

FIFTY NINTH LEGISLATURE - REGULAR SESSION

THIRTY FOURTH DAY

House Chamber, Olympia, Saturday, February 11, 2006

The House was called to order at 9:00 a.m. by the Speaker (Representative Lovick presiding). The Clerk called the roll and a quorum was present.

The flag was escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Mary Frances Brennan and Jessica Pacheco. The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. Prayer was offered by Representative David Quall.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

MESSAGE FROM THE SENATE

February 10, 2006

Mr. Speaker:

The Senate has passed:

SUBSTITUTE SENATE BILL NO. 5838,

SUBSTITUTE SENATE BILL NO. 6196,

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6239,

ENGROSSED SUBSTITUTE SENATE BILL NO. 6475,

SUBSTITUTE SENATE BILL NO. 6618,

SENATE BILL NO. 6674,

and the same are herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House advanced to the sixth order of business.

SECOND READING

HOUSE BILL NO. 3033, By Representatives Pettigrew, Kristiansen, Grant, Kretz, Holmquist, Cox, B. Sullivan, Clements, Campbell, Haigh, Newhouse and Linville

Creating an advisory committee to evaluate animal identification programs.

The bill was read the second time.

There being no objection, Substitute House Bill No. 3033 was substituted for House Bill No. 3033 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3033 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Pettigrew, Kretz and Nixon spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 3033.

MOTIONS

On motion of Representative Santos, Representatives McIntire, Morris and Sommers were excused. On motion of Representative Clements, Representative Campbell was excused.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3033 and the bill passed the House by the following vote: Yeas - 91, Nays - 3, Absent - 0, Excused - 4.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Bailey, Blake, Buck, Buri, Chandler, Chase, Clements, Clibborn, Cody, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, Miloscia, Moeller, Morrell, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Schual-Berke, Sells, Serben, Shabro, Simpson, Skinner, Springer, Strow, Sullivan, B., Sullivan, P., Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 91.

Voting nay: Representatives Armstrong, Condotta and Sump - 3.

Excused: Representatives Campbell, McIntire, Morris and Sommers - 4.

SUBSTITUTE HOUSE BILL NO. 3033, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 3059, By Representatives Grant, Condotta, Cody and Kessler

Clarifying the application of taxes to the financial activities of professional employer organizations.

The bill was read the second time.

There being no objection, Substitute House Bill No. 3059 was substituted for House Bill No. 3059 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3059 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Grant and Condotta spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 3059.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3059 and the bill passed the House by the following vote: Yeas - 91, Nays - 3, Absent - 0, Excused - 4.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Chandler, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hinkle, Holmquist, Hudgins, Hunt, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, Miloscia, Moeller, Morrell, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Schual-Berke, Sells, Serben, Shabro, Simpson, Skinner, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 91.

Voting nay: Representatives Chase, Hasegawa and Hunter - 3.

Excused: Representatives Campbell, McIntire, Morris and Sommers - 4.

SUBSTITUTE HOUSE BILL NO. 3059, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 3159, By Representatives Linville, Newhouse, Grant, Kessler, Orcutt, Chandler, Dunn and Kristiansen

Modifying the excise taxation of food products.

The bill was read the second time.

Representative Upthegrove moved the adoption of amendment (823):

On page 7, after line 16, insert the following:

"(12) Upon every person engaging within this state in inspecting, testing, labeling, and storing canned salmon owned by another person, as to such persons, the amount of tax with respect to such activities shall be equal to the gross income derived from such activities multiplied by the rate of 0.484 percent."

On page 27, after line 22, insert the following:

"NEW SECTION. Sec. 14. A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales to persons who are subject to tax under RCW 82.04.260(12) of: (a) Materials used to package canned salmon including, but not limited to, clear wrap, boxes, tape, and box labels; and (b) glue, ink, or similar tangible personal property, that: (i) Affixes the label to the labeled product; or (ii) becomes a component of the label.

(2) The exemption is available only if the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

"NEW SECTION. Sec. 15. A new section is added to chapter 82.12 RCW to read as follows:

The provisions of this chapter do not apply with respect to the use by persons who are subject to tax under RCW 82.04.260(12) of: (a) Materials used to package canned salmon including, but not limited to, clear wrap, boxes, tape, and box labels; and (b) glue, ink, or similar tangible personal property, that: (i) Affixes the label to the labeled product; or (ii) becomes a component of the label."

Re-number remaining sections consecutively, correct internal references accordingly, and correct the title.

Representatives Upthegrove and Linville spoke in favor of the adoption of the amendment.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Linville and Newhouse spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 3159.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 3159 and the bill passed the House by the following vote: Yeas - 90, Nays - 5, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, DeBolt, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDonald, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Schual-Berke, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Upthegrove, Wallace, Walsh, Williams, Wood, Woods, and Mr. Speaker - 90.

Voting nay: Representatives Darneille, Dickerson, Hasegawa, McDermott, and Tom - 5.

Excused: Representatives Campbell, McIntire, and Sommers - 3.

ENGROSSED HOUSE BILL NO. 3159, having received the necessary constitutional majority, was declared passed.

HOUSE JOINT RESOLUTION NO. 4223, By Representatives Kilmer, Kristiansen, Linville, Bailey, Pettigrew, P. Sullivan, Dunn, Ericks, Morrell, Appleton, Green, Sells and Simpson

Amending the state Constitution to increase the personal property tax exemption for the head of a family.

The joint resolution was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the joint resolution was placed on final passage.

Representatives Kilmer, Kristiansen and Linville spoke in favor of passage of the joint resolution.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Joint Resolution No. 4223.

ROLL CALL

The Clerk called the roll on the final passage of House Joint Resolution No. 4223 and the joint resolution passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Schual-Berke, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Campbell, and McIntire - 2.

HOUSE JOINT RESOLUTION NO. 4223, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 3164, By Representatives Kilmer, Kristiansen, Linville, Bailey, Pettigrew, P. Sullivan, Dunn, Ericks, Appleton, Green, Morrell, Sells and Simpson

Increasing the personal property exemption for the head of a family.

The bill was read the second time.

There being no objection, Substitute House Bill No. 3164 was substituted for House Bill No. 3164 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3164 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Kilmer and Kristiansen spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 3164.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3164 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Schual-Berke, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Campbell - 1.

SUBSTITUTE HOUSE BILL NO. 3164, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 3185, By Representative McCoy

Concerning violations of wage payment requirements.

The bill was read the second time.

There being no objection, Substitute House Bill No. 3185 was substituted for House Bill No. 3185 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3185 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives McCoy and Condotta spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 3185.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3185 and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta,

Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Schual-Berke, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 3185, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 3190, By Representatives Wallace, Fromhold, Curtis, Orcutt, Moeller and Dunn

Providing tax incentives to support the semiconductor cluster in the state.

The bill was read the second time.

There being no objection, Substitute House Bill No. 3190 was substituted for House Bill No. 3190 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3190 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Wallace, Orcutt and Fromhold spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 3190.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3190 and the bill passed the House by the following vote: Yeas - 89, Nays - 9, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune,

McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 89.

Voting nay: Representatives Cody, Cox, Eickmeyer, Hasegawa, McDermott, Ormsby, Schual-Berke, Sommers, and Upthegrove - 9.

SUBSTITUTE HOUSE BILL NO. 3190, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 3222, By Representatives Pettigrew, Haler, Chandler, Kretz, Hinkle, Kristiansen, Holmquist and Linville

Modifying excise tax exemptions for the handling and processing of livestock manure.

The bill was read the second time.

There being no objection, Substitute House Bill No. 3222 was substituted for House Bill No. 3222 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3222 was read the second time.

Representative Pettigrew moved the adoption of amendment (826):

Strike everything after the enacting clause and insert the following:

"Sec. 1. 2001 2nd sp.s. c 18 s 1 (uncodified) is amended to read as follows:

It is the intent of the legislature to provide tax exemptions to assist dairy farmers to comply with the dairy nutrient management act, chapter 90.64 RCW, to encourage owners of nondairy animal feeding operations to develop and implement approved nutrient management plans, and to assist public or private entities to establish and operate anaerobic digesters to treat ~~((dairy))~~ livestock nutrients on a regional or on-farm basis.

Sec. 2. RCW 82.08.890 and 2001 2nd sp.s. c 18 s 2 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales of eligible persons of services rendered in respect to operating, repairing, cleaning, altering, or improving of ~~((dairy))~~ livestock nutrient management equipment and facilities, or to sales of tangible personal property that becomes an ingredient or component of the equipment and facilities.

