Tax -- \$1.4 million GF-S**

A 1995 federal audit of the special excise tax on intermediate care facilities for the mentally retarded (IMRs) determined that departmental indirect costs need to be included in the IMR tax base at the state residential habilitation centers. Reimbursing the cost of this tax requires additional state and federal expenditures, but will result in a net gain in state revenues.

#### **Transfer from Treasurer's Service Account -- \$5.0 million GF-S**

\$5.0 million is transferred from the Treasurer's Service Account to the general fund. The account is used to fund the operations of the office of the State Treasurer and the transfer represents surplus funds in the account that are in excess of the biennial appropriation to the State Treasurer.

**Washington State Revenue Forecast -- February 1996**  
**1995-97 General Fund - State Revenues by Source**  
(Dollars in Millions)



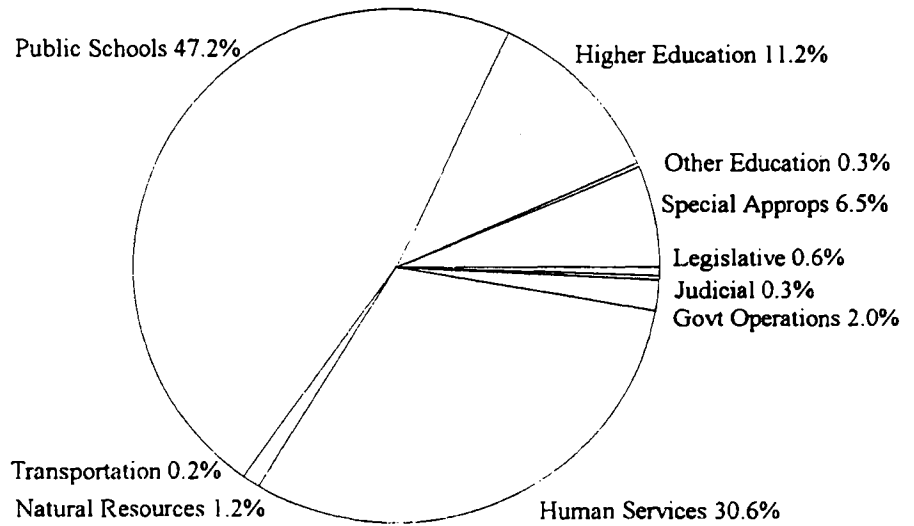
Sources of Revenue	
Retail Sales	8,536.2
Business & Occupation	3,231.8
Property	2,242.9
Motor Vehicle Excise	788.4
Use	548.0
Real Estate Excise	486.1
Public Utility	385.5
All Other	1,148.6
<b>Total *</b>	<b>17,367.5</b>

\* Updated for the 1996 Legislative Session; reflects the February 1996 forecast and Governor vetoes.

# 1996 Supplemental Operating Budget (ESSB 6251)

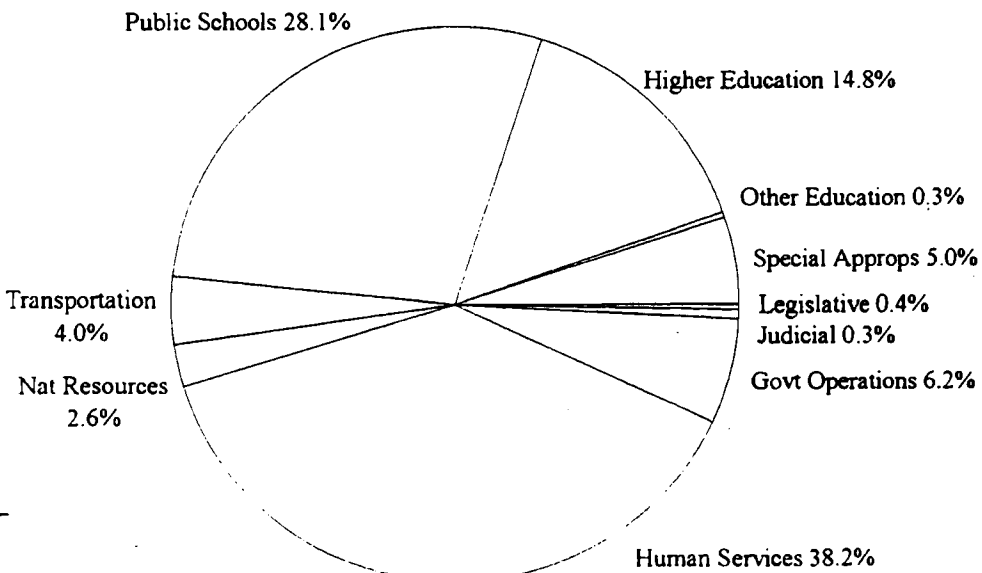
## General Fund - State

Legislative	105,076
Judicial	55,600
Governmental Operations	344,699
Human Services	5,394,546
Natural Resources	206,164
Transportation	27,978
Public Schools	8,316,882
Higher Education	1,966,688
Other Education	46,787
Special Appropriations	1,146,957
<b>Statewide Total</b>	<b>17,611,377</b>



## Total Budgeted Funds

Legislative	112,569
Judicial	111,119
Govt Operations	1,998,443
Human Services	12,284,095
Natural Resources	834,677
Transportation	1,292,457
Public Schools	9,039,050
Higher Education	4,756,574
Other Education	89,521
Special Approps	1,608,460
<b>Statewide Total</b>	<b>32,126,965</b>



# 1996 Supplemental Operating Budget (ESSB 6251)

## Washington State Operating Budget 1996 Supplemental Budget

### TOTAL STATE

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
Legislative	104,873	203	105,076	111,881	688	112,569
Judicial	54,345	1,255	55,600	102,194	8,925	111,119
Governmental Operations	299,178	45,521	344,699	1,789,212	209,231	1,998,443
Department of Social & Health Services	4,561,196	-44,999	4,516,197	9,993,864	-121,240	9,872,624
Other Human Services	876,930	1,419	878,349	2,400,629	10,842	2,411,471
Natural Resources	201,516	4,648	206,164	808,952	25,725	834,677
Transportation	23,567	4,411	27,978	1,237,391	55,066	1,292,457
Total Education	10,302,360	27,997	10,330,357	13,839,539	45,606	13,885,145
Public Schools	8,321,767	-4,885	8,316,882	9,037,361	1,689	9,039,050
Higher Education	1,934,665	32,023	1,966,688	4,713,516	43,058	4,756,574
Other Education	45,928	859	46,787	88,662	859	89,521
Special Appropriations	1,174,758	-27,801	1,146,957	1,600,914	7,546	1,608,460
<b>Statewide Total</b>	<b>17,598,723</b>	<b>12,654</b>	<b>17,611,377</b>	<b>31,884,576</b>	<b>242,389</b>	<b>32,126,965</b>

# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Supplemental Budget LEGISLATIVE AND JUDICIAL

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
House of Representatives	47,547	0	47,547	47,547	15	47,562
Senate	36,595	100	36,695	36,595	115	36,710
Jt Leg Audit & Review Committee	2,825	103	2,928	2,825	103	2,928
Legislative Transportation Committee	0	0	0	2,528	250	2,778
WA Performance Partnership Council	250	0	250	250	0	250
LEAP Committee	2,324	0	2,324	2,529	205	2,734
State Actuary	0	0	0	1,573	0	1,573
Joint Legislative Systems Committee	8,900	0	8,900	8,940	0	8,940
Statute Law Committee	6,432	0	6,432	9,094	0	9,094
<b>Total Legislative</b>	<b>104,873</b>	<b>203</b>	<b>105,076</b>	<b>111,881</b>	<b>688</b>	<b>112,569</b>
Supreme Court	8,875	80	8,955	8,875	80	8,955
State Law Library	3,215	-11	3,204	3,215	-11	3,204
Court of Appeals	17,668	882	18,550	17,668	882	18,550
Commission on Judicial Conduct	1,201	200	1,401	1,201	200	1,401
Administrator for the Courts	23,386	104	23,490	71,235	1,969	73,204
Office of Public Defense	0	0	0	0	5,805	5,805
<b>Total Judicial</b>	<b>54,345</b>	<b>1,255</b>	<b>55,600</b>	<b>102,194</b>	<b>8,925</b>	<b>111,119</b>
<b>Total Legislative and Judicial</b>	<b>159,218</b>	<b>1,458</b>	<b>160,676</b>	<b>214,075</b>	<b>9,613</b>	<b>223,688</b>

# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Supplemental Budget GOVERNMENTAL OPERATIONS (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
Office of the Governor	5,797	2,858	8,655	5,797	3,083	8,880
Office of the Lieutenant Governor	485	0	485	485	0	485
Public Disclosure Commission	2,152	24	2,176	2,153	24	2,177
Office of the Secretary of State	14,373	2,476	16,849	20,128	3,361	23,489
Governor's Office of Indian Affairs	303	34	337	303	34	337
Comm on Asian-Pacific-American Affairs	346	15	361	346	15	361
Office of the State Treasurer	0	0	0	10,498	200	10,698
Office of the State Auditor	22	486	508	36,722	486	37,208
Citizens Comm on Salaries for Elected Officials	65	0	65	65	0	65
Office of the Attorney General	6,453	50	6,503	131,305	50	131,355
Department of Financial Institutions	0	0	0	13,434	330	13,764
Dept Community, Trade, & Econ Devel	95,955	8,358	104,313	278,822	18,289	297,111
Economic & Revenue Forecast Council	820	163	983	820	163	983
Office of Financial Management	18,620	250	18,870	41,968	250	42,218
Office of Administrative Hearings	0	0	0	14,532	0	14,532
Department of Personnel	720	0	720	29,820	0	29,820
Deferred Compensation Committee	0	0	0	1,614	0	1,614
State Lottery Commission	0	0	0	465,718	0	465,718
Washington State Gambling Commission	0	1,000	1,000	16,727	3,187	19,914
Commission on Hispanic Affairs	390	15	405	390	15	405
WA State Comm on African-American Affrs	294	7	301	294	7	301
Personnel Appeals Board	0	0	0	1,593	0	1,593
Department of Retirement Systems	0	0	0	31,827	714	32,541
State Investment Board	0	0	0	8,068	412	8,480
Department of Revenue	125,667	45	125,712	133,786	45	133,831
Board of Tax Appeals	1,989	0	1,989	1,989	0	1,989
Municipal Research Council	3,230	0	3,230	3,230	0	3,230
Minority & Women's Business Enterprises	0	0	0	2,121	0	2,121
Department of General Administration	567	2,500	3,067	94,207	3,530	97,737
Department of Information Services	0	27,000	27,000	180,414	42,300	222,714
Office of Insurance Commissioner	0	0	0	20,230	10	20,240
State Board of Accountancy	0	0	0	1,293	0	1,293
Forensics Investigation Council	0	0	0	12	0	12
Washington Horse Racing Commission	0	0	0	4,733	0	4,733
Liquor Control Board	0	0	0	113,461	143	113,604
Utilities & Transportation Commission	0	0	0	26,224	0	26,224
Board for Volunteer Firefighters	0	0	0	442	0	442
Military Department	14,951	240	15,191	62,056	132,583	194,639
Public Employment Relations Comm	3,314	0	3,314	3,314	0	3,314
Growth Management Hearings Board	2,665	0	2,665	2,665	0	2,665
State Convention & Trade Center	0	0	0	25,606	0	25,606
<b>Total Governmental Operations</b>	<b>299,178</b>	<b>45,521</b>	<b>344,699</b>	<b>1,789,212</b>	<b>209,231</b>	<b>1,998,443</b>

# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Supplemental Budget

### HUMAN SERVICES

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
<b>Department of Social &amp; Health Services</b>	4,561,196	-44,999	4,516,197	9,993,864	-121,240	9,872,624
Health Care Authority	6,806	0	6,806	327,717	-2,632	325,085
Human Rights Commission	3,817	100	3,917	5,563	100	5,663
Board of Industrial Insurance Appeals	0	0	0	19,633	0	19,633
Criminal Justice Training Commission	0	0	0	11,036	382	11,418
Department of Labor & Industries	10,581	400	10,981	360,069	5,809	365,878
Indeterminate Sentence Review Board	2,285	0	2,285	2,285	0	2,285
Washington Health Care Policy Board	0	0	0	4,339	0	4,339
Department of Health	88,627	340	88,967	437,905	4,492	442,397
Department of Veterans' Affairs	20,453	-457	19,996	50,358	282	50,640
Department of Corrections	740,118	-4,685	735,433	745,366	-3,901	741,465
Department of Services for the Blind	2,589	0	2,589	14,178	0	14,178
Sentencing Guidelines Commission	986	276	1,262	986	276	1,262
Department of Employment Security	668	5,445	6,113	421,194	6,034	427,228
<b>Total Other Human Services</b>	<b>876,930</b>	<b>1,419</b>	<b>878,349</b>	<b>2,400,629</b>	<b>10,842</b>	<b>2,411,471</b>
<b>Total Human Services</b>	<b>5,438,126</b>	<b>-43,580</b>	<b>5,394,546</b>	<b>12,394,493</b>	<b>-110,398</b>	<b>12,284,095</b>



# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Supplemental Budget DEPARTMENT OF SOCIAL & HEALTH SERVICES (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
Children & Family Services	296,370	23,543	319,913	566,332	32,079	598,411
Juvenile Rehabilitation	107,581	11,574	119,155	170,790	13,762	184,552
Mental Health	456,545	-7,877	448,668	889,964	-18,276	871,688
Developmental Disabilities	370,377	8,171	378,548	698,063	14,215	712,278
Long-Term Care Services	772,463	-8,114	764,349	1,575,598	-30,861	1,544,737
Economic Services	1,032,657	-41,858	990,799	1,912,686	-83,723	1,828,963
Alcohol & Substance Abuse	16,935	3,254	20,189	166,204	4,448	170,652
Medical Assistance Payments	1,362,807	-35,304	1,327,503	3,565,908	-57,285	3,508,623
Vocational Rehabilitation	15,587	0	15,587	91,671	0	91,671
Administration & Supporting Services	51,867	0	51,867	93,640	0	93,640
Child Support Services	36,227	1,612	37,839	204,947	4,401	209,348
Payments to Other Agencies	41,780	0	41,780	58,061	0	58,061
<b>Total DSHS</b>	<b>4,561,196</b>	<b>-44,999</b>	<b>4,516,197</b>	<b>9,993,864</b>	<b>-121,240</b>	<b>9,872,624</b>

# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Supplemental Budget

### NATURAL RESOURCES

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
State Energy Office	508	0	508	18,543	0	18,543
Columbia River Gorge Commission	577	0	577	1,101	0	1,101
Department of Ecology	42,764	934	43,698	225,920	15,169	241,089
WA Pollution Liability Insurance Pgm	0	0	0	1,342	0	1,342
State Parks & Recreation Commission	35,897	450	36,347	66,253	450	66,703
Interagency Comm Outdoor Recreation	0	0	0	3,219	0	3,219
Environmental Hearings Office	1,428	0	1,428	1,428	0	1,428
State Conservation Commission	1,662	30	1,692	1,864	149	2,013
Office of Marine Safety	0	0	0	1,078	250	1,328
Department of Fish & Wildlife	64,719	2,169	66,888	196,937	3,428	200,365
Department of Natural Resources	40,599	150	40,749	220,454	4,474	224,928
Department of Agriculture	13,362	915	14,277	70,813	1,805	72,618
<b>Total Natural Resources</b>	<b>201,516</b>	<b>4,648</b>	<b>206,164</b>	<b>808,952</b>	<b>25,725</b>	<b>834,677</b>

# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Supplemental Budget

### TRANSPORTATION

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
Board of Pilotage Commissioners	0	0	0	260	0	260
Washington State Patrol	15,081	4,162	19,243	244,002	7,458	251,460
WA Traffic Safety Commission	0	0	0	6,688	0	6,688
Department of Licensing	8,486	249	8,735	175,025	16,180	191,205
Department of Transportation	0	0	0	810,394	31,341	841,735
Marine Employees' Commission	0	0	0	345	0	345
Transportation Commission	0	0	0	677	87	764
<b>Total Transportation</b>	<b>23,567</b>	<b>4,411</b>	<b>27,978</b>	<b>1,237,391</b>	<b>55,066</b>	<b>1,292,457</b>

# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Supplemental Budget

### EDUCATION

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
<b>Public Schools</b>	<b>8,321,767</b>	<b>-4,885</b>	<b>8,316,882</b>	<b>9,037,361</b>	<b>1,689</b>	<b>9,039,050</b>
Higher Education Coordinating Board	146,769	5,138	151,907	153,691	5,138	158,829
University of Washington	522,302	4,693	526,995	2,217,812	7,089	2,224,901
Washington State University	304,456	5,256	309,712	657,530	11,382	668,912
Eastern Washington University	73,825	1,919	75,744	141,009	2,110	143,119
Central Washington University	67,738	2,148	69,886	121,108	2,683	123,791
The Evergreen State College	36,940	821	37,761	64,849	1,018	65,867
Joint Center for Higher Education	2,438	0	2,438	9,563	0	9,563
Western Washington University	85,706	2,536	88,242	160,383	3,398	163,781
Community & Technical Colleges	694,491	9,512	704,003	1,187,571	10,240	1,197,811
<b>Total Higher Education</b>	<b>1,934,665</b>	<b>32,023</b>	<b>1,966,688</b>	<b>4,713,516</b>	<b>43,058</b>	<b>4,756,574</b>
State School for the Blind	6,861	149	7,010	6,868	149	7,017
State School for the Deaf	12,397	150	12,547	12,412	150	12,562
Work Force Training & Education Board	3,268	0	3,268	38,405	0	38,405
State Library	14,140	211	14,351	18,992	211	19,203
Washington State Arts Commission	4,165	68	4,233	5,100	68	5,168
Washington State Historical Society	4,151	36	4,187	5,939	36	5,975
Eastern WA State Historical Society	946	245	1,191	946	245	1,191
<b>Total Other Education</b>	<b>45,928</b>	<b>859</b>	<b>46,787</b>	<b>88,662</b>	<b>859</b>	<b>89,521</b>
<b>Total Education</b>	<b>10,302,360</b>	<b>27,997</b>	<b>10,330,357</b>	<b>13,839,539</b>	<b>45,606</b>	<b>13,885,145</b>

# 1996 Supplemental Operating Budget (ESSB 6251)

## 1996 Supplemental Budget

### PUBLIC SCHOOLS

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 95-97	96 Supp	Rev 95-97	Orig 95-97	96 Supp	Rev 95-97
OSPI & Statewide Programs	36,160	19,950	56,110	80,966	23,386	104,352
General Apportionment	6,459,744	-31,739	6,428,005	6,459,744	-31,739	6,428,005
Pupil Transportation	320,481	8,272	328,753	320,481	8,272	328,753
School Food Services	6,000	0	6,000	265,606	4,013	269,619
Special Education	753,468	-5,548	747,920	852,152	-5,548	846,604
Traffic Safety Education	0	0	0	17,488	-560	16,928
Educational Service Districts	8,821	80	8,901	8,821	80	8,901
Levy Equalization	155,000	4,677	159,677	155,000	4,677	159,677
Elementary & Secondary School Improve	0	0	0	222,376	0	222,376
Indian Education	0	0	0	370	-315	55
Institutional Education	31,212	2,514	33,726	39,760	2,514	42,274
Education of Highly Capable Students	8,531	-77	8,454	8,531	-77	8,454
Education Reform	35,966	0	35,966	48,466	0	48,466
Federal Encumbrances	0	0	0	51,216	0	51,216
Transitional Bilingual Instruction	56,852	-2,042	54,810	56,852	-2,042	54,810
Learning Assistance Program (LAP)	114,100	527	114,627	114,100	527	114,627
Block Grants	115,555	-586	114,969	115,555	-586	114,969
Compensation Adjustments	219,877	-913	218,964	219,877	-913	218,964
<b>Total Public Schools</b>	<b>8,321,767</b>	<b>-4,885</b>	<b>8,316,882</b>	<b>9,037,361</b>	<b>1,689</b>	<b>9,039,050</b>

# 1996 Supplemental Operating Budget (ESSB 6251)

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## 1996 Supplemental Budget

### SPECIAL APPROPRIATIONS

(Dollars in Thousands)

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	General Fund-State			Total All Funds		
	<u>Orig 95-97</u>	<u>96 Supp</u>	<u>Rev 95-97</u>	<u>Orig 95-97</u>	<u>96 Supp</u>	<u>Rev 95-97</u>
Bond Retirement & Interest	890,847	-29,175	861,672	1,206,006	10,539	1,216,545
Special Appropriations to the Governor	7,261	0	7,261	13,017	0	13,017
Sundry Claims	0	162	162	0	178	178
State Employee Compensation Adjust	87,050	1,212	88,262	192,291	-3,171	189,120
Contributions to Retirement Systems	189,600	0	189,600	189,600	0	189,600
<b>Total Special Appropriations</b>	<b>1,174,758</b>	<b>-27,801</b>	<b>1,146,957</b>	<b>1,600,914</b>	<b>7,546</b>	<b>1,608,460</b>

**CAPITAL BUDGET**

The 1996 Legislature did not adopt a supplemental capital budget. While it is customary for the Legislature to pass a supplemental budget to make changes to the biennial budget, the House and Senate could not agree on a proposal for the Trust Land Transfer Program, and the capital budget remained in dispute at the close of session.

The Governor identified six emergency projects that could not be delayed and notified the Legislature of administrative actions that will allow these projects to go forward without enactment of the supplemental capital budget. The six projects are:

1. Green Hill School, reconstruction: \$7 million
2. Maple Lane School, new sewer system: \$3.5 million
3. Airway Heights Correction Center, repair faulty water and heating lines: \$4 million
4. Veterans Administration, repair broken steam lines at Retsil: \$400,000
5. School for the Blind, fire safety improvements: \$30,000
6. General Administration, payment of construction settlement: \$1.3 million

The two Juvenile Rehabilitation projects at the Department of Social and Health Services will be funded from a combination of general fund savings in the operating budget (\$9.9 million), and capital budget savings from the Spokane Psychiatric Triage Unit (\$950,000). The savings in the operating budget were made available by a veto of the budget reductions in the Aging and Adult Services program and a transfer of the vetoed amount to the Juvenile Rehabilitation program for capital expenditures. The transfer authority for the general fund money is contained in Section 201(3) of the 1996 supplemental operating budget. The project transfer authority for the capital funds is authorized in Section 812 of the 1995-97 capital budget.

The Department of Corrections is demanding restitution from the contractor for the failed hot and chilled water system at Airway Heights. In the interim, capital project savings will be transferred from disallowed artwork appropriations (\$160,000), the Monroe special offender unit predesign (\$100,000), the Airway Heights expansion contingency (\$857,000), and the Stafford Creek utility connection savings (\$2.9 million) to complete the repairs.

The broken steam line at Retsil will be repaired by using \$100,000 from the OFM asbestos abatement pool and \$300,000 from deferral of the construction of the

Roosevelt-Chilson connection project at Orting. The Roosevelt-Chilson project will proceed through the design phase with the remaining balance in the appropriation.

The \$30,000 for cottage fire doors at the School for the Blind in Vancouver will be provided by reallocating funds within the school's current capital budget for minor projects.

Funding for the Department of General Administration's settlement of the contractor's dispute over the construction costs of the Tacoma Museum will be provided by deferring the dredging of Capital Lake (\$900,000), and savings from the CFC/Halon replacement project (\$400,000). The Capital Lake project will proceed through the environmental study phase with the remaining balance in the appropriation.

By not adopting a supplemental capital budget, the Legislature did not approve the fiscal year 1997 list of projects for the Washington Wildlife and Recreation Program (WWRP). RCW 43.98A.080 prohibits the obligation of money for WWRP projects before the Legislature appropriates funds for a specific list of projects. Normally, the Interagency Committee for Outdoor Recreation (IAC) reserves a portion of their biennial appropriation for release to local park projects in the second year of the biennium and requests legislative approval of the list of projects. The 1997 list would have approved the expenditure of \$4.2 million for local park projects which had not received prior legislative approval.

## 1996 Supplemental Transportation Budget (ESHB 2343)

### Washington State Transportation Budget 1993-95 Appropriation Authority vs. 1995-97 Revised

Total Appropriated  
(Dollars in Thousands)

	1993-95 Approp Auth	1995-97 Orig Approps	1996 Supplemental	1995-97 Revised
Legislative Transportation Committee	2,591	2,528	250	2,778
LEAP Committee	410	205	205	410
Joint Legislative Systems Committee	0	40	0	40
Special Appropriations to the Governor	0	3,965	0	3,965
Office of the State Treasurer	0	44	0	44
Office of the State Auditor	0	0	0	0
Dept Community, Trade, & Economic Develop	0	251	0	251
Office of Financial Management	0	110	0	110
Board of Pilotage Commissioners	218	260	0	260
Utilities and Transportation Commission	0	222	0	222
WA Traffic Safety Commission	3,357	6,688	0	6,688
County Road Administration Board	87,902	65,424	20,000	85,424
Transportation Improvement Board	211,812	202,755	39,100	241,855
Marine Employees' Commission	373	345	0	345
Transportation Commission	1,604	677	87	764
Air Transportation Commission	534	0	0	0
Department of Ecology	0	2,704	0	2,704
State Parks and Recreation Commission	0	1,327	0	1,327
Office of Marine Safety	4,290	1,078	0	1,078
Department of Agriculture	418	300	0	300
Washington State Patrol	226,877	214,662	8,296	222,958
Department of Licensing	146,325	145,358	15,425	160,783
Department of Transportation	2,753,337	2,467,910	87,664	2,555,574
<b>Statewide Total</b>	<b>3,440,048</b>	<b>3,116,853</b>	<b>171,027</b>	<b>3,287,880</b>



## 1996 Supplemental Transportation Budget (ESHB 2343)

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### Highway Capital Improvement Projects 1996 Supplemental Funds - \$13.4 million

With greater highway needs and not enough money to address them, the House and Senate Transportation Committees have worked many hours to find efficiencies in the budget and cut administration and bureaucracy. From that savings, money has been shifted into additional highway programs and projects. While recognizing that more needs to be done, the committees have prioritized several Highway Capital Improvement Projects that merit immediate funding because of their contribution to economic development, public safety, or the efficient movement of people and goods. The following projects are included in the 1996 Supplemental Transportation Budget. (Note: Amounts shown below represent the Washington State Department of Transportation component of projects. There may be other contributors.)

**State Route 3 -- Belfair Bypass, Mason County** - Environmental analysis and field survey of four possible alternative routes for a bypass of SR 3 past the city of Belfair. *'96 Supplemental Funds - \$50,000*

**State Route 3/305 -- Bond Road Connection** - Provides preliminary engineering and initial construction funding for expansion from two-lane to four-lane highway. This project ranks high in the statewide mobility program. *'96 Supplemental Funds - \$475,000, Total - \$5.5 M*

**State Route 14 and 192nd Ave. (Brady Road) Interchange - near Vancouver** - Provides preliminary engineering (PE) for this project which will include construction of a modified diamond interchange and reconstruction of Brady Road north of SR 14. *'96 Supplemental Funds - \$200,000 for PE - Total PE - \$1.05 M*

**I-90 at Issaquah (Sunset Interchange)** - Provides preliminary engineering for this interchange which will be modified to provide full directional movement with I-90. *'96 Supplemental Funds - \$500,000 for PE*

**I-90 -- Sprague Avenue to Argonne Road - Spokane** - Reconstruct, realign, and widen to provide additional lanes. *'96 Supplemental Funds - \$1 M, Total - \$13 M*

**State Route 112 -- Susie Creek Bridge, west of Joyce, Clallam County** - Replace existing structurally-deficient bridge with new bridge. *'96 Supplemental Funds - \$3.7M*

**State Route 501 -- Mill Plain Extension** - Provides a second grade-separated access into the Port of Vancouver and Westside area of Vancouver. *'96 Supplemental Funds - \$3.5 M for construction, Total - \$7.4 M*

**State Route 520 and N.E. 40th St. -- Bellevue/Redmond** - Partial interchange revisions, including undercrossings and ramps. *'96 Supplemental Funds - \$1.9 M for construction, Total - \$2.2 M*

**State Route 522/527 -- Main Street Project** - Improves the existing intersection to relieve congestion that impacts the adjacent Bothell central business district. This will fulfill a commitment the Department of Transportation has with the city of Bothell. *'96 Supplemental Funds - \$924,000*

**Port of Tacoma Road -- Tacoma** - Provides preliminary engineering for a grade separation project at the intersection of SR 509 and the Port of Tacoma Road. *'96 Supplemental Funds - \$1.1 M*

## **1996 Supplemental Transportation Budget (ESHB 2343)**

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### **High-Occupancy Vehicle (HOV) Lanes "Diamonds in the Rough" 1996 Supplemental Funds - \$14 million**

As our highway system becomes more congested, especially in metropolitan areas, the availability of high-occupancy vehicle (HOV) lanes becomes even more important. These restricted lanes are for carpools, vanpools, buses, and motorcycles, and they allow for a smoother traffic flow in congested areas.