(2)(a) To be eligible, the equipment and facilities must be used exclusively for activities necessary to maintain a ~~((dairy))~~ livestock nutrient management plan ~~((as required under chapter 90.64 RCW. This)),~~

(b) The exemption applies to sales made after the ~~((dairy))~~ livestock nutrient management plan is: (i) Certified under chapter 90.64 RCW; (ii) approved as part of the permit issued under chapter 90.48 RCW; or (iii) approved as required under subsection (4)(c)(iii) of this section.

~~((2))~~ (3)(a) The department of revenue must provide an exemption certificate to an eligible person upon application by that person. The department of agriculture must provide a list of eligible persons, as defined in subsection (4)(c)(i) and (ii) of this section, to the department of revenue. Conservation districts must maintain lists of eligible persons as defined in subsection (4)(c)(iii) of this section to allow the department of revenue to verify eligibility. The application must be in a form and manner prescribed by the department and must contain information regarding the location of the dairy or animal feeding operation and other information the department may require.

(b) A person claiming an exemption under this section must keep records necessary for the department to verify eligibility under this section. The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

~~((3))~~ (4) The definitions in this subsection apply to this section and RCW 82.12.890 unless the context clearly requires otherwise:

(a) ~~("Dairy nutrient management equipment and facilities" means machinery, equipment, and structures used in the handling and treatment of dairy manure, such as aerators, agitators, alley scrapers, augers, dams, gutter cleaners, loaders, lagoons, pipes, pumps, separators, and tanks. The term also includes tangible personal property that becomes an ingredient or component of the equipment and facilities, including repair and replacement parts)) "Animal feeding operation" means a lot or facility, other than an aquatic animal production facility, where the following conditions are met:~~

(i) Animals, other than aquatic animals, have been, are, or will be stabled or confined and fed or maintained for a total of forty-five days or more in any twelve-month period; and

(ii) Crops, vegetation, forage growth, or postharvest residues are not sustained in the normal growing season over any portion of the lot or facility.

(b) "Conservation district" means a subdivision of state government organized under chapter 89.08 RCW.

~~((b))~~ (c) "Eligible person" means a person (i) licensed to produce milk under chapter 15.36 RCW who has a certified dairy nutrient management plan ~~((by December 31, 2003)),~~ as required by chapter 90.64 RCW; (ii) who owns an animal feeding operation and has a permit issued under chapter 90.48 RCW; or (iii) who owns an animal feeding operation and has a nutrient management plan approved by a conservation district as meeting natural resource conservation service field office technical guide standards.

(d) "Livestock nutrient management equipment and facilities" means machinery, equipment, and structures used in the handling and treatment of livestock manure, such as aerators, agitators, alley scrapers, augers, dams, gutter cleaners, loaders, lagoons, pipes, pumps, separators, and tanks. The term also includes tangible personal property that becomes an ingredient or component of the equipment and facilities, including repair and replacement parts.

(e) "Permit" means either a state waste discharge permit or a national pollutant discharge elimination system permit, or both.

Sec. 3. RCW 82.12.890 and 2003 c 5 s 15 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to the use by an eligible person of tangible personal property that becomes an ingredient or component of ~~((dairy))~~ livestock nutrient management equipment and facilities, as defined in RCW 82.08.890, or to labor and services rendered in respect to repairing, cleaning, altering, or improving eligible tangible personal property.

~~(2)(a) To be eligible, the equipment and facilities must be used exclusively for activities necessary to maintain a ((dairy)) livestock nutrient management plan ((as required under chapter 90.64 RCW. This)).~~

~~(b) The exemption applies to the use of tangible personal property or labor and services made after the ((dairy)) livestock nutrient management plan is: (i) Certified under chapter 90.64 RCW; (ii) approved as part of the permit issued under chapter 90.48 RCW; or (iii) approved as required under RCW 82.08.890(4)(c)(iii).~~

~~(3) The exemption certificate and recordkeeping requirements of RCW 82.08.890 apply to this section. The definitions in RCW 82.08.890 apply to this section.~~

Sec. 4. RCW 82.08.900 and 2001 2nd sp.s. c 18 s 4 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales to an eligible person establishing or operating an anaerobic digester or to services rendered in respect to installing, constructing, repairing, cleaning, altering, or improving an anaerobic digester, or to sales of tangible personal property that becomes an ingredient or component of the anaerobic digester. The anaerobic digester must be used primarily to treat ~~((dairy))~~ livestock manure.

(2)(a) The department of revenue must provide an exemption certificate to an eligible person upon application by that person. The application must be in a form and manner prescribed by the department and must contain information regarding the location of the facility and other information as the department may require.

(b) A person claiming an exemption under this section must keep records necessary for the department to verify eligibility under this section. The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(3) The definitions in this subsection apply to this section and RCW 82.12.900 unless the context clearly requires otherwise:

(a) "Anaerobic digester" means a facility that processes manure from ~~((cattle))~~ livestock into biogas and dried manure using microorganisms in a decomposition process within a closed, oxygen-free container.

(b) "Eligible person" means any person establishing or operating an anaerobic digester to treat primarily ~~((dairy))~~ livestock manure.

(c) "Primarily" means more than fifty percent measured by volume or weight.

Sec. 5. RCW 82.12.900 and 2003 c 5 s 16 are each amended to read as follows:

The provisions of this chapter do not apply with respect to the use of anaerobic digesters, tangible personal property that becomes an ingredient or component of anaerobic digesters, or the use of services rendered in respect to installing, repairing, cleaning, altering, or improving eligible tangible personal property by an eligible person establishing or operating an anaerobic digester, as defined in RCW 82.08.900. The anaerobic digester must be used primarily to treat ~~((dairy))~~ livestock manure.

NEW SECTION. Sec. 6. The conservation commission shall compile the following information on nutrient management plans written and approved by conservation districts for animal feeding operations during the 2005-2007 biennium: (1) The number of requests received to write or approve plans; (2) the number of plans completed and approved; (3) the total costs of writing and approving the plans, and the funding sources used; and (4) the relationship, if any, between the tax exemptions provided in this act and the number of plans written and approved. In its report, the commission shall compare the totals under subsections (1) through (3) of this section to the totals in the previous biennium. The conservation commission shall report this information to the appropriate committees of the legislature by December 1, 2007.

NEW SECTION. Sec. 7. This act takes effect July 1, 2006."

Correct the title.

Representatives Pettigrew and Orcutt spoke in favor of the adoption of the amendment.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Pettigrew, Haler, Kretz, McIntire and Linville spoke in favor of passage of the bill.

Representative Tom spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 3222.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 3222 and the bill passed the House by the following vote: Yeas - 77, Nays - 21, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Clements, Clibborn, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Linville, Lovick, McCoy, McCune, McDonald, McIntire, Moeller, Morris, Newhouse, Nixon, O'Brien, Orcutt, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Skinner, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Wallace, Walsh, Wood, Woods and Mr. Speaker - 77.

Voting nay: Representatives Anderson, Appleton, Chase, Cody, Dickerson, Jarrett, Kagi, Lantz, McDermott, Miloscia, Morrell, Murray, Ormsby, Schual-Berke, Simpson, Sommers, Takko, Talcott, Tom, Upthegrove and Williams - 21.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 3222, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2939, By Representatives Grant, Dunshee, Linville, Kessler, Upthegrove, Kilmer, Ericks, Hasegawa, P. Sullivan, Santos, Green, Springer, Conway, Simpson and Hudgins

Establishing the energy freedom program.

The bill was read the second time.

There being no objection, Third Substitute House Bill No. 2939 was substituted for House Bill No. 2939 and the third substitute bill was placed on the second reading calendar.

THIRD SUBSTITUTE HOUSE BILL NO. 2939 was read the second time.

With the consent of the House, amendment (814) was withdrawn.

Representative Chandler moved the adoption of amendment (810):

On page 2, line 20, after "fuels" insert "and by the lack of a market for its products, both of which the legislature proposes to provide"

Representative Chandler spoke in favor of the adoption of the amendment.

Representative Dunshee spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Dunshee moved the adoption of amendment (759):

On page 4, line 25, after "(3)" insert "Establish a peer review committee to include board members, renewable energy specialists, energy conservation specialists, scientists, and individuals with specific recognized expertise. The peer review committee shall provide to the board an independent peer review of all grant proposals submitted by Washington public research institutions for the purposes specified in section 7, subsections(3)(a) and (c) of this act that are determined to be competitive for a grant award. The board shall review the findings of the peer review committee when making final grant allocation decisions;

(4)"

Renumber the remaining subsections consecutively and correct internal references accordingly.

Representative Dunshee spoke in favor of the adoption of the amendment.

The amendment was adopted.

Representative Chandler moved the adoption of amendment (813):

On page 4, line 32, strike "grant or"

On page 5, beginning on line 9, after "activities." strike all material through "grants." on line 16

On page 5, line 17, strike "and grants"

On page 5, line 21, strike "and grants"

On page 5, line 23, strike "financial assistance" and insert "loans"

On page 6, line 18, strike "Financial assistance awarded to political subdivisions is" and insert "Loans awarded to political subdivisions are"

On page 6, line 34, strike "financial assistance" and insert "a loan"

On page 7, line 2, strike "or grants"

On page 7, line 11, strike "or grant"

on page 7, line 33, strike "grant and"

Representatives Chandler, Newhouse and Alexander spoke in favor of the adoption of the amendment.

Representative Dunshee spoke against the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Lovick presiding) stated the question before the House to be adoption of amendment (813) to Third Substitute House Bill No. 2939.

ROLL CALL

The Clerk called the roll on the adoption of amendment (813) to Third Substitute House Bill No. 2939, and the amendment was not adopted by the following vote: Yeas - 43, Nays - 55, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Buri, Campbell, Chandler, Clements, Condotta, Cox, Crouse, Curtis, DeBolt, Dunn,

Ericksen, Haler, Hankins, Hinkle, Holmquist, Jarrett, Kretz, Kristiansen, McCune, McDonald, Newhouse, Nixon, Orcutt, Pearson, Priest, Roach, Rodne, Schindler, Serben, Shabro, Skinner, Strow, Sump, Talcott, Tom, Walsh and Woods - 43.

Voting nay: Representatives Appleton, Blake, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Fromhold, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, O'Brien, Ormsby, Pettigrew, Quall, Roberts, Santos, Schual-Berke, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Wallace, Williams, Wood and Mr. Speaker - 55.

Representative Chandler moved the adoption of amendment (809):

On page 5, line 29, after "facilities;" insert "and"

On page 5, line 31, after "byproducts" strike the remainder of subsection (3) and insert "."

Representatives Chandler and Ericksen spoke in favor of the adoption of the amendment.

Representative Ormsby and Dunshee spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Ericksen moved the adoption of amendment (822):

On page 5, line 31, strike "and"

On page 5, line 32, after "retrofits" insert the following:
"; and
(e) Facilities and infrastructure for hydrogen fuel production"

On page 5, line 33, after "(4)" strike "Applications" and insert the following:
"Projects that involve conversion of an existing facility for construction of hydrogen fuel shall receive first priority for loans and grants under this section. Other applications"

Representatives Ericksen, Serben, Haler and Ericksen spoke in favor of the adoption of the amendment.

Representatives Dunshee and Morris spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Chandler moved adoption of amendment (812):

On page 6, line 31, after "up to" strike "twenty-four" and insert "twelve"

Representative Chandler spoke in favor of the adoption of the amendment.

Representative Dunshee spoke against the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Lovick presiding) stated the question before the House to be adoption of amendment (812) to Third Substitute House Bill No. 2939.

ROLL CALL

The Clerk called the roll on the adoption of amendment (812) to Third Substitute House Bill No. 2939, and the amendment was not adopted by the following vote: Yeas - 42, Nays - 56, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Buri, Campbell, Chandler, Clements, Condotta, Cox, Crouse, Curtis, DeBolt, Dunn, Ericksen, Haler, Hankins, Hinkle, Holmquist, Jarrett, Kretz, Kristiansen, McCune, McDonald, Newhouse, Nixon, Orcutt, Pearson, Priest, Roach, Rodne, Schindler, Serben, Shabro, Skinner, Strow, Sump, Talcott, Tom and Woods - 42.

Voting nay: Representatives Appleton, Blake, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Fromhold, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, O'Brien, Ormsby, Pettigrew, Quall, Roberts, Santos, Schual-Berke, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Wallace, Walsh, Williams, Wood and Mr. Speaker - 56.

Representative Ericksen moved the adoption of amendment (827):

On page 7, after line 19, insert the following:
"(15) Grant or loan funds awarded in this section shall only be available for facilities that use crops where relinquishment does not affect the water right of the land upon which the alternative crop is grown."

Representatives Ericksen, Haler and Newhouse spoke in favor of the adoption of the amendment.

Representatives Linville and Dunshee spoke against the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Lovick presiding) stated the question before the House to be adoption of amendment (827) to Third Substitute House Bill No. 2939.

ROLL CALL

The Clerk called the roll on the adoption of amendment (827) to Third Substitute House Bill No. 2939, and the amendment was not adopted by the following vote: Yeas - 40, Nays - 58, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Buri, Campbell, Chandler, Clements, Condotta, Cox, Crouse, Curtis, DeBolt, Dunn, Ericksen, Haler, Hankins, Jarrett, Kretz, Kristiansen, McCune, McDonald, Newhouse, Nixon, Orcutt, Pearson, Priest, Roach, Rodne, Schindler, Serben, Shabro, Skinner, Strow, Sump, Talcott, Tom and Woods - 40.

Voting nay: Representatives Appleton, Blake, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Fromhold, Grant, Green, Haigh, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, O'Brien, Ormsby, Pettigrew, Quall, Roberts, Santos, Schual-Berke, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Wallace, Walsh, Williams, Wood and Mr. Speaker - 58.

Representative Chandler moved the adoption of amendment (811):

On page 7, line 28, after "chapter." insert "Administrative costs shall not exceed three percent of the annual funds deposited in the account for this program."

Representatives Chandler and Ericksen spoke in favor of the adoption of the amendment.

Representative Dunshee spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Jarrett moved the adoption of amendment (815):

On page 8, beginning on line 1, strike all of section 10

Renumber the remaining sections consecutively and correct any internal references accordingly.

Correct the title.

Representative Jarrett spoke in favor of the adoption of the amendment.

Representative Dunshee spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Anderson moved the adoption of amendment (816):

On page 8, after line 32, insert the following:

"NEW SECTION. Sec. 9. (1) No later than January 1, 2010, the office of financial management shall contract for an independent study of the extent to which any state investments made under this act in ethanol and biodiesel production as alternative fuels are resulting in a positive net energy balance.

(2) In evaluating the net energy of ethanol produced with the assistance of this act, the independent study shall consider, at a minimum, the following:

(a) the cost of the feedstock per gallon of ethanol;

(b) the number of distillation steps necessary to separate the ethanol;

(c) the amount of treatment and energy required to produce the pure ethanol for mixture with gasoline; and

(d) the amount of energy contained in the final ethanol product.

(3) In evaluating the net energy of biodiesel produced with the assistance of this act, the independent study shall consider, at a minimum, the following:

(a) the cost of production of the soybean, sunflower, mustard seed or other crops per gallon of biodiesel;

(b) the amount of energy consumed in producing the crops and converting the crops to biodiesel fuel; and

(c) the amount of energy in the final biodiesel product.

(4) The office of financial management shall submit a report to the governor and the appropriate policy and fiscal committees in the legislature by December 1, 2010. The report shall include recommendations as to whether continued review of net energy balances resulting from state investments in ethanol and biodiesel fuel production are necessary and desirable."

Renumber the remaining sections and correct internal references accordingly. Correct the title.

On page 9, line 4, after "9" insert ", 11,"

Representative Anderson spoke in favor of the adoption of the amendment.

Representative Dunshee spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Cox moved the adoption of amendment (817):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that it is in the public interest to encourage the rapid adoption and use of bioenergy, to develop a viable bioenergy industry within Washington state, and

to support a viable agriculture industry to grow bioenergy crops. To accomplish this, the Washington bioenergy loan program is established to stimulate the construction of facilities in Washington to generate energy from farm sources or convert organic matter into fuels.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of community, trade, and economic development.

(2) "Director" means the director of the department of community, trade, and economic development.

(3) "Project" means the construction of facilities, including the purchase of equipment, to convert farm products or wastes into electricity or gaseous and liquid fuels. These specifically include facilities to generate electricity or methane from the anaerobic digestion of organic matter, and facilities for the extracting oils from canola, rape, mustard, and other oilseeds.

(4) "Political subdivision" means any port district, county, city, town, special purpose district, and any other municipal corporations or quasi-municipal corporations in the state.