The proposed 1996 Supplemental Transportation Budget focuses on three key HOV projects:

**Interstate 5: 164th to State Route 526** - Located on a stretch of I-5 west of Mill Creek, this project would provide HOV lanes on both the north and southbound sections of the freeway.

*'96 Supplemental Funds - \$6.5 M, Total - \$17 M*

**State Route 405: 160th to State Route 522 (Woodinville Interchange)** - Located near Woodinville, this project would also provide north and southbound HOV lanes on SR 405.

*'96 Supplemental Funds - \$5.5 M, Total - \$15.2 M*

**State Route 405: State Route 522 to State Route 527** - North and southbound HOV lanes would be provided on this section of SR 405 between the Bothell and Swamp Creek Interchanges. Funds only Stage 1 of two stages.

*'96 Supplemental Funds - \$2 M, Total - \$24.1 M*

Due to the heavy benefit to transit agencies and users, 1995-97 funding for these projects comes from the state's High Capacity Transportation Account (\$7.8 M) and from the Central Puget Sound Public Transportation Account (\$6.2 M).

### **Highway Safety Projects 1996 Supplemental Funds - \$3 million**

Money is included in the proposed 1996 Supplemental Transportation Budget to initiate highway safety projects for the following state highways:

State Route 12, near Naches  
State Route 395, North of Spokane  
State Route 507, Lewis County

### **Winter Storm Damage**

As a result of recent winter storms, \$6.5 million is provided to the Washington State Department of Transportation (WSDOT) to match federal emergency funds for damaged highways and rail. Up to \$1.5 million of the funding is available for railroad flood damage, including damage to Blue Mountain Railroad facilities. Any funding not used to mitigate winter storm damage may be used for flood prevention projects. WSDOT also has \$6.7 million in emergency bonds available for use.

Grant funding to match federal emergency funds (including FHWA and FEMA) is provided to cities and counties through the County Road Administration Board and the Transportation Improvement Board. The preliminary estimate of needed match is \$7.6 million for this biennium.

## Washington State Patrol 1996 Supplemental Funds - \$7.7 million

Motorists throughout the state rely each day on the Washington State Patrol for highway safety, motorist assistance, and many other valuable services they perform. Unfortunately, our WSP troopers are among the lowest paid law enforcement officers in the state. The state trains our troopers, and then regrettably, often loses them to smaller enforcement agencies that pay more. Rather than spending money training new troopers, the Legislature wants to spend money retaining troopers.

- The proposed 1996 Supplemental Transportation Budget would provide a 5 percent salary shift differential. It would also provide an educational incentive of 2 percent for those with two-year degrees and 4 percent for those with four-year degrees. *\$1.35 M*
- In addition, 36 troopers are added to patrol Washington's state highways. *\$1.35 M*
- The budget also appropriates funds to replace and upgrade the Washington State Patrol's microwave communication system. *\$5 M*

## Freight Rail/Ports

From the producer to the shipper to the markets, a smooth transportation system is essential to bring food and goods to the consumer, and to maintain a healthy economy. Both Puget Sound ports (Port of Seattle and Port of Tacoma) and those on the lower Columbia River (Kalama, Longview, and Vancouver) are experiencing tremendous growth. Management of this growth will require substantial investments in transportation infrastructure, including improving road access, eliminating bottlenecks and reducing conflicts between road traffic and trains. Improvements to these port areas in Western Washington will have a significant effect on the shipping of goods from areas in Eastern Washington that rely on these ports (e.g., apples, grain, agricultural products, and other goods).

The 1996 Supplemental Transportation Budget provides funding for the following activities that address ports/freight rail systems:

### **Port of Seattle (Downtown South Seattle Surface Transportation and Freight Mobility Analysis)**

The analysis will identify cost responsibilities and funding requirements for improvements to state-owned surface transportation structures located in south downtown Seattle (North Duwamish access area). This will include areas impacted by I-5 and I-90 access points, Washington State Ferries service, Port of Seattle operations, railroad operations, and traffic generated by the Kingdome and possibly the new baseball stadium.

The analysis will evaluate impacts to highway, rail, transit, and ferry operations resulting from projected increases in usage of these modes; consider impacts on local surface transportation caused by the siting of a major sports complex; identify container terminal access issues at the Port of Seattle; identify chokepoints in rail operations in the north Duwamish access area; and evaluate grade separations required for increased rail and truck operations in the affected area. *'96 Supplemental Funds - \$400,000*

### **Port of Tacoma**

The analysis will identify future rail, truck, and local traffic circulation patterns within the Port of Tacoma.

## **1996 Supplemental Transportation Budget (ESHB 2343)**

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Specifically, the study will look at taking advantage of reopening Stampede Pass; evaluate truck access to and from I-5, I-705, SR 509, and SR 167; identify necessary grade separations of rail corridors and truck arterials, and alternatives to grade separations; analyze potential rerouting of East 11th Street east of the Puyallup River; examine truck and rail access to the new Blair Waterway marine terminals; and evaluate rail access improvements to the Burlington Northern Santa Fe and Union Pacific mainlines. *'96 Supplemental Funds - \$400,000*

### **City of Auburn**

The city of Auburn will examine the impacts of rail transportation through the city, including potential impacts from the reopening of the Stampede Pass rail corridor. The evaluation will be coordinated with the Port of Tacoma, the cities of Tacoma, Federal Way, and Algonia, and other affected jurisdictions participating in the Port of Tacoma analysis described above. *'96 Supplemental Funds - \$75,000*

### **Ports of Kalama, Longview and Vancouver (Southwest Washington Ports)**

The analysis will identify factors affecting transportation of bulk cargo (grain) and merchandise to export terminal facilities along the Columbia River at Kalama, Longview, and Vancouver.

Specifically, the study will identify surface transportation improvements necessary to improve local traffic patterns; identify necessary funding requirements for each of these southwest ports to improve local surface conditions; analyze existing rail connections and rail-to-barge facilities and allocate cost responsibility for necessary improvements; describe typical movement of grain from elevators to export terminal facilities and identify existing obstacles to the efficient movement of grain; and allocate cost responsibilities for necessary improvements to Columbia River ports. *'96 Supplemental Funds - \$200,000*

### **Cross State Freight Rail**

Funding is provided from the Transportation Fund and the federal Transportation Enhancement Program toward purchase of the Milwaukee Road corridor east of Ellensburg. Converting this land back to rail use, in conjunction with the reopening of the Stampede Pass rail corridor, will improve cross-state freight rail service.

*'96 Supplemental Funds - \$2 M*

## **Intercity Passenger Rail**

Ridership and revenues for state-supported intercity passenger rail service have exceeded projections. Revenues for the Seattle-Vancouver, B.C. Talgo Service (Mt. Baker International) have exceeded any prior Amtrak experience for new service. The Mt. Baker International service began on May 26, 1995. Between that time and September, ridership was at 88 percent of capacity. May through September revenues recovered 88.2 percent of billed operating costs.

The Mt. Adams run between Seattle and Portland had approximately 79,000 riders in 1995, a 9 percent increase over the previous year. Revenues recovered 54 percent of billed operating expenses. Billed operating costs to the state were 25 percent lower than original estimates.

Because fare box revenue is supporting a greater share of operating costs, the need for state subsidies is reduced. This allows the state to use its money elsewhere within the rail passenger program at a later date.

The proposed 1996 Supplemental Transportation Budget reduces state subsidies for intercity passenger rail service by \$2 million. *'96 Supplemental Funds - Reduced by \$2 M*

## 1996 Supplemental Transportation Budget (ESHB 2343)

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### **City/County/Transit Grant Programs** **County Road Administration Board (CRAB)** **Transportation Improvement Board (TIB)** **1996 Supplemental Funds - \$58.6 million\***

**CRAB - Rural Arterial Trust Account (RATA)** - \$20 million is provided for the improvement of county roads throughout Washington State.

**TIB - Urban Arterial Trust Account (UATA)** - \$4.3 million is made available for urban preservation projects. Construction on these projects is on a first come-first serve basis.

**TIB - Transportation Improvement Account (TIA)** - \$30.0 million is included for multijurisdictional urban improvement projects. Construction on these projects is on a first come-first serve basis.

**TIB - Public Transportation Systems Account (PTSA)** - \$0.8 million is included for transit-related projects outside the Central Puget Sound area.

**TIB - Central Puget Sound Public Transportation Account (CPSPTA)** - \$3.5 million is included for transit-related projects in King, Pierce, Snohomish, and Kitsap counties.

### **Other Budget Highlights**

**Public-Private Initiatives in Transportation Program** - Funding for this program is restricted to SR 16 (Tacoma Narrows) and park and ride lot projects. Additional bond funding of \$11.2 million is provided to proceed on the SR 16 project.

**Licensing Application Migration Project (LAMP)** - An appropriation of \$14.9 million is provided to the Department of Licensing to continue work on this project which will improve storage, accessibility, and compatibility of driver, vehicle, and vessel records.

**Transit Governance, Finance, and Service Analysis** - The budget provides \$250,000 to examine critical transit issues.

**Horse Race Track** - A General Fund appropriation of \$1.4 million is provided for the Auburn Horse Race Track. An additional \$3.6 million is appropriated for this purpose from transportation accounts, making a total of \$5.0 million available for the biennium.

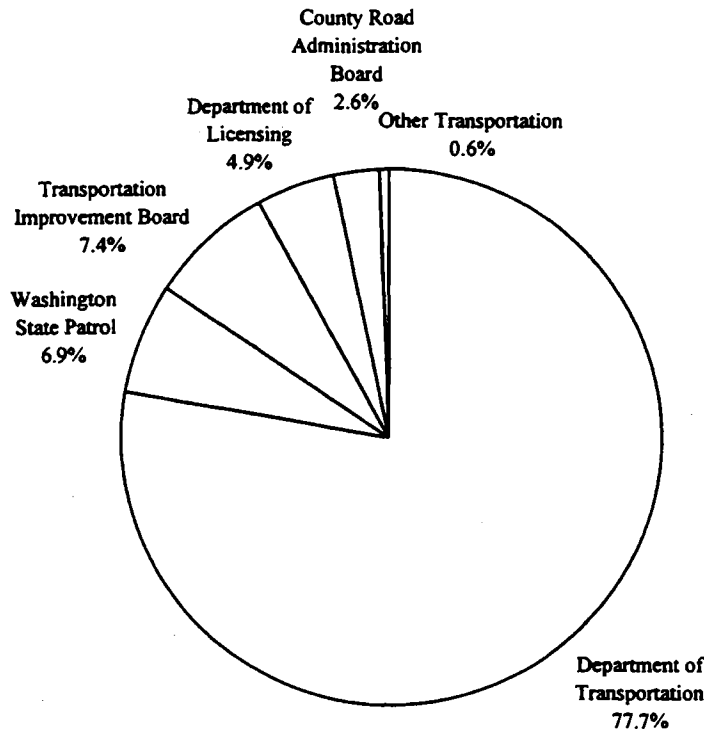
**1-800 Snowline** - An appropriation of \$25,000 is provided to fund toll-free mountain pass reports for the remainder of the 1995-97 biennium.

*\*Includes grant funding, as needed, to help cities and counties match federal emergency funding (including FHWA and FEMA) for winter storm and flood damage.*

**1996 Supplemental Transportation Budget (ESHB 2343)**

**1995-97 Transportation Budget  
Including 1996 Supplemental Budget  
Total Appropriated Funds  
(Dollars in Thousands)**

**MAJOR COMPONENTS BY AGENCY**



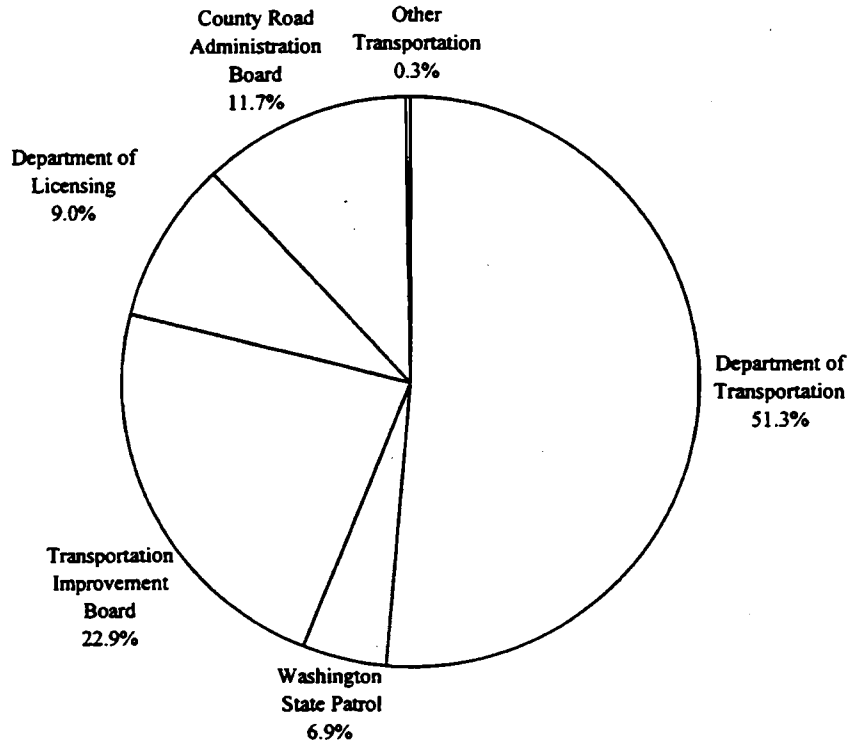
<b>Major Transportation Agencies</b>	
Department of Transportation	2,555,574
Washington State Patrol	222,958
Transportation Improvement Board	241,855
Department of Licensing	160,783
County Road Administration Board	85,424
Other Transportation	21,286
<b>1995-97 Transportation Budget</b>	<b>3,287,880</b>

*Note: Includes Operating and Capital appropriations and the 1996 supplemental budget.*

**1996 Supplemental Transportation Budget (ESHB 2343)**

**1996 Transportation Supplemental Budget  
Total Appropriated Funds**  
(Dollars in Thousands)

**MAJOR COMPONENTS BY AGENCY**



<u>Major Transportation Agencies</u>	
Department of Transportation	87,664
Washington State Patrol	8,296
Transportation Improvement Board	39,100
Department of Licensing	15,425
County Road Administration Board	20,000
Other Transportation	542
<b>1996 Transportation Supplemental Budget</b>	<b>171,027</b>

*Note: Includes Operating and Capital appropriations.*

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LEGInfo can connect you to information on these legislative agencies, boards and committees:

**Legislative Budget Committee -** Includes LBC history, mission statement, and a variety of records, reports, and pending studies.