NEW SECTION. Sec. 3. (1) An bioenergy loan program is established within the department. The director may only approve an application providing a loan to a political subdivision for a project that the director finds:

(a) Will convert farm products or wastes directly into electricity or into gaseous or liquid fuels;

(b) Demonstrates technical feasibility and probable business success;

(c) The facility produces long-term economic benefits to the state, a region of the state, or a particular community in the state;

(d) The project does not require continuing state support;

(e) The expenditure will result in new jobs, job retention, or higher incomes for citizens of the state; and

(f) The expenditure is accompanied by private investment.

(2) The director may not approve an application if it fails to provide for adequate reporting or disclosure of financial and employment data to the director. The director may require an annual or other periodic audit of the project books.

(3) The director may approve an application that results in a loan of up to five million dollars. In no circumstances shall a loan approved under this section constitute more than fifty percent of total project funding.

(4) The director shall fix the terms and rates of these loans to minimize the costs to the borrowers and to encourage establishment of a viable bioenergy industry. The interest rates for these loans must be one percent below the prime interest rate offered by private lending institutions.

(5) The director may defer loan repayment for up to twelve months or until the project starts to receive revenue from operations, whichever is sooner.

(6) The director is authorized to award grants to Washington public research institutions for the research and development of new and renewable energy and biofuel sources and markets for alternative fuel byproducts.

NEW SECTION. Sec. 4. (1) The director may establish policies and procedures necessary for processing, reviewing, and approving loan applications made under this section.

(2) Each application must show in detail the nature of the project, the source of the feedstock, and the technologies that will be

used. Each application submitted by a political subdivision must contain a credit analysis of any industry partner that the political subdivision may propose to partner with, and must include a detailed feasibility analysis and business plan.

(3) The director shall consult with those agencies having expertise and knowledge to assess the technical and business feasibility of the project and probability of success. These agencies may include, but are not limited to, Washington State University, the University of Washington, the department of ecology, the department of agriculture, and the Washington state conservation commission.

(4) If the total requested dollar amount of loans exceeds the amount available in the Washington bioenergy loan account created in section 5 of this act, the applications must be prioritized based upon the following criteria:

(a) The extent to which the project will help conserve energy and reduce dependence on petroleum fuels and imported energy either directly or indirectly;

(b) The extent to which the project will reduce air and water pollution either directly or indirectly;

(c) The extent to which the project will establish a viable bioenergy production capacity in Washington;

(d) The benefits to Washington's agriculture producers; and

(e) The number and quality of jobs and economic benefits created by the project.

(5) Upon receiving financial assistance, a political subdivision must enter into appropriate contracts with any industry partners that may be involved in the use of the facilities, infrastructure, or equipment.

NEW SECTION. Sec. 5. The Washington bioenergy loan account is created in the state treasury. All receipts from appropriations made to the account and loan payments of principal and interest derived from loans made under this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for loans for projects consistent with this chapter. Administrative costs of the department may not exceed three percent of the annual funds available for this program.

NEW SECTION. Sec. 6. The director shall report to the legislature and governor on the status of the Washington bioenergy loan program created under this chapter, on or before December 1st of the years 2006, 2007, and 2009. This report must include information on the projects that have been funded, the status of these projects, and their environmental, energy savings, and job creation benefits.

Sec. 7. RCW 42.56.270 and 2005 c 274 s 407 are each amended to read as follows:

The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:

(1) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;

(2) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (a) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (b) highway construction or improvement as required by RCW 47.28.070;

(3) Financial and commercial information and records supplied by private persons pertaining to export services provided under

chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;

(4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.-- (sections 1 through 6, 9, and 10 of this act), 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency;

(5) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW;

(6) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information;

(7) Financial and valuable trade information under RCW 51.36.120;

(8) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW;

(9) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010;

(10) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a liquor license, gambling license, or lottery retail license;

(11) Proprietary data, trade secrets, or other information that relates to: (a) A vendor's unique methods of conducting business; (b) data unique to the product or services of the vendor; or (c) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services for purposes of the development, acquisition, or implementation of state purchased health care as defined in RCW 41.05.011; and

(12)(a) When supplied to and in the records of the department of community, trade, and economic development:

(i) Financial and proprietary information collected from any person and provided to the department of community, trade, and economic development pursuant to RCW 43.330.050(8) and 43.330.080(4); and

(ii) Financial or proprietary information collected from any person and provided to the department of community, trade, and economic development or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying information under this subsection and the locations being considered for siting, relocation, or expansion of a business;

(b) When developed by the department of community, trade, and economic development based on information as described in (a)(i) of this subsection, any work product is not exempt from disclosure;

(c) For the purposes of this subsection, "siting decision" means the decision to acquire or not to acquire a site;

(d) If there is no written contact for a period of sixty days to the department of community, trade, and economic development from a person connected with siting, recruitment, expansion, retention, or

relocation of that person's business, information described in (a)(ii) of this subsection will be available to the public under this chapter.

Sec. 8. RCW 43.84.092 and 2005 c 514 s 1106, 2005 c 353 s 4, 2005 c 339 s 23, 2005 c 314 s 110, 2005 c 312 s 8, and 2005 c 94 s 2 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the emergency reserve fund, The Evergreen State College capital projects account, the federal forest revolving account, the freight mobility investment account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the high- occupancy toll lanes operations account, the

industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puyallup tribal settlement account, the real estate appraiser commission account, the regional transportation investment district account, the resource management cost account, the rural Washington loan fund, the site closure account, the small city pavement and sidewalk account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the transportation partnership account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington bioenergy loan account, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle

account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

NEW SECTION. Sec. 9. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 10. Sections 1 through 6 and 9 of this act expire June 30, 2016. Any moneys in the Washington bioenergy loan account on that date and any moneys received pursuant to loans made under this chapter must be deposited in the general fund.

NEW SECTION. Sec. 11. Sections 1 through 6, 9, 10, and 12 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. Sec. 12. This act takes effect July 1, 2006."

Correct the title.

Representatives Cox and Ericksen spoke in favor of the adoption of the amendment.

Representatives Dunshee and Dunshee (again) spoke against the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Lovick presiding) stated the question before the House to be adoption of amendment (817) to Third Substitute House Bill No. 2939.

ROLL CALL

The Clerk called the roll on the adoption of amendment (817) to Third Substitute House Bill No. 2939, and the amendment was not adopted by the following vote: Yeas - 43, Nays - 55, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Buri, Campbell, Chandler, Clements, Condotta, Cox, Crouse, Curtis, DeBolt, Dunn, Ericksen, Haler, Hankins, Hinkle, Holmquist, Jarrett, Kretz, Kristiansen, McCune, McDonald, Newhouse, Nixon, Orcutt, Pearson, Priest, Roach, Rodne, Schindler, Serben, Shabro, Skinner, Strow, Sump, Talcott, Tom, Walsh and Woods - 43.

Voting nay: Representatives Appleton, Blake, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Fromhold, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Morrell, Morris, Murray,

O'Brien, Ormsby, Pettigrew, Quall, Roberts, Santos, Schual-Berke, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Wallace, Williams, Wood and Mr. Speaker - 55.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Grant, Nixon and Wallace spoke in favor of passage of the bill.

Representative Clements, Armstrong, Anderson, Chandler and Ericksen spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Third Substitute House Bill No. 2939.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Third Substitute House Bill No. 2939 and the bill passed the House by the following vote: Yeas - 68, Nays - 30, Absent - 0, Excused - 0.

Voting yea: Representatives Appleton, Blake, Buri, Campbell, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Nixon, O'Brien, Ormsby, Pettigrew, Priest, Quall, Roberts, Santos, Schual-Berke, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, and Mr. Speaker - 68.

Voting nay: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Chandler, Clements, Condotta, Cox, Crouse, Curtis, DeBolt, Ericksen, Kretz, Kristiansen, McCune, Newhouse, Orcutt, Pearson, Roach, Rodne, Schindler, Serben, Shabro, Skinner, Strow, Sump, Talcott, and Woods - 30.

ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 2939, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2608, By Representatives Curtis, Takko, Bailey, Grant, Orcutt, Hinkle, McDonald, Clements, Moeller, Chandler, Wallace, O'Brien, Haler, Haigh, Alexander and Morrell

Defining performance of duty for the volunteer fire fighters' and reserve officers' relief and pension act.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2608 was substituted for House Bill No. 2608 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2608 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Curtis and Takko spoke in favor of passage of the bill.