**Legislative Evaluation & Accountability Program Committee -** An overview of the LEAP committee, past and current budget reports, and other fiscal information.

**Legislative Transportation Committee -** Provides a list of members, meeting schedules, staff



contacts, and links to other transportation information.

**Legislative Ethics Board -** A list of members, formal board opinions, board rules, and meeting agendas.

**Office of the Code Reviser -** Includes mission statement, a list of available publications, the Revised Code of Washington, RCW text search, and a bill drafting guide.

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HB	1339	Juvenile probation and detention . . . . .	C	284	L	96	
3SHB	1381	Shared leave . . . . .	C	176	L	96	
ESHB	1556	Visitation by relatives . . . . .	C	177	L	96	
HB	1601	National guard tuition and fees . . . . .	C	6	L	96	
HB	1627	Osteopathic physicians/surgeons . . . . .	C	178	L	96	
EHB	1647	Employment security data share . . . . .	C	79	L	96	
2EHB	1659	Real estate brokerage relationships . . . . .	C	179	L	96	
ESHB	1704	Travel sellers registration . . . . .	C	180	L	96	
HB	1712	Pretrial release . . . . .	C	181	L	96	
2SHB	1860	Real estate appraisers . . . . .	C	182	L	96	
SHB	1964	Accident reports access . . . . .	C	183	L	96	
2ESHB	1967	Vehicle licensing violations . . . . .	C	184	L	96	
SHB	1990	Minimum retirement benefits . . . . .	C	185	L	96	
4SHB	2009	State energy office . . . . .	C	186	L	96	
2SHB	2031	Storm water facility charges . . . . .	C	285	L	96	
SHB	2075	Offense against pregnant woman . . . . .	C	121	L	96	
EHB	2115	Baseball stadium financing . . . . .	C	1	L	95	E3
SHB	2119	Preserved fruits and vegetables/tax . . . . .	C	115	L	96	
SHB	2125	Interstate banking . . . . .	C	2	L	96	PV
HB	2126	Dentists' inactive licenses . . . . .	C	187	L	96	
EHB	2132	Agriculture department rulemaking . . . . .	C	188	L	96	
EHB	2133	Agricultural business records disclosure . . . . .	C	80	L	96	
HB	2134	Dairy license degrade . . . . .	C	189	L	96	
HB	2136	Hydrilla eradication funding . . . . .	C	190	L	96	
HB	2137	Ecology department progress reports . . . . .	C	37	L	96	
SHB	2140	Elections/cities and towns . . . . .	C	286	L	96	
ESHB	2150	Driver's license/identification . . . . .	C	287	L	96	PV
SHB	2151	Health professionals/uniform licensing . . . . .	C	191	L	96	
HB	2152	Adult family home registration . . . . .	C	81	L	96	
SHB	2167	Marina facility maintenance . . . . .	C	192	L	96	
HB	2172	Adult residential care service . . . . .	C	193	L	96	
SHB	2179	Motor vehicle buyer's agents . . . . .	C	194	L	96	
SHB	2186	Long-term care/public employees . . . . .	C	140	L	96	
HB	2187	Vocational rehabilitation equipment . . . . .	C	7	L	96	
SHB	2188	Physician license revocation . . . . .	C	195	L	96	
HB	2190	Railroad association fees . . . . .	C	196	L	96	



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SHB	2192	Teachers' retirement plan III . . . . .	C 39	L 96	
SHB	2195	Inmate conversation monitoring . . . . .	C 197	L 96	
ESHB	2214	Sales and use tax exemptions . . . . .	C 141	L 96	
E2SHB	2217	At-risk youth . . . . .	C 133	L 96	PV
E2SHB	2222	Government programs/legislative oversight . . . . .	C 288	L 96	PV
ESHB	2227	Felony traffic offenses . . . . .	C 199	L 96	
HB	2250	Higher education budgets . . . . .	C 174	L 96	
EHB	2254	Foreign organization license plates . . . . .	C 139	L 96	
SHB	2256	Public works projects . . . . .	C 119	L 96	
HB	2259	Jury impanelling . . . . .	C 40	L 96	
HB	2290	Wind energy/solar power tax . . . . .	C 166	L 96	
HB	2291	International exchanges . . . . .	C 253	L 96	PV
2SHB	2292	Higher education innovation/quality . . . . .	C 41	L 96	
2SHB	2293	Higher education technology fee . . . . .	C 142	L 96	
SHB	2294	Educational trust fund . . . . .	C 107	L 96	
ESHB	2309	Hearing and speech professions . . . . .	C 200	L 96	
SHB	2310	Schools/contract nonrenewal . . . . .	C 201	L 96	PV
SHB	2311	School board directors' term . . . . .	C 202	L 96	
SHB	2320	Persistent sex offenders . . . . .	C 289	L 96	PV
HB	2322	Workers' compensation exemptions . . . . .	C 8	L 96	
2SHB	2323	Law enforcement training . . . . .	C 203	L 96	
HB	2333	Judicial retirement . . . . .	C 42	L 96	
HB	2337	Distressed county designation . . . . .	C 290	L 96	PV
SHB	2338	Anhydrous ammonia . . . . .	C 204	L 96	PV
SHB	2339	Methamphetamine crimes . . . . .	C 205	L 96	
HB	2340	Superior court judges association . . . . .	C 82	L 96	
HB	2341	Credit cards in liquor stores . . . . .	C 291	L 96	
ESHB	2343	Transportation budget . . . . .	C 165	L 96	PV
SHB	2358	Crime victim/witness programs . . . . .	C 122	L 96	
HB	2365	Road and bridge service districts . . . . .	C 292	L 96	
SHB	2371	Student loan repayment . . . . .	C 293	L 96	
SHB	2376	Gasoline vapor recovery . . . . .	C 294	L 96	
SHB	2386	Agency technical assistance . . . . .	C 206	L 96	
SHB	2388	Utility liens . . . . .	C 43	L 96	
HB	2389	Felony classification . . . . .	C 44	L 96	
HB	2392	Juvenile charging and plea disposition . . . . .	C 9	L 96	
EHB	2396	Game animal violations . . . . .	C 207	L 96	
HB	2414	Recording of documents . . . . .	C 143	L 96	
SHB	2420	Firearms possession qualification . . . . .	C 295	L 96	PV
SHB	2431	Pilotage exemptions . . . . .	C 144	L 96	
HB	2440	Low-density light and power/tax . . . . .	C 145	L 96	
SHB	2444	Habitat conservation plans . . . . .	C 136	L 96	
SHB	2446	Douglas and Chelan county judges . . . . .	C 208	L 96	
EHB	2452	Tuberculosis control . . . . .	C 209	L 96	
HB	2457	Property tax/seniors and disabled . . . . .	C 146	L 96	
HB	2459	Truck weight/tire factors . . . . .	C 116	L 96	

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SHB	2463	Salmon restoration plans . . . . .	C 210	L 96	
HB	2467	Industrial developments . . . . .	C 167	L 96	
SHB	2468	Court filing fees . . . . .	C 211	L 96	
EHB	2472	Domestic violence . . . . .	C 248	L 96	
SHB	2478	UW and WSU tuition . . . . .	C 212	L 96	
HB	2484	Manufacturing/sales and use tax . . . . .	C 247	L 96	PV
ESHB	2485	Property tax/government restrictions . . . . .	C 296	L 96	
SHB	2487	Adoption support payments . . . . .	C 130	L 96	
HB	2490	Reinsurance of credit risks . . . . .	C 297	L 96	
HB	2494	Private school kindergarten . . . . .	C 83	L 96	
HB	2495	Juvenile facilities/education program . . . . .	C 84	L 96	
SHB	2498	Construction trade administration . . . . .	C 147	L 96	
ESHB	2509	Maritime historic preservation . . . . .	C 3	L 96	
SHB	2513	Workers' compensation benefits . . . . .	C 85	L 96	
SHB	2518	School/playground zone speed . . . . .	C 114	L 96	
SHB	2520	Terminal safety audit fees . . . . .	C 86	L 96	
HB	2531	Child abuse/neglect council . . . . .	C 10	L 96	
SHB	2533	Misdemeanant probation program . . . . .	C 298	L 96	
SHB	2535	Public service ethics . . . . .	C 213	L 96	
ESHB	2537	Irrigation district joint control boards . . . . .	C 320	L 96	
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SHB	2545	Sex offender release notice . . . . .	C 215	L 96	
HB	2551	Limousines . . . . .	C 87	L 96	
HB	2559	Child support day care/expenses . . . . .	C 216	L 96	
HB	2567	Property action notification . . . . .	C 254	L 96	
SHB	2579	Sexual abuse victims . . . . .	C 123	L 96	
SHB	2580	Crime victim restitution . . . . .	C 124	L 96	
HB	2589	Unclaimed property . . . . .	C 45	L 96	
SHB	2590	Travel excise tax . . . . .	C 148	L 96	
HB	2591	Tax statutes corrected . . . . .	C 88	L 96	
ESHB	2592	Revenue department penalty/interest . . . . .	C 149	L 96	
HB	2593	Railroad businesses/taxation . . . . .	C 150	L 96	
HB	2595	Vehicle impoundment . . . . .	C 89	L 96	
SHB	2605	Macrocystis seaweed importation . . . . .	C 46	L 96	
EHB	2613	School discipline . . . . .	C 321	L 96	PV
HB	2623	Controlled substance identification . . . . .	C 255	L 96	
HB	2628	Workers' compensation benefit payment . . . . .	C 47	L 96	
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ESHB	2637	Joint center for higher education . . . . .	C 110	L 96	
HB	2638	Information services department . . . . .	C 74	L 96	
ESHB	2640	Truancy . . . . .	C 134	L 96	
HB	2652	Criminally insane patients . . . . .	C 125	L 96	
SHB	2656	Sports facilities/liquor license . . . . .	C 218	L 96	
ESHB	2657	Public works project defined . . . . .	C 168	L 96	
HB	2659	Special fuel tax computation . . . . .	C 90	L 96	
HB	2660	Vehicle fees and taxes refunds . . . . .	C 91	L 96	
HB	2661	Public funds regulation . . . . .	C 256	L 96	PV

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EHB	2672	Greyhound racing . . . . .	C 252	L 96	
SHB	2682	Library capital facility areas . . . . .	C 258	L 96	
HB	2687	Vehicle size and load . . . . .	C 92	L 96	
SHB	2689	Oral/maxillofacial surgery . . . . .	C 259	L 96	PV
HB	2691	Even start program . . . . .	C 11	L 96	
HB	2692	RCW internal reference correction . . . . .	C 93	L 96	
ESHB	2703	Occupational safety and health . . . . .	C 260	L 96	
SHB	2708	Warehouse tax study . . . . .	C 299	L 96	
HB	2716	Waste discharge permits . . . . .	C 322	L 96	
SHB	2720	Correctional facility siting . . . . .	C 261	L 96	
SHB	2724	Injured workers/job modification . . . . .	C 151	L 96	
HB	2726	School bond election resolution . . . . .	C 48	L 96	
SHB	2727	State infrastructure bank . . . . .	C 262	L 96	
HB	2729	Transportation improvement board . . . . .	C 49	L 96	
SHB	2730	City hardship assistance account . . . . .	C 94	L 96	
SHB	2733	Well construction . . . . .	C 12	L 96	
EHB	2735	Nursing facility/certificate of need . . . . .	C 50	L 96	
SHB	2746	Insurance policy rate/term changes . . . . .	C 95	L 96	
SHB	2755	Economic development . . . . .	C 51	L 96	
SHB	2757	Littering in state parks . . . . .	C 263	L 96	
SHB	2758	State fiscal conditions . . . . .	C 152	L 96	
SHB	2762	Community and technical college forest reserve . . . . .	C 264	L 96	
SHB	2772	Docks/substantial development . . . . .	C 265	L 96	
SHB	2778	Farmworker housing/tax exemption . . . . .	C 117	L 96	
ESHB	2781	Veterans' preferences . . . . .	C 300	L 96	PV
SHB	2785	County public works bidding . . . . .	C 219	L 96	
HB	2789	Small business reporting . . . . .	C 111	L 96	
HB	2791	County fire marshal/assault . . . . .	C 266	L 96	
ESHB	2793	Referendum 45 implementation . . . . .	C 267	L 96	
HB	2810	Check cashers and sellers . . . . .	C 13	L 96	
HB	2811	Community and technical college funds . . . . .	C 268	L 96	
HB	2814	Self-storage property disposition . . . . .	C 220	L 96	
ESHB	2828	Wireless telephone regulation . . . . .	C 323	L 96	
ESHB	2832	Milwaukee Road corridor . . . . .	C 129	L 96	
HB	2836	Speed limits . . . . .	C 52	L 96	
EHB	2837	Medicare supplemental insurance . . . . .	C 269	L 96	
EHB	2838	Health care injury disputes . . . . .	C 270	L 96	
HB	2849	Nursing home administrators . . . . .	C 271	L 96	
2SHB	2856	Child, youth, family ombudsman . . . . .	C 131	L 96	
HB	2861	Academic transcripts/tax exemption . . . . .	C 272	L 96	
ESHB	2875	Puget Sound management team . . . . .	C 138	L 96	
E2SHB	2909	Reading literacy . . . . .	C 273	L 96	
HB	2913	Future teachers scholarship . . . . .	C 53	L 96	
SHB	2939	Credit unions examination . . . . .	C 274	L 96	

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SSB	5050	Burglary in first degree . . . . .	C 15	L 96	
2SSB	5053	Real estate disclosure . . . . .	C 301	L 96	PV
SSB	5140	Drug-free zones . . . . .	C 14	L 96	
4SSB	5159	Warm water game fish enhancement . . . . .	C 222	L 96	
SSB	5167	Service of process/spouses . . . . .	C 223	L 96	
2SSB	5175	Liquor licensee/manufacturers . . . . .	C 224	L 96	
SSB	5250	Historic vehicles/collecting . . . . .	C 225	L 96	
2SSB	5258	Community health and safety networks . . . . .	C 132	L 96	
E2SSB	5322	Death benefit award . . . . .	C 226	L 96	
2SSB	5417	Dependent person abandonment . . . . .	C 302	L 96	
SB	5500	Execution method . . . . .	C 251	L 96	
2SSB	5516	Drug-free workplaces . . . . .	C 127	L 96	
SSB	5522	Pro tem judges and court commissioners . . . . .	C 16	L 96	
ESSB	5605	Higher education drug and alcohol use . . . . .	C 17	L 96	
E2SSB	5676	Abusive parents/child visitation . . . . .	C 303	L 96	
2SSB	5757	Public works bidding requirements . . . . .	C 18	L 96	
SSB	5818	Death before retirement/benefits . . . . .	C 227	L 96	
SSB	5865	Lottery prize winners/rights . . . . .	C 228	L 96	
SB	6089	Firearms range account funding . . . . .	C 96	L 96	
SB	6090	Recording/electronic transmission . . . . .	C 229	L 96	
SSB	6091	Water-sewer districts . . . . .	C 230	L 96	
ESSB	6093	Sidewalk reconstruction . . . . .	C 19	L 96	
SSB	6101	Free shellfish/fishing weekends . . . . .	C 20	L 96	
SSB	6113	Presumption of paternity . . . . .	C 21	L 96	
SB	6115	Graffiti damage penalties . . . . .	C 35	L 96	
SB	6117	B&O tax rates reduction . . . . .	C 1	L 96	
ESSB	6120	Maternity services/insurance . . . . .	C 281	L 96	
SSB	6126	County treasurer receipting . . . . .	C 153	L 96	
SB	6129	Mental health services . . . . .	C 304	L 96	
SB	6138	Massage license revocation . . . . .	C 154	L 96	
E2SSB	6146	Property damage by wildlife . . . . .	C 54	L 96	
SSB	6150	Health professional service corporations . . . . .	C 22	L 96	
SB	6157	Retirement portable benefits . . . . .	C 55	L 96	
SB	6167	Dissolution of marriage . . . . .	C 23	L 96	
ESSB	6168	Limited liability companies . . . . .	C 231	L 96	
SSB	6169	Business corporations act . . . . .	C 155	L 96	
SB	6171	Special purpose district elections . . . . .	C 324	L 96	
SSB	6173	Motor vehicle dealers . . . . .	C 282	L 96	PV
SB	6174	Higher education system budgets . . . . .	C 305	L 96	
SB	6177	Higher education student consumer protection . . . . .	C 97	L 96	
SB	6181	Deferred prosecution . . . . .	C 24	L 96	
SSB	6188	Sexual assault victim privacy . . . . .	C 156	L 96	
SSB	6189	Public defense office . . . . .	C 221	L 96	
SSB	6197	Water supply augmentation . . . . .	C 306	L 96	
SSB	6198	Retirement system overpayments . . . . .	C 56	L 96	
ESSB	6204	Negligent driving redefined . . . . .	C 307	L 96	

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SSB	6214	Temporary growing structure . . . . .	C 157	L 96	
SB	6216	Board of education office staff . . . . .	C 25	L 96	
SB	6217	Teacher preparation programs . . . . .	C 309	L 96	
SB	6220	Volunteer fire fighter benefits . . . . .	C 57	L 96	
SB	6222	Self-insurance . . . . .	C 58	L 96	
SB	6224	Long-term disability pilot project . . . . .	C 59	L 96	
SB	6225	L & I employer assessments . . . . .	C 60	L 96	
SB	6226	Medical examiner appointment . . . . .	C 108	L 96	
SSB	6229	Infant crib safety . . . . .	C 158	L 96	
SB	6233	Military service credit/retirement . . . . .	C 61	L 96	
SSB	6236	Shoreline management projects . . . . .	C 62	L 96	
SSB	6237	Vehicles/wireless communications . . . . .	C 34	L 96	
ESSB	6241	Hotel/motel tax for tourism . . . . .	C 159	L 96	
SB	6247	Economic development . . . . .	C 310	L 96	
ESSB	6251	Supplemental operating budget . . . . .	C 283	L 96	PV
SB	6253	Sentencing guidelines commission . . . . .	C 232	L 96	PV
ESSB	6257	Guardian and guardian ad litem . . . . .	C 249	L 96	
2SSB	6260	Ride share tax credit . . . . .	C 128	L 96	
ESSB	6266	Boundary establishment . . . . .	C 160	L 96	
SSB	6267	Principal internship program . . . . .	C 233	L 96	
SSB	6271	Salvage vehicle title brand . . . . .	C 26	L 96	
2SSB	6272	School employee/record checks . . . . .	C 126	L 96	
SSB	6274	Sex offender supervision . . . . .	C 275	L 96	PV
ESB	6277	Game fish license vouchers . . . . .	C 234	L 96	
SSB	6279	Fermented apple and pear cider . . . . .	C 118	L 96	
ESSB	6284	Public records/sales-use tax . . . . .	C 63	L 96	
SB	6286	Dies, molds, forms, and patterns . . . . .	C 235	L 96	
SB	6289	Fraternal benefit societies . . . . .	C 236	L 96	
SB	6292	Member insurers . . . . .	C 98	L 96	
SB	6294	Vehicle excise tax distribution . . . . .	C 64	L 96	
SB	6305	Hydraulic projects mitigation . . . . .	C 276	L 96	
SB	6312	Persian Gulf vets tuition . . . . .	C 169	L 96	
SSB	6315	Offender debts . . . . .	C 277	L 96	
SSB	6322	Recreational vehicle sanitary facilities . . . . .	C 237	L 96	
SB	6339	Alcohol server permits . . . . .	C 311	L 96	
SB	6366	Lewis and Clark trail bicentennial . . . . .	C 65	L 96	
SSB	6379	Work force training/education board . . . . .	C 99	L 96	
SB	6380	Private vocational schools . . . . .	C 100	L 96	
ESSB	6392	Managed care disclosures . . . . .	C 312	L 96	
ESSB	6398	Background checks . . . . .	C 27	L 96	
SB	6401	Aluminum production/tax exemption . . . . .	C 170	L 96	
SB	6403	Fire investigation . . . . .	C 161	L 96	
ESB	6413	Unemployment compensation contributions . . . . .	C 238	L 96	
SB	6414	Unemployment compensation tax withholding . . . . .	C 28	L 96	
SSB	6422	Aviation facilities . . . . .	C 239	L 96	
ESB	6423	Electronic authentication act . . . . .	C 250	L 96	

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ESSB	6427	Unfinished nuclear energy facilities . . . . .	C	4	L	96	
SB	6428	Irrigation district mergers . . . . .	C	313	L	96	
SSB	6430	Social card games . . . . .	C	314	L	96	
SB	6441	Prescription expiration date . . . . .	C	109	L	96	
SSB	6466	Air pollution/minor sources . . . . .	C	67	L	96	
SB	6467	Pollution source fees . . . . .	C	29	L	96	
SB	6476	Vehicle and vessel fees . . . . .	C	315	L	96	
SSB	6487	Commercial drivers' licenses . . . . .	C	30	L	96	
SB	6489	Vehicle/vessel license fees . . . . .	C	31	L	96	
SSB	6510	Radioactive waste cleanup tax . . . . .	C	112	L	96	
SB	6511	Gravitational wave observatory . . . . .	C	113	L	96	
SSB	6514	Family preservation services . . . . .	C	240	L	96	PV
ESSB	6521	Electrical administration . . . . .	C	241	L	96	
SB	6526	Naturopath prescriptions/tax . . . . .	C	162	L	96	
SSB	6529	Recreational hunting/fishing . . . . .	C	68	L	96	
SSB	6533	Hunting raffles . . . . .	C	101	L	96	
ESB	6544	Bail bond agency branch offices . . . . .	C	242	L	96	
SSB	6551	Grazing lands management . . . . .	C	163	L	96	
ESSB	6554	Transmission facilities . . . . .	C	32	L	96	
E2SSB	6556	Government information/electronic access . . . . .	C	171	L	96	
ESB	6566	Snowmobile registration fee . . . . .	C	164	L	96	
SSB	6572	Competitive bid system . . . . .	C	69	L	96	
SSB	6576	Adult adoptee privacy . . . . .	C	243	L	96	
SSB	6579	Credit union share guaranty . . . . .	C	5	L	96	
SSB	6583	Community and technical colleges/faculty . . . . .	C	120	L	96	PV
SB	6615	Protected business information . . . . .	C	102	L	96	
SB	6617	Mortgage brokers . . . . .	C	103	L	96	
ESB	6631	Thermal energy companies . . . . .	C	33	L	96	
ESB	6635	Small public works mines . . . . .	C	70	L	96	
SSB	6636	POW/MIA memorials . . . . .	C	172	L	96	
SSB	6637	Growth management hearings board . . . . .	C	325	L	96	PV
ESB	6651	Public record storage . . . . .	C	71	L	96	
SSB	6656	Manufacturing machinery/tax . . . . .	C	173	L	96	PV
ESSB	6666	Nuisance aquatic weeds . . . . .	C	316	L	96	
SB	6672	Abuse reporting . . . . .	C	278	L	96	
SSB	6673	Fuel tax evasion . . . . .	C	104	L	96	
ESSB	6680	Agency performance assessment . . . . .	C	317	L	96	PV
SB	6684	Student transportation funding . . . . .	C	279	L	96	
SSB	6694	Microchipping horses . . . . .	C	105	L	96	
SSB	6699	Special transportation needs . . . . .	C	244	L	96	
ESB	6702	Administrative rules review . . . . .	C	318	L	96	PV
E2SSB	6705	Higher education technology plan . . . . .	C	137	L	96	
SB	6718	Local government archives and records . . . . .	C	245	L	96	
SSB	6725	Electrical switchgear/control . . . . .	C	72	L	96	
SSB	6748	Liquor sales/property interest . . . . .	C	106	L	96	
ESSB	6753	Tacoma Narrows bridge . . . . .	C	280	L	96	

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SSB	6767	State employee compensation . . . . .	C 319	L 96
ESB	6776	Flood-damaged railroads . . . . .	C 73	L 96

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C	1	L 96		B&O tax rates reduction . . . . .	SB	6117
C	2	L 96	PV	Interstate banking . . . . .	SHB	2125
C	3	L 96		Maritime historic preservation . . . . .	ESHB	2509
C	4	L 96		Unfinished nuclear energy facilities . . . . .	ESSB	6427
C	5	L 96		Credit union share guaranty . . . . .	SSB	6579
C	6	L 96		National guard tuition and fees . . . . .	HB	1601
C	7	L 96		Vocational rehabilitation equipment . . . . .	HB	2187
C	8	L 96		Workers' compensation exemptions . . . . .	HB	2322
C	9	L 96		Juvenile charging and plea disposition . . . . .	HB	2392
C	10	L 96		Child abuse/neglect council . . . . .	HB	2531
C	11	L 96		Even start program . . . . .	HB	2691
C	12	L 96		Well construction . . . . .	SHB	2733
C	13	L 96		Check cashers and sellers . . . . .	HB	2810
C	14	L 96		Drug-free zones . . . . .	SSB	5140
C	15	L 96		Burglary in first degree . . . . .	SSB	5050
C	16	L 96		Pro tem judges and court commissioners . . . . .	SSB	5522
C	17	L 96		Higher education drug and alcohol use . . . . .	ESSB	5605
C	18	L 96		Public works bidding requirements . . . . .	2SSB	5757
C	19	L 96		Sidewalk reconstruction . . . . .	ESSB	6093
C	20	L 96		Free shellfish/fishing weekends . . . . .	SSB	6101
C	21	L 96		Presumption of paternity . . . . .	SSB	6113
C	22	L 96		Health professional service corporations . . . . .	SSB	6150
C	23	L 96		Dissolution of marriage . . . . .	SB	6167
C	24	L 96		Deferred prosecution . . . . .	SB	6181
C	25	L 96		Board of education office staff . . . . .	SB	6216
C	26	L 96		Salvage vehicle title brand . . . . .	SSB	6271
C	27	L 96		Background checks . . . . .	ESSB	6398
C	28	L 96		Unemployment compensation tax withholding . . . . .	SB	6414
C	29	L 96		Pollution source fees . . . . .	SB	6467
C	30	L 96		Commercial drivers' licenses . . . . .	SSB	6487
C	31	L 96		Vehicle/vessel license fees . . . . .	SB	6489
C	32	L 96		Transmission facilities . . . . .	ESSB	6554
C	33	L 96		Thermal energy companies . . . . .	ESB	6631
C	34	L 96		Vehicles/wireless communications . . . . .	SSB	6237
C	35	L 96		Graffiti damage penalties . . . . .	SB	6115
C	36	L 96		Vessels in accidents . . . . .	2SHB	1289
C	37	L 96		Ecology department progress reports . . . . .	HB	2137
C	38	L 96		Fire fighter retirement option . . . . .	SHB	2191
C	39	L 96		Teachers' retirement plan III . . . . .	SHB	2192
C	40	L 96		Jury impanelling . . . . .	HB	2259
C	41	L 96		Higher education innovation/quality . . . . .	2SHB	2292
C	42	L 96		Judicial retirement . . . . .	HB	2333
C	43	L 96		Utility liens . . . . .	SHB	2388
C	44	L 96		Felony classification . . . . .	HB	2389