2608 COLLOQUY

Representative Fromhold: "Mr. Speaker, there was discussion in the Appropriations Committee about the potential cost of HB 2608 as originally introduced, and specially about its impact on the Volunteer Firefighters' and Reserve Officers' Relief and Pensions Fund, given the possible liability created by the bill and the actuarial status of the fund. With your permission, I'd like to ask the gentleman from the 18th District how that concern was addressed in the Appropriations Committee."

Representative Curtis: "House Bill No. 2608 was amended in the Appropriations Committee to tighten the definition of "performance of duty" or performance of service" in the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System from "any participation in community or charitable events sanctioned by the chief or another officer" to "other officially assigned duties that are secondary to duties as a fire fighter, emergency worker, or reserve officer, including maintenance, public education, inspections, investigations, court testimony, and fund raising for the benefit of the department." Based on advice from the Board for Volunteer Firefighters, we believe this tightens that language sufficiently to minimize the risk of any significant exposure to the fund from this bill."

Representative Fromhold: "Mr. Speaker, if I may ask a follow-up question of the gentleman from the 18th – If, despite the amendment in the Appropriations Committee, the impact of the provisions of Substitute House Bill No. 2608 are found later to be greater than we anticipate based on present actuarial analysis, how would that contingency be addressed?"

Representative Curtis: "The Board of Volunteer Firefighters has indicated to members of the Appropriations Committee that in that contingency it would come to the Legislature to seek any adjustment to the funding of the system required to ensure the actuarial soundness of the system. It

would be the intent of the Legislature to give due consideration to such a request."

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2608.

MOTION

On motion of Representative Santos, Representative Schual-Berke was excused.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2608 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Schual-Berke - 1.

SUBSTITUTE HOUSE BILL NO. 2608, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2687, By Representatives Bailey, Conway, Fromhold, Lovick, Hunt, Nixon, Kenney, Quall, Simpson, Ormsby, Moeller, Morrell, Upthegrove and Hinkle; by request of Select Committee on Pension Policy

Establishing a one thousand dollar minimum monthly benefit for certain plan 1 members of the public employees' retirement system and certain plan 1 members of the teachers' retirement system.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Bailey and Conway spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2687.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2687 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Schual-Berke - 1.

HOUSE BILL NO. 2687, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2690, By Representatives Crouse, Conway, Lovick, Hunt, Green, Sells, Quall, Simpson, Moeller and Morrell; by request of Select Committee on Pension Policy

Permitting members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, the public safety employees' retirement system, plan 1 of the law enforcement officers' and fire fighters' retirement system, and the Washington state patrol retirement system to make a one-time purchase of additional service credit.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Crouse and Conway spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2690.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2690 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Schual-Berke - 1.

HOUSE BILL NO. 2690, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2691, By Representatives Crouse, Fromhold, Conway, Lovick, Bailey, Kenney and Quall; by request of Select Committee on Pension Policy

Creating optional public retirement benefits for justices and judges.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2691 was substituted for House Bill No. 2691 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2691 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Crouse and Fromhold spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2691.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2691 and the bill passed the House by the following vote: Yeas - 96, Nays - 1, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Voting nay: Representative Hinkle - 1.

Excused: Representative Schual-Berke - 1.

SUBSTITUTE HOUSE BILL NO. 2691, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2934, By Representatives Simpson, Priest, Conway, Hinkle, Williams, Ericks, Sells, Rodne, McDonald, Kilmer and Green; by request of LEOFF Plan 2 Retirement Board

Determining the retirement allowance of a member who is killed in the course of employment.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2934 was substituted for House Bill No. 2934 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2934 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Simpson and Priest spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2934.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2934 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Schual-Berke - 1.

SUBSTITUTE HOUSE BILL NO. 2934, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2681, By Representatives Conway, Fromhold, Lovick, Green, Sells, Kenney, Quall, Simpson, Moeller and Morrell; by request of Select Committee on Pension Policy

Establishing minimum contribution rates for the public employees' retirement system, the public safety employees' retirement system, the school employees' retirement system, and the teachers' retirement system.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Conway and Alexander spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2681.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2681 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson,

Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Schual-Berke - 1.

HOUSE BILL NO. 2681, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2684, By Representatives Fromhold, Bailey, Conway, Lovick, Green, Sells, Kenney, Quall, Simpson, Moeller and Morrell; by request of Select Committee on Pension Policy

Allowing vesting after five years of service in the defined benefit portion of the public employees' retirement system, the school employees' retirement system, and the teachers' retirement system plan 3.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2684 was substituted for House Bill No. 2684 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2684 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Fromhold and Alexander spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2684.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2684 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson,

Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Schual-Berke - 1.

SUBSTITUTE HOUSE BILL NO. 2684, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2685, By Representatives Fromhold, Conway, Lovick, Quall, Simpson, Ormsby and Moeller; by request of Select Committee on Pension Policy

Making changes to general provisions in the public safety employees' retirement system.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2685 was substituted for House Bill No. 2685 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2685 was read the second time.

Representative Fromhold moved the adoption of amendment (791):

On page 2, line 36, after "incarcerated" insert "or probationary"

On page 2, line 36, after "officer" insert ", probation officer,"

Representatives Fromhold and Alexander spoke in favor of the adoption of the amendment.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Fromhold and Alexander spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2685.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2685 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Schual-Berke - 1.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2685, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2688, By Representatives Fromhold, Conway, Lovick, Kenney, Quall, Simpson, Ormsby, Moeller and Ericks; by request of Select Committee on Pension Policy

Addressing the law enforcement officers' and fire fighters' retirement system plan 1.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2688 was substituted for House Bill No. 2688 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2688 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Fromhold and Conway spoke in favor of passage of the bill.

Representative Alexander spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2688.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2688 and the bill passed the House by the following vote: Yeas - 78, Nays - 19, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Appleton, Blake, Buck, Campbell, Chase, Clements, Clibborn, Cody, Conway, Curtis, Darneille, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, O'Brien, Orcutt, Ormsby, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 78.

Voting nay: Representatives Alexander, Anderson, Armstrong, Bailey, Buri, Chandler, Condotta, Cox, Crouse, DeBolt, Holmquist, Kretz, Kristiansen, Newhouse, Nixon, Pearson, Schindler, Strow and Sump - 19.

Excused: Representative Schual-Berke - 1.

SUBSTITUTE HOUSE BILL NO. 2688, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2689, By Representatives Bailey, Conway, Fromhold, Lovick, Quall, Simpson and Ormsby; by request of Select Committee on Pension Policy

Addressing the public employment of retirees from the teachers' retirement system plan 1 and the public employees' retirement system plan 1.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2689 was substituted for House Bill No. 2689 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2689 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Bailey and Fromhold spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2689.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2689 and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 97.

Excused: Representative Schual-Berke - 1.

SUBSTITUTE HOUSE BILL NO. 2689, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2932, By Representatives Darneille, Curtis, Simpson, Conway, Hinkle, Williams, Ericks, Sells, Rodne, McDonald, Kilmer and Green; by request of LEOFF Plan 2 Retirement Board

Establishing a catastrophic disability allowance under the law enforcement officers' and fire fighters' retirement system, plan 2.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Darneille and Curtis spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2932.

MOTION

On motion of Representative Santos, Representative Quall was excused.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2932 and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

HOUSE BILL NO. 2932, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2933, By Representatives P. Sullivan, Curtis, Simpson, Conway, Hinkle, Kenney, Williams, Ericks, Sells, Rodne, McDonald, Kilmer and Green; by request of LEOFF Plan 2 Retirement Board

Addressing death benefit payments for law enforcement officers' and fire fighters' retirement system, plan 2.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2933 was substituted for House Bill No. 2933 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2933 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives P. Sullivan and Curtis spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2933.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2933 and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

SUBSTITUTE HOUSE BILL NO. 2933, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2682, By Representatives Conway, Fromhold, Lovick, Kenney, Quall, Simpson, Roberts, Ormsby and McCune; by request of Select Committee on Pension Policy

Setting contribution rates in the Washington state patrol retirement system.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Conway and Alexander spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2682.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2682 and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson,

Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

HOUSE BILL NO. 2682, having received the necessary constitutional majority, was declared passed.

SECOND READING SUSPENSION

HOUSE BILL NO. 2409, By Representatives O'Brien, Rodne, Ericks, Lovick, Anderson, Jarrett, Nixon, McDonald, Williams, Darneille, Buck, Conway, P. Sullivan, Tom, Takko, Lantz, Kilmer, Fromhold, B. Sullivan, Morrell, Simpson, Springer, Green, Miloscia, Sells and Ormsby

Changing the provisions relating to sex and kidnapping offender registration.