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C	45	L 96	Unclaimed property . . . . .	HB	2589
C	46	L 96	Macrocystis seaweed importation . . . . .	SHB	2605
C	47	L 96	Workers' compensation benefit payment . . . . .	HB	2628
C	48	L 96	School bond election resolution . . . . .	HB	2726
C	49	L 96	Transportation improvement board . . . . .	HB	2729
C	50	L 96	Nursing facility/certificate of need . . . . .	EHB	2735
C	51	L 96	Economic development . . . . .	SHB	2755
C	52	L 96	Speed limits . . . . .	HB	2836
C	53	L 96	Future teachers scholarship . . . . .	HB	2913
C	54	L 96	Property damage by wildlife . . . . .	E2SSB	6146
C	55	L 96	Retirement portable benefits . . . . .	SB	6157
C	56	L 96	Retirement system overpayments . . . . .	SSB	6198
C	57	L 96	Volunteer fire fighter benefits . . . . .	SB	6220
C	58	L 96	Self-insurance . . . . .	SB	6222
C	59	L 96	Long-term disability pilot project . . . . .	SB	6224
C	60	L 96	L & I employer assessments . . . . .	SB	6225
C	61	L 96	Military service credit/retirement . . . . .	SB	6233
C	62	L 96	Shoreline management projects . . . . .	SSB	6236
C	63	L 96	Public records/sales-use tax . . . . .	ESSB	6284
C	64	L 96	Vehicle excise tax distribution . . . . .	SB	6294
C	65	L 96	Lewis and Clark trail bicentennial . . . . .	SB	6366
C	66	L 96	Port district indebtedness . . . . .	SB	6425
C	67	L 96	Air pollution/minor sources . . . . .	SSB	6466
C	68	L 96	Recreational hunting/fishing . . . . .	SSB	6529
C	69	L 96	Competitive bid system . . . . .	SSB	6572
C	70	L 96	Small public works mines . . . . .	ESB	6635
C	71	L 96	Public record storage . . . . .	ESB	6651
C	72	L 96	Electrical switchgear/control . . . . .	SSB	6725
C	73	L 96	Flood-damaged railroads . . . . .	ESB	6776
C	74	L 96	Information services department . . . . .	HB	2638
C	75	L 96	Wine and beer educator license . . . . .	SHB	1008
C	76	L 96	Limited partnership act . . . . .	SHB	1018
C	77	L 96	Uniform commercial code . . . . .	2SHB	1182
C	78	L 96	Food stamp crimes . . . . .	HB	1302
C	79	L 96	Employment security data share . . . . .	EHB	1647
C	80	L 96	Agricultural business records disclosure . . . . .	EHB	2133
C	81	L 96	Adult family home registration . . . . .	HB	2152
C	82	L 96	Superior court judges association . . . . .	HB	2340
C	83	L 96	Private school kindergarten . . . . .	HB	2494
C	84	L 96	Juvenile facilities/education program . . . . .	HB	2495
C	85	L 96	Workers' compensation benefits . . . . .	SHB	2513
C	86	L 96	Terminal safety audit fees . . . . .	SHB	2520
C	87	L 96	Limousines . . . . .	HB	2551
C	88	L 96	Tax statutes corrected . . . . .	HB	2591
C	89	L 96	Vehicle impoundment . . . . .	HB	2595
C	90	L 96	Special fuel tax computation . . . . .	HB	2659
C	91	L 96	Vehicle fees and taxes refunds . . . . .	HB	2660

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C 92	L 96		Vehicle size and load . . . . .	HB	2687
C 93	L 96		RCW internal reference correction . . . . .	HB	2692
C 94	L 96		City hardship assistance account . . . . .	SHB	2730
C 95	L 96		Insurance policy rate/term changes . . . . .	SHB	2746
C 96	L 96		Firearms range account funding . . . . .	SB	6089
C 97	L 96		Higher education student consumer protection . . . . .	SB	6177
C 98	L 96		Member insurers . . . . .	SB	6292
C 99	L 96		Work force training/education board . . . . .	SSB	6379
C 100	L 96		Private vocational schools . . . . .	SB	6380
C 101	L 96		Hunting raffles . . . . .	SSB	6533
C 102	L 96		Protected business information . . . . .	SB	6615
C 103	L 96		Mortgage brokers . . . . .	SB	6617
C 104	L 96		Fuel tax evasion . . . . .	SSB	6673
C 105	L 96		Microchipping horses . . . . .	SSB	6694
C 106	L 96		Liquor sales/property interest . . . . .	SSB	6748
C 107	L 96		Educational trust fund . . . . .	SHB	2294
C 108	L 96		Medical examiner appointment . . . . .	SB	6226
C 109	L 96		Prescription expiration date . . . . .	SB	6441
C 110	L 96		Joint center for higher education . . . . .	ESHB	2637
C 111	L 96		Small business reporting . . . . .	HB	2789
C 112	L 96		Radioactive waste cleanup tax . . . . .	SSB	6510
C 113	L 96		Gravitational wave observatory . . . . .	SB	6511
C 114	L 96		School/playground zone speed . . . . .	SHB	2518
C 115	L 96		Preserved fruits and vegetables/tax . . . . .	SHB	2119
C 116	L 96		Truck weight/tire factors . . . . .	HB	2459
C 117	L 96		Farmworker housing/tax exemption . . . . .	SHB	2778
C 118	L 96		Fermented apple and pear cider . . . . .	SSB	6279
C 119	L 96		Public works projects . . . . .	SHB	2256
C 120	L 96	PV	Community and technical colleges/faculty . . . . .	SSB	6583
C 121	L 96		Offense against pregnant woman . . . . .	SHB	2075
C 122	L 96		Crime victim/witness programs . . . . .	SHB	2358
C 123	L 96		Sexual abuse victims . . . . .	SHB	2579
C 124	L 96		Crime victim restitution . . . . .	SHB	2580
C 125	L 96		Criminally insane patients . . . . .	HB	2652
C 126	L 96		School employee/record checks . . . . .	2SSB	6272
C 127	L 96		Drug-free workplaces . . . . .	2SSB	5516
C 128	L 96		Ride share tax credit . . . . .	2SSB	6260
C 129	L 96		Milwaukee Road corridor . . . . .	ESHB	2832
C 130	L 96		Adoption support payments . . . . .	SHB	2487
C 131	L 96		Child, youth, family ombudsman . . . . .	2SHB	2856
C 132	L 96		Community health and safety networks . . . . .	2SSB	5258
C 133	L 96	PV	At-risk youth . . . . .	E2SHB	2217
C 134	L 96		Truancy . . . . .	ESHB	2640
C 135	L 96		Instruction in Braille . . . . .	E2SHB	1078
C 136	L 96		Habitat conservation plans . . . . .	SHB	2444
C 137	L 96		Higher education technology plan . . . . .	E2SSB	6705
C 138	L 96		Puget Sound management team . . . . .	ESHB	2875

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C 139	L 96		Foreign organization license plates . . . . .	EHB	2254
C 140	L 96		Long-term care/public employees . . . . .	SHB	2186
C 141	L 96		Sales and use tax exemptions . . . . .	ESHB	2214
C 142	L 96		Higher education technology fee . . . . .	2SHB	2293
C 143	L 96		Recording of documents . . . . .	HB	2414
C 144	L 96		Pilotage exemptions . . . . .	SHB	2431
C 145	L 96		Low-density light and power/tax . . . . .	HB	2440
C 146	L 96		Property tax/seniors and disabled . . . . .	HB	2457
C 147	L 96		Construction trade administration . . . . .	SHB	2498
C 148	L 96		Travel excise tax . . . . .	SHB	2590
C 149	L 96		Revenue department penalty/interest . . . . .	ESHB	2592
C 150	L 96		Railroad businesses/taxation . . . . .	HB	2593
C 151	L 96		Injured workers/job modification . . . . .	SHB	2724
C 152	L 96		State fiscal conditions . . . . .	SHB	2758
C 153	L 96		County treasurer receipting . . . . .	SSB	6126
C 154	L 96		Massage license revocation . . . . .	SB	6138
C 155	L 96		Business corporations act . . . . .	SSB	6169
C 156	L 96		Sexual assault victim privacy . . . . .	SSB	6188
C 157	L 96		Temporary growing structure . . . . .	SSB	6214
C 158	L 96		Infant crib safety . . . . .	SSB	6229
C 159	L 96		Hotel/motel tax for tourism . . . . .	ESSB	6241
C 160	L 96		Boundary establishment . . . . .	ESSB	6266
C 161	L 96		Fire investigation . . . . .	SB	6403
C 162	L 96		Naturopath prescriptions/tax . . . . .	SB	6526
C 163	L 96		Grazing lands management . . . . .	SSB	6551
C 164	L 96		Snowmobile registration fee . . . . .	ESB	6566
C 165	L 96	PV	Transportation budget . . . . .	ESHB	2343
C 166	L 96		Wind energy/solar power tax . . . . .	HB	2290
C 167	L 96		Industrial developments . . . . .	HB	2467
C 168	L 96		Public works project defined . . . . .	ESHB	2657
C 169	L 96		Persian Gulf vets tuition . . . . .	SB	6312
C 170	L 96		Aluminum production/tax exemption . . . . .	SB	6401
C 171	L 96		Government information/electronic access . . . . .	E2SSB	6556
C 172	L 96		POW/MIA memorials . . . . .	SSB	6636
C 173	L 96	PV	Manufacturing machinery/tax . . . . .	SSB	6656
C 174	L 96		Higher education budgets . . . . .	HB	2250
C 175	L 96		Retirement allowance payment . . . . .	2SHB	1229
C 176	L 96		Shared leave . . . . .	3SHB	1381
C 177	L 96		Visitation by relatives . . . . .	ESHB	1556
C 178	L 96		Osteopathic physicians/surgeons . . . . .	HB	1627
C 179	L 96		Real estate brokerage relationships . . . . .	2EHB	1659
C 180	L 96		Travel sellers registration . . . . .	ESHB	1704
C 181	L 96		Pretrial release . . . . .	HB	1712
C 182	L 96		Real estate appraisers . . . . .	2SHB	1860
C 183	L 96		Accident reports access . . . . .	SHB	1964
C 184	L 96		Vehicle licensing violations . . . . .	2ESHB	1967
C 185	L 96		Minimum retirement benefits . . . . .	SHB	1990

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C 186	L 96		State energy office . . . . .	4SHB	2009
C 187	L 96		Dentists' inactive licenses . . . . .	HB	2126
C 188	L 96		Agriculture department rulemaking . . . . .	EHB	2132
C 189	L 96		Dairy license degrade . . . . .	HB	2134
C 190	L 96		Hydrilla eradication funding . . . . .	HB	2136
C 191	L 96		Health professionals/uniform licensing . . . . .	SHB	2151
C 192	L 96		Marina facility maintenance . . . . .	SHB	2167
C 193	L 96		Adult residential care service . . . . .	HB	2172
C 194	L 96		Motor vehicle buyer's agents . . . . .	SHB	2179
C 195	L 96		Physician license revocation . . . . .	SHB	2188
C 196	L 96		Railroad association fees . . . . .	HB	2190
C 197	L 96		Inmate conversation monitoring . . . . .	SHB	2195
C 198	L 96		Recycled content and recycling . . . . .	ESHB	1231
C 199	L 96		Felony traffic offenses . . . . .	ESHB	2227
C 200	L 96		Hearing and speech professions . . . . .	ESHB	2309
C 201	L 96	PV	Schools/contract nonrenewal . . . . .	SHB	2310
C 202	L 96		School board directors' term . . . . .	SHB	2311
C 203	L 96		Law enforcement training . . . . .	2SHB	2323
C 204	L 96	PV	Anhydrous ammonia . . . . .	SHB	2338
C 205	L 96		Methamphetamine crimes . . . . .	SHB	2339
C 206	L 96		Agency technical assistance . . . . .	SHB	2386
C 207	L 96		Game animal violations . . . . .	EHB	2396
C 208	L 96		Douglas and Chelan county judges . . . . .	SHB	2446
C 209	L 96		Tuberculosis control . . . . .	EHB	2452
C 210	L 96		Salmon restoration plans . . . . .	SHB	2463
C 211	L 96		Court filing fees . . . . .	SHB	2468
C 212	L 96		UW and WSU tuition . . . . .	SHB	2478
C 213	L 96		Public service ethics . . . . .	SHB	2535
C 214	L 96		Irrigation districts . . . . .	HB	2538
C 215	L 96		Sex offender release notice . . . . .	SHB	2545
C 216	L 96		Child support day care/expenses . . . . .	HB	2559
C 217	L 96		Funeral directors/embalmers . . . . .	HB	2636
C 218	L 96		Sports facilities/liquor license . . . . .	SHB	2656
C 220	L 96		Self-storage property disposition . . . . .	HB	2814
C 219	L 96		County public works bidding . . . . .	SHB	2785
C 221	L 96		Public defense office . . . . .	SSB	6189
C 222	L 96		Warm water game fish enhancement . . . . .	4SSB	5159
C 223	L 96		Service of process/spouses . . . . .	SSB	5167
C 224	L 96		Liquor licensee/manufacturers . . . . .	2SSB	5175
C 225	L 96		Historic vehicles/collecting . . . . .	SSB	5250
C 226	L 96		Death benefit award . . . . .	E2SSB	5322
C 227	L 96		Death before retirement/benefits . . . . .	SSB	5818
C 228	L 96		Lottery prize winners/rights . . . . .	SSB	5865
C 229	L 96		Recording/electronic transmission . . . . .	SB	6090
C 230	L 96		Water-sewer districts . . . . .	SSB	6091
C 231	L 96		Limited liability companies . . . . .	ESSB	6168
C 232	L 96	PV	Sentencing guidelines commission . . . . .	SB	6253

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C 233	L 96		Principal internship program . . . . .	SSB	6267
C 234	L 96		Game fish license vouchers . . . . .	ESB	6277
C 235	L 96		Dies, molds, forms, and patterns . . . . .	SB	6286
C 236	L 96		Fraternal benefit societies . . . . .	SB	6289
C 237	L 96		Recreational vehicle sanitary facilities . . . . .	SSB	6322
C 238	L 96		Unemployment compensation contributions . . . . .	ESB	6413
C 239	L 96		Aviation facilities . . . . .	SSB	6422
C 240	L 96	PV	Family preservation services . . . . .	SSB	6514
C 241	L 96		Electrical administration . . . . .	ESSB	6521
C 242	L 96		Bail bond agency branch offices . . . . .	ESB	6544
C 243	L 96		Adult adoptee privacy . . . . .	SSB	6576
C 244	L 96		Special transportation needs . . . . .	SSB	6699
C 245	L 96		Local government archives and records . . . . .	SB	6718
C 246	L 96		School district contracts . . . . .	SB	6757
C 247	L 96	PV	Manufacturing/sales and use tax . . . . .	HB	2484
C 248	L 96		Domestic violence . . . . .	EHB	2472
C 249	L 96		Guardian and guardian ad litem . . . . .	ESSB	6257
C 250	L 96		Electronic authentication act . . . . .	ESB	6423
C 251	L 96		Execution method . . . . .	SB	5500
C 252	L 96		Greyhound racing . . . . .	EHB	2672
C 253	L 96	PV	International exchanges . . . . .	HB	2291
C 254	L 96		Property action notification . . . . .	HB	2567
C 255	L 96		Controlled substance identification . . . . .	HB	2623
C 256	L 96	PV	Public funds regulation . . . . .	HB	2661
C 257	L 96		Competitive negotiations . . . . .	SHB	2664
C 258	L 96		Library capital facility areas . . . . .	SHB	2682
C 259	L 96	PV	Oral/maxillofacial surgery . . . . .	SHB	2689
C 260	L 96		Occupational safety and health . . . . .	ESHB	2703
C 261	L 96		Correctional facility siting . . . . .	SHB	2720
C 262	L 96		State infrastructure bank . . . . .	SHB	2727
C 263	L 96		Littering in state parks . . . . .	SHB	2757
C 264	L 96		Community and technical college forest reserve . . . . .	SHB	2762
C 265	L 96		Docks/substantial development . . . . .	SHB	2772
C 266	L 96		County fire marshal/assault . . . . .	HB	2791
C 267	L 96		Referendum 45 implementation . . . . .	ESHB	2793
C 268	L 96		Community and technical college funds . . . . .	HB	2811
C 269	L 96		Medicare supplemental insurance . . . . .	EHB	2837
C 270	L 96		Health care injury disputes . . . . .	EHB	2838
C 271	L 96		Nursing home administrators . . . . .	HB	2849
C 272	L 96		Academic transcripts/tax exemption . . . . .	HB	2861
C 273	L 96		Reading literacy . . . . .	E2SHB	2909
C 274	L 96		Credit unions examination . . . . .	SHB	2939
C 275	L 96	PV	Sex offender supervision . . . . .	SSB	6274
C 276	L 96		Hydraulic projects mitigation . . . . .	SB	6305
C 277	L 96		Offender debts . . . . .	SSB	6315
C 278	L 96		Abuse reporting . . . . .	SB	6672
C 279	L 96		Student transportation funding . . . . .	SB	6684

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C 280	L 96		Tacoma Narrows bridge . . . . .	ESSB	6753
C 281	L 96		Maternity services/insurance . . . . .	ESSB	6120
C 282	L 96	PV	Motor vehicle dealers . . . . .	SSB	6173
C 283	L 96	PV	Supplemental operating budget . . . . .	ESSB	6251
C 284	L 96		Juvenile probation and detention . . . . .	HB	1339
C 285	L 96		Storm water facility charges . . . . .	2SHB	2031
C 286	L 96		Elections/cities and towns . . . . .	SHB	2140
C 287	L 96	PV	Driver's license/identification . . . . .	ESHB	2150
C 288	L 96	PV	Government programs/legislative oversight . . . . .	E2SHB	2222
C 289	L 96	PV	Persistent sex offenders . . . . .	SHB	2320
C 290	L 96	PV	Distressed county designation . . . . .	HB	2337
C 291	L 96		Credit cards in liquor stores . . . . .	HB	2341
C 292	L 96		Road and bridge service districts . . . . .	HB	2365
C 293	L 96		Student loan repayment . . . . .	SHB	2371
C 294	L 96		Gasoline vapor recovery . . . . .	SHB	2376
C 295	L 96	PV	Firearms possession qualification . . . . .	SHB	2420
C 296	L 96		Property tax/government restrictions . . . . .	ESHB	2485
C 297	L 96		Reinsurance of credit risks . . . . .	HB	2490
C 298	L 96		Misdemeanant probation program . . . . .	SHB	2533
C 299	L 96		Warehouse tax study . . . . .	SHB	2708
C 300	L 96	PV	Veterans' preferences . . . . .	ESHB	2781
C 301	L 96	PV	Real estate disclosure . . . . .	2SSB	5053
C 302	L 96		Dependent person abandonment . . . . .	2SSB	5417
C 303	L 96		Abusive parents/child visitation . . . . .	E2SSB	5676
C 304	L 96		Mental health services . . . . .	SB	6129
C 305	L 96		Higher education system budgets . . . . .	SB	6174
C 306	L 96		Water supply augmentation . . . . .	SSB	6197
C 307	L 96		Negligent driving redefined . . . . .	ESSB	6204
C 308	L 96		Criminal justice costs . . . . .	ESSB	6211
C 309	L 96		Teacher preparation programs . . . . .	SB	6217
C 310	L 96		Economic development . . . . .	SB	6247
C 311	L 96		Alcohol server permits . . . . .	SB	6339
C 312	L 96		Managed care disclosures . . . . .	ESSB	6392
C 313	L 96		Irrigation district mergers . . . . .	SB	6428
C 314	L 96		Social card games . . . . .	SSB	6430
C 315	L 96		Vehicle and vessel fees . . . . .	SB	6476
C 316	L 96		Nuisance aquatic weeds . . . . .	ESSB	6666
C 317	L 96	PV	Agency performance assessment . . . . .	ESSB	6680
C 318	L 96	PV	Administrative rules review . . . . .	ESB	6702
C 319	L 96		State employee compensation . . . . .	SSB	6767
C 320	L 96		Irrigation district joint control boards . . . . .	ESHB	2537
C 321	L 96	PV	School discipline . . . . .	EHB	2613
C 322	L 96		Waste discharge permits . . . . .	HB	2716
C 323	L 96		Wireless telephone regulation . . . . .	ESHB	2828
C 324	L 96		Special purpose district elections . . . . .	SB	6171
C 325	L 96	PV	Growth management hearings board . . . . .	SSB	6637

**THIRD SPECIAL SESSION - 1995**

C 1 L 95 E3 Baseball stadium financing . . . . . EHB 2115

## **Gubernatorial Appointments Confirmed**

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### ***EXECUTIVE AGENCIES***

**Department of Services for the Blind**  
Shirley A. Smith, Director

**Health Care Authority**  
Gary L. Christenson, Administrator

**Department of Social and Health Services**  
Lyle Quasim, Secretary

**Washington State Patrol**  
Annette Sandberg, Chief

### ***UNIVERSITIES AND COLLEGES BOARDS OF TRUSTEES***

**University of Washington**  
Mari J. Clack, Board of Regents  
Ann Daley, Board of Regents  
Michele Yapp, Board of Regents  
Cindy Zehnder, Board of Regents

**Washington State University**  
Richard A. Davis, Board of Regents  
Peter J. Goldmark, Board of Regents

**Central Washington University**  
Frederic L. Glover  
Wilfred Woods

**Eastern Washington University**  
Michael Ormsby

**Western Washington University**  
David W. Cole

**The Evergreen State College**  
Dwight K. Imanaka

### ***HIGHER EDUCATION BOARDS***

**State Board for Community and Technical  
Colleges**  
Susan Johnson  
David P. Roberts

**Higher Education Coordinating Board**  
James R. Faulstich  
Vicki McNeill  
Dr. Chang Mook Sohn

**Higher Education Facilities Authority**  
Judith Butler

**Spokane Joint Center for Higher Education**  
Kirstianne Blake  
David Clack  
Roberta J. Greene  
David J. Kjos  
Gerald P. Leahy  
Maurice McGrath  
Michael Ormsby  
Carol A. Wendle

### ***COMMUNITY AND TECHNICAL COLLEGES BOARDS OF TRUSTEES***

**Bates Technical College District No. 28**  
Theresa Ceccarelli

**Bellevue Community College District No. 8**  
Ronald M. Gould

**Bellingham Technical College District No. 25**  
Art Runestrand

**Big Bend Community College District No. 18**  
Erika Hennings  
Patricia Schrom

**Cascadia Community College District No. 30**  
Gloria Mitchell



## Gubernatorial Appointments Confirmed

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**Centralia Community College District No. 12**  
Judy Guenther

**Clark Community College District No. 14**  
Sally G. Schaefer

**Clover Park Technical College District No. 29**  
Walter Waisath, Jr.

**Columbia Basin Community College District No. 19**  
Emmitt Jackson

**Edmonds Community College District No. 23**  
Karen Miller

**Everett Community College District No. 5**  
Steve Parker

**Grays Harbor Community College District No. 2**  
Lynn Kessler

**Green River Community College District No. 10**  
Lea Armstrong  
David Schodde

**Highline Community College District No. 9**  
Elizabeth Chen  
Karen Keiser

**Lake Washington Technical College District No. 26**  
Delores I. Brown

**Lower Columbia Community College District No. 13**  
Ann Mottet

**Olympic Community College District No. 3**  
Morrie Miller  
Clint Shinkle

**Peninsula Community College District No. 1**  
Karen Gates-Hildt

**Pierce Community College District No. 11**  
James P. Dawson

**Renton Technical College District No. 27**  
Susan Ringwood

**Seattle, So. Seattle and No. Seattle Community Colleges District No. 6**  
Paul J. Wysocki

**Shoreline Community College District No. 7**  
Shoubee Liaw  
Larry B. Ogg

**Skagit Valley Community College District No. 4**  
Brian Stiles

**South Puget Sound Community College District No. 24**  
Donald V. Rhodes

**Spokane and Spokane Falls Community Colleges District No. 17**  
Roberta J. Greene  
Elizabeth McInturff  
Tom McKern

**Tacoma Community College District No. 22**  
Alberta J. Canada

**Walla Walla Community College District No. 20**  
Kayleen Bye

**Wenatchee Valley Community College District No. 15**  
Fred D. Bertrand

**Whatcom Community College District No. 21**  
Gary Shimada  
James Wilson

## Gubernatorial Appointments Confirmed

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### **Yakima Valley Community College District No. 16**

Douglas D. Peters

### **STATE BOARDS, COUNCILS AND COMMISSIONS**

#### **State School for the Blind**

Susan I. Davidson

#### **Clemency and Pardons Board**

Samuel R. Johnston

Dr. Anita M. Peterson

Judge Robert W. Winsor

#### **Columbia River Gorge Bi-State Commission**

Vaughn Lein

#### **State School for the Deaf**

Dr. Ronald LaFayette

#### **Energy Facility Site Evaluation Council**

Frederick S. Adair, Chair

#### **Fish and Wildlife Commission**

Roger J. Contor

#### **Forest Practices Appeals Board**

Dr. Martin Kaatz

#### **Garb ling Commission**

Curtis Ludwig

Edward Heavey

Elizabeth McLaughlin

#### **Health Care Facilities Authority**

Dr. Allan W. Lobb

#### **Horse Racing Commission**

James P. Seabeck

#### **Western Washington State Hospital Advisory Board**

Cornell Cebrian

Arlene B. Engle

Darrell Hamilton

Janda B. Volkmer

#### **Housing Finance Commission**

Busse Nutley, Chair

Donna E. Dilger

Ron Forest

Kevin M. Hughes

Josephine Tamayo Murray

Reverend James T. Watson

Natalie Ybarra

#### **Human Rights Commission**

Craig Cole

John Little

#### **Indeterminate Sentence Review Board**

Charlie W. Owens, Jr.

#### **Board of Industrial Insurance Appeals**

Frank E. Fennerty, Jr.

#### **Investment Board**

Jimmy Cason

George Masten

#### **Liquor Control Board**

Nathan S. Ford

#### **Lottery Commission**

Rachael Garson

James McGhee

#### **Marine Employees' Commission**

David Williams

#### **Interagency Committee for Outdoor Recreation**

Mary Ann Huntington

Ralph Mackey

**Pacific Marine Fisheries Commission**

Senator Harriet A. Spanel  
Senator Dean Sutherland

**Personnel Appeals Board**

Nora Reynolds

**Board of Pharmacy**

Suann M. Bond  
Karen Kiessling  
Michael Kleinberg

**Board of Pilotage Commissioners**

Michael T. Gavin  
Dennis Marshall

**Public Disclosure Commission**

Barbara Cothorn  
Gary A. Maehara  
Jim Whiteside

**Washington Public Power Supply System****Executive Board of Directors**

Rudolph Bertschi  
Bob Royer

**Puget Sound Water Quality Authority**

Lois M. Curtis  
William F. Dewey  
Bob Edwards  
Ron Whitener

**Sentencing Guidelines Commission**

Judge Carolyn Brown  
Judge Thomas Felnagle  
Hubert Locke  
Judge Thomas A. Metzger  
Judge Michael Spearman  
D'Alene K. White

**Transportation Commission**

Edward L. Barnes  
Aubrey Davis

**Utilities and Transportation Commission**

Dr. William R. Gillis

**Work Force Training and Education  
Coordinating Board**

Jeff G. Johnson  
Richard Spangler

# 1996 Legislative Officers and Caucus Officers

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## House of Representatives

### Republican Leadership

Clyde Ballard . . . . . Speaker  
Jim Horn . . . . . Speaker Pro Tempore  
Dale Foreman . . . . . Majority Leader  
Barbara Lisk . . . . . Majority Caucus Chairman  
Bill Backlund . . . . . Caucus Vice Chairman  
Gigi Talbott . . . . . Majority Whip  
Jack Cairnes . . . . . Assistant Majority Whip  
Lois McMahan . . . . . Assistant Majority Whip  
Eric Robertson . . . . . Assistant Majority Whip  
Val Stevens . . . . . Asst. Majority Floor Leader  
Mark Schoesler . . . . . Asst. Majority Floor Leader

### Democratic Leadership

Marlin Appelwick . . . . . Minority Leader  
Lisa Brown . . . . . Minority Floor Leader  
Bill Grant . . . . . Minority Caucus Chair  
Lynn Kessler . . . . . Minority Whip  
Julia Patterson . . . . . Asst. Minority Floor Leader  
Frank Chopp . . . . . Assistant Minority Whip  
Dawn Mason . . . . . Assistant Minority Whip

Timothy A. Martin . . . . . Chief Clerk  
Sharon Hayward . . . . . Deputy Chief Clerk  
Ron Finley . . . . . Sergeant-At-Arms

## Senate

### Officers

Lt. Governor Joel Pritchard . . . . . President  
R. Lorraine Wojahn . . . . . President Pro Tempore  
Rosa Franklin . . . . . Vice President Pro Tempore  
Marty Brown . . . . . Secretary  
Brad Hendrickson . . . . . Deputy Secretary  
Richard C. Fisher . . . . . Sergeant-At-Arms