The bill was read the second time.

There being no objection, the committee recommendation was adopted.

The bill was placed on final passage.

Representatives O'Brien and Rodne spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2409 .

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2409, and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz,

Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

HOUSE BILL NO. 2409, having received the necessary constitutional majority, was declared .

HOUSE BILL NO. 2580, By Representatives Upthegrove, Schual-Berke, P. Sullivan, Simpson and McCune

Providing excise tax relief for persons that process canned salmon.

The bill was read the second time.

There being no objection, the committee recommendation was adopted.

The bill was placed on final passage.

Representatives Upthegrove and Orcutt spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2580 .

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2580, and the bill passed the House by the following vote: Yeas - 95, Nays - 1, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Voting nay: Representative Cody - 1.

Excused: Representatives Quall and Schual-Berke - 2.

HOUSE BILL NO. 2580, having received the necessary constitutional majority, was declared .

HOUSE BILL NO. 2590, By Representatives Dickerson and McIntire

Exempting nonprofit organizations organized for zoological purposes from certain excise taxes.

The bill was read the second time.

There being no objection, the committee recommendation was adopted and SUBSTITUTE HOUSE BILL NO. 2590 was read the second time.

The bill was placed on final passage.

Representatives Dickerson and Orcutt spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2590 .

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2590, and the bill passed the House by the following vote: Yeas - 94, Nays - 2, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 94.

Voting nay: Representatives Anderson, and Kirby - 2.

Excused: Representatives Quall and Schual-Berke - 2.

SUBSTITUTE HOUSE BILL NO. 2590, having received the necessary constitutional majority, was declared .

HOUSE BILL NO. 2799, By Representatives Chase, Morris, Crouse, Eickmeyer, Clibborn, P. Sullivan, Hunt, McCoy, Miloscia, Grant, Sells, Williams, McCune, Moeller, Conway, Upthegrove, Morrell, Simpson, Kilmer, Kagi, Hudgins, Dunn and Darneille

Providing tax exemptions for solar hot water equipment.

The bill was read the second time.

There being no objection, the committee recommendation was adopted and SECOND SUBSTITUTE HOUSE BILL NO. 2799 was read the second time.

The bill was placed on final passage.

Representatives Chase and Orcutt spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 2799.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 2799, and the bill passed the House by the following vote: Yeas - 95, Nays - 1, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Voting nay: Representative Anderson - 1.

Excused: Representatives Quall and Schual-Berke - 2.

SECOND SUBSTITUTE HOUSE BILL NO. 2799, having received the necessary constitutional majority, was declared.

HOUSE BILL NO. 2805, By Representatives O'Brien, Ericks, Morrell, Miloscia and Green

Expanding provisions relating to missing persons.

The bill was read the second time.

There being no objection, the committee recommendation was adopted and SECOND SUBSTITUTE HOUSE BILL NO. 2805 was read the second time.

The bill was placed on final passage.

Representatives O'Brien and Pearson spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 2805.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 2805, and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

SECOND SUBSTITUTE HOUSE BILL NO. 2805, having received the necessary constitutional majority, was declared.

HOUSE BILL NO. 2846, By Representatives Miloscia, Hunt, Campbell and Dunshee

Expanding campaign finance disclosure in small political subdivisions.

The bill was read the second time.

There being no objection, the committee recommendation was adopted and SUBSTITUTE HOUSE BILL NO. 2846 was read the second time.

The bill was placed on final passage.

Representatives Miloscia and Nixon spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2846.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2846, and the bill passed the House by the following vote: Yeas - 95, Nays - 1, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Voting nay: Representative Dunn - 1.

Excused: Representatives Quall and Schual-Berke - 2.

SUBSTITUTE HOUSE BILL NO. 2846, having received the necessary constitutional majority, was declared.

HOUSE BILL NO. 3024, By Representatives Haigh, Cox, Ericks, Miloscia, Armstrong, McCoy, McDermott, Green, Morrell, Wallace, Nixon, Clements, Chase and Linville

Increasing the number of demonstration projects that may be authorized by the school district project review board.

The bill was read the second time.

There being no objection, the committee recommendation was adopted and SUBSTITUTE HOUSE BILL NO. 3024 was read the second time.

The bill was placed on final passage.

Representatives Haigh and Nixon spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 3024.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3024, and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

SUBSTITUTE HOUSE BILL NO. 3024, having received the necessary constitutional majority, was declared.

HOUSE BILL NO. 3057, By Representatives Green, Nixon, Hunt, Sump, Miloscia, Haigh, Schual-Berke and Morrell; by request of Secretary of State

Modifying address confidentiality program provisions.

The bill was read the second time.

There being no objection, the committee recommendation was adopted.

The bill was placed on final passage.

Representatives Green and Nixon spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 3057.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 3057, and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, and Talcott - 88.

Excused: Representatives Quall and Schual-Berke - 2.

HOUSE BILL NO. 3057, having received the necessary constitutional majority, was declared.

HOUSE BILL NO. 3109, By Representatives Miloscia, Morrell and O'Brien; by request of Governor Gregoire

Addressing government performance and accountability.

The bill was read the second time.

There being no objection, the committee recommendation was adopted and SUBSTITUTE HOUSE BILL NO. 3109 was read the second time.

The bill was placed on final passage.

Representatives Miloscia and Nixon spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 3109.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3109, and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray,

Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

SUBSTITUTE HOUSE BILL NO. 3109, having received the necessary constitutional majority, was declared.

The Speaker (Representative Lovick presiding) called upon Representative Morris to preside.

HOUSE BILL NO. 2407, By Representatives Lovick, Strow, O'Brien, Ericks, Dunshee, Linville, Grant, Lantz, Kessler, Williams, Blake, Morrell, Rodne, Hunt, Conway, P. Sullivan, Springer, Takko, Kilmer, Fromhold, B. Sullivan, Hunter, Simpson, Green, Miloscia, Sells, Upthegrove, Campbell and Ormsby

Revising provisions relating to electronic monitoring of sex offenders.

The bill was read the second time.

There being no objection, the committee recommendation was adopted and SUBSTITUTE HOUSE BILL NO. 2407 was read the second time.

The bill was placed on final passage.

Representatives Lovick and Strow spoke in favor of passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2407.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2407, and the bill passed the House by the following vote: Yeas - 95, Nays - 1, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben,

Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Voting nay: Representative Darneille - 1.

Excused: Representatives Quall and Schual-Berke - 2.

SUBSTITUTE HOUSE BILL NO. 2407, having received the necessary constitutional majority, was declared.

The Speaker assumed the chair.

INTRODUCTION & FIRST READING

HB 3310 by Representatives Bailey, Linville, Kessler, Morrell, Clibborn and Morris

AN ACT Relating to health care coverage statutory requirements; and creating new sections.

HB 3311 by Representatives Kretz, Kristiansen, Buri, Holmquist, Serben, Newhouse, Orcutt, Condotta, Sump, Ormsby, Schindler, Hinkle, Campbell, Chandler, Crouse, McDonald, Armstrong, Rodne, Buck, Haler, Ericksen, Linville, Kessler, Grant, McCune and Morrell

AN ACT Relating to providing fairness in government regulation of private property; adding new sections to chapter 64.40 RCW; adding a new section to chapter 36.70A RCW; and creating new sections.

Referred to Committee on Judiciary.

HJM 4042 by Representatives B. Sullivan, Pearson, Hinkle, Roach, Haigh, Kristiansen, McCune, Newhouse, Campbell, Shabro, Eickmeyer, Chandler, McDonald, Kretz, Sump, Schindler, Crouse, Orcutt, Holmquist, Buck and Blake

Requesting that Congress pass the Right-to-Ride Livestock on Federal Land Act of 2005.

Referred to Committee on Natural Resources, Ecology & Parks.

There being no objection, the bills and memorial listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

There being no objection, the House advanced to the sixth order of business.

SECOND READING

HOUSE BILL NO. 3180, By Representatives Haigh, Nixon, Hudgins, Jarrett, Cody, Haler, Santos and Morrell

Applying whistleblower and discrimination provisions to contractors who hold contracts with the state.

The bill was read the second time.

There being no objection, Substitute House Bill No. 3180 was substituted for House Bill No. 3180 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3180 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Haigh, Nixon and Eickmeyer spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute House Bill No. 3180.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3180 and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

SUBSTITUTE HOUSE BILL NO. 3180, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 3282, By Representatives Eickmeyer, Green, Haigh, Appleton, Kilmer, O'Brien, Lantz, McCoy, Chase, Miloscia, Clibborn and Ormsby

Establishing the Hood Canal aquatic rehabilitation account.

The bill was read the second time.

There being no objection, Substitute House Bill No. 3282 was substituted for House Bill No. 3282 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3282 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representative Eickmeyer spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute House Bill No. 3282.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 3282 and the bill passed the House by the following vote: Yeas - 95, Nays - 1, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Voting nay: Representative Dunn - 1.

Excused: Representatives Quall and Schual-Berke - 2.

SUBSTITUTE HOUSE BILL NO. 3282, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 3287, By Representatives Chase, Sump, Eickmeyer, McCoy, Walsh and Pearson

Studying nitrogen contributions from on-site sewage systems in Hood Canal.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 3287 was substituted for House Bill No. 3287 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 3287 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Chase and Sump spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Second Substitute House Bill No. 3287.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 3287 and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

SECOND SUBSTITUTE HOUSE BILL NO. 3287, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1305, By Representatives Haigh, McDonald, Eickmeyer, Holmquist, Wallace, P. Sullivan, Roach, Morrell and Sells

Authorizing background checks before an authorized emergency vehicle permit is issued.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Haigh and Woods spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of House Bill No. 1305.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1305 and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

HOUSE BILL NO. 1305, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1395, By Representatives Wood, Conway and Condotta; by request of Department of Licensing

Modifying provisions concerning the uniform regulation of business and professions.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1395 was substituted for House Bill No. 1395 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1395 was read the second time.

Representative Wood moved adoption of amendment (799):

On page 2, beginning on line 15, strike all of subsections (7) and (8) and insert the following:

"(7) Failure or refusal without good cause to exercise reasonable diligence in performing an appraisal practice under this chapter, including preparing an oral or written report to communicate information concerning an appraisal practice; and

(8) Negligence or incompetence in performing an appraisal practice under this chapter, including preparing an oral or written report to communicate information concerning an appraisal practice."

Representatives Wood and Condotta spoke in favor of adoption of the amendment.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Wood and Condotta spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1395.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1395 and the bill passed the House by the following vote: Yeas - 96, Nays - 0, Absent - 0, Excused - 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 96.

Excused: Representatives Quall and Schual-Berke - 2.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1395, having received the necessary constitutional majority, was declared passed.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1458, By House Committee on Appropriations

(originally sponsored by Representatives Hunt, Dickerson, McCoy, B. Sullivan, Williams, Haigh, Appleton, Linville, Chase, Dunshee, Simpson, Upthegrove, Moeller and McDermott)

Concerning the management of on-site sewage disposal systems in marine areas.

The bill was read the second time.

There being no objection, Third Substitute House Bill No. 1458 was substituted for Engrossed Second Substitute House Bill No. 1458 and the third substitute bill was placed on the second reading calendar.

THIRD SUBSTITUTE HOUSE BILL NO. 1458 was read the second time.

Representative Pearson moved the adoption of amendment (846):

On page 3, beginning on line 5, after "where the" strike "local health officer, or the department in consultation with the health officer," and insert "county legislative authority"

On page 3, line 34, after "act, the" strike "local health officer" and insert "county legislative authority"

On page 4, beginning on line 11, strike "local health officer" and insert "county legislative authority"

On page 4, line 21, after "2007, the" strike "local health officer" and insert "county legislative authority"

On page 4, beginning on line 23, after "information." strike all material through "recommendation." on line 27

On page 5, line 9, after "they are" strike "functioning properly" and insert "not failing"

On page 5, after line 10, insert the following:
"(3) If a repair is required under subsection (2) of this section, nothing in this section requires a homeowner to install or modify an existing on-site septic system specifically to remove nitrogen."

Representative Pearson spoke in favor of the adoption of the amendment.

Representative B. Sullivan spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Pearson moved the adoption of amendment (836):

On page 4, line 17, after "department" insert "and the results of the study of nitrogen contributions to ground water required in

chapter ... (Second Substitute House Bill No. 3287), Laws of 2006. A local health officer may not require an on-site sewage disposal system to address nitrogen until the results of the study are complete, and the findings clearly indicate that on-site sewage disposal systems are a significant factor contributing to marine waters with excess nitrogen and low-dissolved oxygen"

Representative Pearson spoke in favor of the adoption of the amendment.

Representative B. Sullivan spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Pearson moved the adoption of amendment (837):

On page 4, line 18, before ". The" strike "available scientific and technical data" and insert "credible data as defined in RCW 90.48.575"

Representative Pearson spoke in favor of the adoption of the amendment.

Representative B. Sullivan spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Pearson moved the adoption of amendment (835):

On page 8, after line 22, insert the following:

"**Sec. 12.** RCW 36.70A.110 and 2004 c 206 s 1 are each amended to read as follows:

(1) Each county that is required or chooses to plan under RCW 36.70A.040 shall designate an urban growth area or areas within which urban growth shall be encouraged and outside of which growth can occur only if it is not urban in nature. Each city that is located in such a county shall be included within an urban growth area. An urban growth area may include more than a single city. An urban growth area may include territory that is located outside of a city only if such territory already is characterized by urban growth whether or not the urban growth area includes a city, or is adjacent to territory already characterized by urban growth, or is a designated new fully contained community as defined by RCW 36.70A.350.

(2) Based upon the growth management population projection made for the county by the office of financial management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty-year period, except for those urban growth areas contained totally within a national historical reserve.

Each urban growth area shall permit urban densities and shall include greenbelt and open space areas. In the case of urban growth areas contained totally within a national historical reserve, the city may restrict densities, intensities, and forms of urban growth as

determined to be necessary and appropriate to protect the physical, cultural, or historic integrity of the reserve. An urban growth area determination may include a reasonable land market supply factor and shall permit a range of urban densities and uses. In determining this market factor, cities and counties may consider local circumstances. Cities and counties have discretion in their comprehensive plans to make many choices about accommodating growth.

Within one year of July 1, 1990, each county that as of June 1, 1991, was required or chose to plan under RCW 36.70A.040, shall begin consulting with each city located within its boundaries and each city shall propose the location of an urban growth area. Within sixty days of the date the county legislative authority of a county adopts its resolution of intention or of certification by the office of financial management, all other counties that are required or choose to plan under RCW 36.70A.040 shall begin this consultation with each city located within its boundaries. The county shall attempt to reach agreement with each city on the location of an urban growth area within which the city is located. If such an agreement is not reached with each city located within the urban growth area, the county shall justify in writing why it so designated the area an urban growth area. A city may object formally with the department over the designation of the urban growth area within which it is located. Where appropriate, the department shall attempt to resolve the conflicts, including the use of mediation services.

(3) Urban growth should be located first in areas already characterized by urban growth that have adequate existing public facility and service capacities to serve such development, second in areas already characterized by urban growth that will be served adequately by a combination of both existing public facilities and services and any additional needed public facilities and services that are provided by either public or private sources, and third in the remaining portions of the urban growth areas. Urban growth may also be located in designated new fully contained communities as defined by RCW 36.70A.350.

(4) In general, cities are the units of local government most appropriate to provide urban governmental services. In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment and when such services are financially supportable at rural densities and do not permit urban development. Extensions or expansions of sewer systems consistent with the requirements of section 13 of this act satisfy the requirements of this section.

(5) On or before October 1, 1993, each county that was initially required to plan under RCW 36.70A.040(1) shall adopt development regulations designating interim urban growth areas under this chapter. Within three years and three months of the date the county legislative authority of a county adopts its resolution of intention or of certification by the office of financial management, all other counties that are required or choose to plan under RCW 36.70A.040 shall adopt development regulations designating interim urban growth areas under this chapter. Adoption of the interim urban growth areas may only occur after public notice; public hearing; and compliance with the state environmental policy act, chapter 43.21C RCW, and RCW 36.70A.110. Such action may be appealed to the appropriate growth management hearings board under RCW 36.70A.280. Final urban growth areas shall be adopted at the time of comprehensive plan adoption under this chapter.

(6) Each county shall include designations of urban growth areas in its comprehensive plan.

(7) An urban growth area designated in accordance with this section may include within its boundaries urban service areas or potential annexation areas designated for specific cities or towns within the county.

NEW SECTION. Sec. 13. A new section is added to chapter 36.70A RCW to read as follows:

Sewer systems may be extended to or expanded in rural areas within a marine recovery area as defined in section 2 of this act according to the requirements of this section.