### Caucus Officers

#### Democratic Caucus

Sid Snyder . . . . . Majority Leader  
Valoria H. Loveland . . . . . Caucus Chair  
Harriet A. Spanel . . . . . Majority Floor Leader  
Betti L. Sheldon . . . . . Majority Whip  
Darlene Fairley . . . . . Caucus Vice Chair  
Michael Heavey . . . . . Majority Asst. Floor Leader  
Pat Thibaudeau . . . . . Majority Assistant Whip

#### Republican Caucus

Dan McDonald . . . . . Republican Leader  
George L. Sellar . . . . . Caucus Chair  
Irv Newhouse . . . . . Republican Floor Leader  
Ann Anderson . . . . . Republican Whip  
Emilio Cantu . . . . . Republican Deputy Leader  
Harold Hochstatter . . . . . Caucus Vice Chair  
James E. West . . . . . Republican Asst. Floor Leader  
Jeannette Wood . . . . . Republican Assistant Whip

## Standing Committee Assignments

### House Agriculture & Ecology

Gary Chandler, *Chairman*  
John Koster, *V. Chairman*  
Marc Boldt  
David Chappell  
Jim Clements  
Jerome Delvin  
Ruth Fisher  
Jim Honeyford  
Peggy Johnson  
Kelli Linville  
Dave Mastin  
Ed Murray  
Val Ogden  
Debbie Regala  
Eric Robertson  
Nancy Rust  
Mark Schoesler

### House Appropriations

Tom Huff, *Chairman*  
Jim Clements, *V. Chrnm*  
Grant Pelesky, *V. Chrnm*  
Bob Basich  
Barney Beeksma  
Bill Brumsickle  
Don Carlson  
David Chappell  
Suzette Cooke  
Larry Crouse  
Dennis Dellwo  
Dale Foreman  
Bill Grant  
Steve Hargrove  
Tim Hickel  
Ken Jacobsen  
Lynn Kessler  
Kathy Lambert  
Kelli Linville  
Barbara Lisk  
Cathy McMorris  
Erik Poulsen  
Bill Reams  
Nancy Rust  
Barry Sehlin  
Larry Sheahan  
Jean Silver  
Helen Sommers  
Gigi Talcott  
Georgette Valle  
Cathy Wolfe

### Senate Agriculture & Agricultural Trade & Development

Marilyn J. Rasmussen,  
*Chair*  
Valoria H. Loveland, *V.  
Chair*  
Ann Anderson  
Albert Bauer  
Bob Morton  
Irv Newhouse  
Sid Snyder

### See Senate Ways & Means

### House Capital Budget

Barry Sehlin, *Chairman*  
Jim Honeyford, *V. Chrnm*  
Frank Chopp  
Jeri Costa  
Shirley Hankins  
John Koster  
Maryann Mitchell  
Val Ogden  
John Pennington  
Debbie Regala  
Sandra Singery Romero  
Jean Silver  
Duane Sommers  
Les Thomas  
Georgette Valle

### House Children & Family Services

Suzette Cooke, *Chairman*  
Kathy Lambert, *V.  
Chairman*  
Val Stevens, *V. Chairman*  
Marc Boldt  
Lisa Brown  
Jim Buck  
Michael Carrell  
Mary Lou Dickerson  
Julia Patterson  
Mark Sterk  
Kip Tokuda

### House Commerce & Labor

Cathy McMorris, *Chrnm*  
Steve Hargrove, *V.  
Chairman*  
Bill Thompson, *V.  
Chairman*  
Jack Cairnes  
Eileen Cody  
Grace Cole  
Steven Conway  
Steve Fuhrman  
Gene Goldsmith  
Jim Horn  
Barbara Lisk  
Sandra Singery Romero

### see Senate Ways & Means

### see Senate Human Services & Corrections

### Senate Labor, Commerce & Trade

Dwight Pelz, *Chair*  
Michael J. Heavey, *V.  
Chair*  
Ann Anderson  
Alex A. Deccio  
Rosa L. Franklin  
Karen R. Fraser  
Dan McDonald  
Irv Newhouse  
R. Lorraine Wojahn

## Standing Committee Assignments

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### House Corrections

Ida Ballasiotes, *Chairman*  
Jerry Blanton, *V. Chrmn*  
Mike Sherstad, *V. Chrmn*  
Grace Cole  
Mary Lou Dickerson  
John Koster  
David Quall  
Renee Radcliff  
Mark Schoesler  
Duane Sommers  
Kip Tokuda

### see House Agriculture & Ecology

### House Education

Bill Brumsickle,  
*Chairman*  
Ian Elliot, *V. Chairman*  
Peggy Johnson, *V. Chairman*  
Jim Clements  
Grace Cole  
Steve Fuhrman  
Brian Hatfield  
Karen Keiser  
Kelli Linville  
Lois McMahan  
Grant Pelesky  
Erik Poulsen  
David Quall  
Renee Radcliff  
Scott Smith  
Gigi Talcott  
Brian Thomas  
Bill Thompson  
Velma Veloria

### see Senate Law & Justice

### Senate Ecology & Parks

Karen R. Fraser, *Chair*  
Darlene Fairley, *V. Chair*  
Harold Hochstatter  
Rosemary McAuliffe  
Harriet A. Spanel  
Dan Swecker

### Senate Education

Rosemary McAuliffe,  
*Chair*  
Calvin Goings, *V. Chair*  
Bill Finkbeiner  
Harold Hochstatter  
Stephen L. Johnson  
Dwight Pelz  
Marilyn J. Rasmussen

### House Energy & Utilities

Sarah Casada, *Chairman*  
Larry Crouse, *V. Chairman*  
Shirley Hankins, *V. Chairman*  
Gary Chandler  
Lynn Kessler  
Dave Mastin  
Maryann Mitchell  
Julia Patterson  
Erik Poulsen

### House Finance

Brian Thomas, *Chairman*  
Marc Boldt, *V. Chairman*  
Michael Carrell, *V. Chairman*  
Mary Lou Dickerson  
Cheryl Hymes  
Dawn Mason  
Betty Sue Morris  
Joyce Mulliken  
John Pennington  
Mark Schoesler  
Tim Sheldon  
Steve Van Luven

### House Financial Institutions & Insurance

Les Thomas, *Chairman*  
Barney Beeksa, *V. Chairman*  
Scott Smith, *V. Chairman*  
Don Benton  
Tom Campbell  
Dennis Dellwo  
Philip Dyer  
Bill Grant  
Tom Huff  
Karen Keiser  
Lynn Kessler  
Grant Pelesky  
Carl Scheuerman  
Duane Sommers  
Cathy Wolfe

### Senate Energy, Telecommunications & Utilities

Dean Sutherland, *Chair*  
Valoria H. Loveland, *V. Chair*  
Bill Finkbeiner  
Harold Hochstatter  
Brad Owen

### see Senate Ways & Means

### Senate Financial Institutions & Housing

Margarita Prentice, *Chair*  
Karen R. Fraser, *V. Chair*  
Patricia S. Hale  
Pam Roach  
George L. Sellar  
Adam Smith  
Dean Sutherland

## Standing Committee Assignments

### House Government Operations

Bill Reams, *Chairman*  
Jack Cairnes, *V. Chairman*  
Gene Goldsmith, *V. Chairman*  
Steven Conway  
Ruth Fisher  
Steve Hargrove  
Jim Honeyford  
Cheryl Hymes  
Joyce Mulliken  
Nancy Rust  
Carl Scheuerman  
Dave Schmidt  
Pat Scott  
Steve Van Luven  
Cathy Wolfe

### House Health Care

Philip Dyer, *Chairman*  
Bill Backlund, *V. Chairman*  
Cheryl Hymes, *V. Chairman*  
Tom Campbell  
Sarah Casada  
Eileen Cody  
Steven Conway  
Larry Crouse  
Betty Sue Morris  
Ed Murray  
Mike Sherstad  
Mary Skinner  
Helen Sommers

### House Higher Education

Don Carlson, *Chairman*  
Joyce Mulliken, *V. Chairman*  
Bob Basich  
Don Benton  
Jerry Blanton  
Jerome Delvin  
Gene Goldsmith  
Ken Jacobsen  
Dawn Mason  
Dave Mastin  
Carl Scheuerman  
Larry Sheahan

### Senate Government Operations

Mary Margaret Haugen, *Chair*  
Betti L. Sheldon, *V. Chairman*  
Calvin Goings  
Patricia S. Hale  
Michael J. Heavey  
Bob McCaslin  
Shirley J. Winsley

### Senate Health & Long-Term Care

Kevin Quigley, *Chair*  
R. Lorraine Wojahn, *V. Chairman*  
Alex A. Deccio  
Darlene Fairley  
Rosa L. Franklin  
John A. Moyer  
Pat Thibaudeau  
Shirley J. Winsley  
Jeannette P. Wood

### Senate Higher Education

Albert Bauer, *Chair*  
Jeanne E. Kohl, *V. Chairman*  
Kathleen Drew  
Patricia S. Hale  
Rosemary McAuliffe  
Eugene A. Prince  
Marilyn J. Rasmussen  
Betti L. Sheldon  
James E. West  
Jeannette P. Wood  
Joseph Zarelli

### see House Health Care

### House Law & Justice

Larry Sheahan, *Chairman*  
Jerome Delvin, *V. Chrmn*  
Tim Hickel, *V. Chairman*  
Tom Campbell  
Michael Carrell  
David Chappell  
Eileen Cody  
Jeri Costa  
Dennis Dellwo  
Kathy Lambert  
Lois McMahan  
Betty Sue Morris  
Ed Murray  
Eric Robertson  
Scott Smith  
Mark Sterk  
Velma Veloria

### House Natural Resources

Steve Fuhrman, *Chairman*  
Jim Buck, *V. Chairman*  
John Pennington, *V. Chairman*  
Bob Basich  
Barney Beeksma  
Ian Elliot  
Brian Hatfield  
Ken Jacobsen  
Karen Keiser  
Debbie Regala  
Tim Sheldon  
Val Stevens  
Brian Thomas  
Les Thomas  
Bill Thompson

### Senate Human Services & Corrections

Jim Hargrove, *Chair*  
Rosa L. Franklin, *V. Chairman*  
Jeanne E. Kohl  
Jeanine H. Long  
John A. Moyer  
Margarita Prentice  
Ray Schow  
Adam Smith  
Gary Strannigan  
Pat Thibaudeau  
Joseph Zarelli

### Senate Law & Justice

Adam Smith, *Chair*  
Darlene Fairley, *V. Chairman*  
Calvin Goings  
Jim Hargrove  
Mary Margaret Haugen  
Stephen L. Johnson  
Jeanine H. Long  
Bob McCaslin  
Kevin Quigley  
Pam Roach  
Ray Schow

### Senate Natural Resources

Kathleen Drew, *Chair*  
Harriet A. Spanel, *V. Chairman*  
Ann Anderson  
Jim Hargrove  
Mary Margaret Haugen  
Bob Morton  
Bob Oke  
Brad Owen  
Sid Snyder  
Gary Strannigan  
Dan Swecker

## Standing Committee Assignments

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### House Rules

Clyde Ballard, *Chairman*  
Jim Horn, *V. Chairman*  
Marlin Appelwick  
Bill Backlund  
Lisa Brown  
Frank Chopp  
Steven Conway  
Jeri Costa  
Dale Foreman  
Bill Grant  
Shirley Hankins  
Barbara Lisk  
Cathy McMorris  
Karen Schmidt  
Mark Schoesler  
Pat Scott  
Larry Sheahan  
Val Stevens  
Gigi Talcott

### House Trade & Economic Development

Steve Van Luven,  
*Chairman*  
Renee Radcliff, *V. Chrmn*  
Dave Schmidt, *V. Chrmn*  
Bill Backlund  
Ida Ballasiotes  
Brian Hatfield  
Tim Hickel  
Dawn Mason  
Tim Sheldon  
Mike Sherstad  
Mary Skinner  
Georgette Valle  
Velma Veloria

### Senate Rules

Lt. Governor Joel  
Pritchard, *Chair*  
R. Lorraine Wojahn, *V. Chair*  
Albert Bauer  
Emilio Cantu  
Alex A. Deccio  
Darlene Fairley  
Rosa L. Franklin  
Michael J. Heavey  
Jeanne E. Kohl  
Valoria H. Loveland  
Dan McDonald  
Irv Newhouse  
Bob Oke  
Ray Schow  
George L. Sellar  
Betti L. Sheldon  
Sid Snyder  
Harriet A. Spanel  
Pat Thibaudeau

### see Senate Labor, Commerce & Trade

### House Transportation

Karen Schmidt, *Chairman*  
Don Benton, *V. Chairman*  
Maryann Mitchell, *V. Chairman*  
Mary Skinner, *V. Chairman*  
Bill Backlund  
Jerry Blanton  
Lisa Brown  
Jim Buck  
Jack Cairnes  
Gary Chandler  
Frank Chopp  
Ian Elliot  
Ruth Fisher  
Shirley Hankins  
Brian Hatfield  
Jim Horn  
Peggy Johnson  
Lois McMahan  
Val Ogden  
Julia Patterson  
David Quall  
Eric Robertson  
Sandra Singery Romero  
Dave Schmidt  
Pat Scott  
Mark Sterk  
Kip Tokuda

### Senate Transportation

Brad Owen, *Chair*  
Michael J. Heavey, *V. Chair*  
Calvin Goings  
Mary Margaret Haugen  
Bob Morton  
Bob Oke  
Margarita Prentice  
Eugene A. Prince  
Marilyn J. Rasmussen  
Ray Schow  
George L. Sellar  
Pat Thibaudeau  
Jeannette P. Wood



see House

Appropriations, Capital  
Budget, Finance

Senate Ways & Means

Nita Rinehart, *Chair*

Valoria H. Loveland, *V.  
Chair*

Albert Bauer

Emilio Cantu

Kathleen Drew

Bill Finkbeiner

Karen R. Fraser

Jim Hargrove

Harold Hochstatter

Stephen L. Johnson

Jeanne E. Kohl

Jeanine H. Long

Dan McDonald

John A. Moyer

Dwight Pelz

Kevin Quigley

Pam Roach

Betti L. Sheldon

Sid Snyder

Harriet A. Spanel

Gary Strannigan

Dean Sutherland

James E. West

Shirley J. Winsley

R. Lorraine Wojahn