(1) Municipal sewer systems and community sewage collection and treatment facilities may be constructed in or extended to areas in which:

(a) Clusters of high-density development are present;

(b) Water quality problems associated with discharge of nutrients from on-site sewage treatment systems have been documented based upon credible data standards used in RCW 90.48.575; and

(c) The treatment efficiency of existing on-site sewage treatment systems is poor.

(2) Systems and facilities constructed in or extended into rural areas must include nitrogen removal treatment capability when practicable.

(3) Consistent with the requirements of RCW 36.70A.110(4), any system or facility constructed or expanded to serve residences in rural areas of a marine recovery area shall be financially supportable at rural densities."

Renumber the remaining section consecutively, correct any internal references accordingly, and correct the title.

POINT OF ORDER

Representative Hudgins requested a scope and object ruling on the amendment (835) to Third Substitute House Bill No. 1458.

SPEAKER'S RULING

Mr. Speaker: "The title of Third Substitute House Bill No. 1458 is an act relating to "managing on-site sewage disposal systems in marine areas. Section 2, subsection 7 of the bill defines an on-site sewage disposal system as "as integrated system of components, located on or nearby the property it serves, that conveys, stores, treats, or provides subsurface soil treatment and dispersal of sewage. It consists of a collection system, a treatment component or treatment sequence, and a soil dispersal component. An on-site sewage disposal system also refers to a holding tank sewage system or other system that does not have a soil dispersal component. For purposes of this chapter, the term "on-site sewage disposal system" does not include any system regulated by a water quality discharge permit issued under chapter 90.48 RCW.

Amendment (838) authorizes the extension or expansion of sewer systems OTHER than on-site sewage disposal systems as defined in the bill.

The amendment is therefore beyond the scope and object of the bill.

Mr. Speaker: Representative Hudgins, your point of order is well taken."

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hunt and Buck spoke in favor of passage of the bill.

Representative Pearson spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Third Substitute House Bill No. 1458.

ROLL CALL

The Clerk called the roll on the final passage of Third Substitute House Bill No. 1458 and the bill passed the House by the following vote: Yeas - 70, Nays - 26, Absent - 0, Excused - 2.

Voting yea: Representatives Anderson, Appleton, Bailey, Blake, Buck, Campbell, Chase, Clements, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Fromhold, Grant, Green, Haigh, Hankins, Hasegawa, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Nixon, O'Brien, Ormsby, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Sells, Shabro, Simpson, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Takko, Tom, Upthegrove, Wallace, Williams, Wood, Woods and Mr. Speaker - 70.

Voting nay: Representatives Ahern, Alexander, Armstrong, Buri, Chandler, Condotta, Cox, Crouse, Curtis, DeBolt, Dunn, Ericksen, Haler, Hinkle, Holmquist, Kretz, Kristiansen, Newhouse, Orcutt, Pearson, Schindler, Serben, Skinner, Sump, Talcott and Walsh - 26.

Excused: Representatives Quall and Schual-Berke - 2.

THIRD SUBSTITUTE HOUSE BILL NO. 1458, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2418, By Representatives Springer, Miloscia, Chase, Morrell, Hasegawa, Darneille, Santos, P. Sullivan, Kagi, Green, Sells, Ormsby and O'Brien

Increasing the availability of affordable housing.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 2418 was substituted for House Bill No. 2418 and the

second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 2418 was read the second time.

Representative Serben moved the adoption of amendment (718):

Beginning on page 1, line 8, strike all of sections 1 and 2.

Renumber the sections consecutively and correct any internal references accordingly.

Correct the title.

Representative Serben spoke in favor of the adoption of the amendment.

Representative Dunshee spoke against the adoption of the amendment.

The amendment was not adopted.

With the consent of the House, amendment (789) was withdrawn.

Representative Holmquist moved the adoption of amendment (857):

On page 2, line 34, after "appropriated for" strike "rental vouchers for low-income" and insert "housing vouchers for homeless persons, victims of domestic violence, and low-income persons"

On page 3, line 15, after "(1)" strike "\$8,600,000" and insert "\$8,100,000"

On page 3, line 19, after "(2)" strike "\$1,000,000" and insert "\$1,500,000"

On page 3, line 20 after "solely for" strike everything through "applicable." on line 25 and insert "short-term, long-term or emergency housing vouchers for homeless persons, victims of domestic violence, low-income persons or seasonal farm workers. The department shall establish guidelines for housing voucher programs.

(a) Housing vouchers for low-income persons or seasonal farm workers are specifically to be used for: (i) Privately owned and operated rental units, including single-family homes; or (ii) on-farm housing units. Housing and rental units for which farm worker housing vouchers may be used must meet temporary worker housing standards, when applicable. Housing voucher programs shall be administered by local public housing authorities or other local organizations.

(b) Housing vouchers for homeless persons and victims of domestic violence shall be administered by local public housing authorities, other local organizations with existing housing voucher programs, homeless shelters, or domestic violence shelters."

Representative Holmquist and Dunshee spoke in favor of the adoption of the amendment.

The amendment was adopted.

Representative Schindler moved the adoption of amendment (858):

On page 7, line 29, after "Identify" strike "and eliminate"

On page 7, line 29, after "that" insert "may"

On page 7, line 33, after "Recommend" strike "and adopt new"

Representatives Schindler and Miloscia spoke in favor of the adoption of the amendment.

With the consent of the House, amendment (779) was withdrawn.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Springer, Jarrett and Holmquist spoke in favor of passage of the bill.

Representative Alexander spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 2418.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 2418 and the bill passed the House by the following vote: Yeas - 72, Nays - 24, Absent - 0, Excused - 2.

Voting yea: Representatives Appleton, Blake, Campbell, Chase, Clements, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Ormsby, Pettigrew, Priest, Roach, Roberts, Santos, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 72.

Voting nay: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Buri, Chandler, Condotta, Cox, Crouse, Curtis, DeBolt, Dunn, Kretz, Kristiansen, Orcutt, Pearson, Rodne, Schindler, Strow, Sump, Talcott and Tom - 24.

Excused: Representatives Quall and Schual-Berke - 2.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2418, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1944, By Representatives Hunt and Williams

Allowing raffles conducted by state employees.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1944 was substituted for House Bill No. 1944 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1944 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hunt and Condotta spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute House Bill No. 1944.

MOTION

On motion of Representative Santos, Representative Fromhold was excused.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1944 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest,

Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 1944, having received the necessary constitutional majority, was declared passed.

The Speaker called upon Representative Lovick to preside.

THIRD READING

SUBSTITUTE HOUSE BILL NO. 2033, By House Committee on Finance (originally sponsored by Representatives McIntire, Orcutt, Conway, Hunter, Chase and Santos)

Modifying the allocation of printing and publishing income for municipal business and occupation taxes.

The bill was read the third time.

Representatives McIntire and Orcutt spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2033.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2033 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 2033, having received the necessary constitutional majority, was declared passed.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

ENGROSSED HOUSE BILL NO. 2219, By Representatives Hunt, DeBolt, Williams and Alexander

Expanding eligibility for urban industrial land banks.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2219 was substituted for Engrossed House Bill No. 2219 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2219 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hunt and Schindler spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2219.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2219 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 2219, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2340, By Representatives Kirby, Roach, Chase, Kenney and Simpson; by request of Department of Financial Institutions

Regulating mortgage brokers and loan originators.

The bill was read the second time.

Representative Kirby moved the adoption of amendment (806):

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 19.146.005 and 1994 c 33 s 1 are each amended to read as follows:

The legislature finds and declares that the brokering of residential real estate loans substantially affects the public interest. The practices of mortgage brokers and loan originators have had significant impact on the citizens of the state and the banking and real estate industries. It is the intent of the legislature to establish a state system of licensure in addition to rules of practice and conduct of mortgage brokers and loan originators to promote honesty and fair dealing with citizens and to preserve public confidence in the lending and real estate community.

Sec. 2. RCW 19.146.010 and 1997 c 106 s 1 are each amended to read as follows:

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

(1) "Affiliate" means any person who directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with another person.

(2) "Application" means the same as in Regulation X, Real Estate Settlement Procedures, 24 C.F.R. Sec. 3500.

(3) "Borrower" means any person who consults with or retains a mortgage broker or loan originator in an effort to obtain or seek advice or information on obtaining or applying to obtain a residential mortgage loan for himself, herself, or persons including himself or herself, regardless of whether the person actually obtains such a loan.

~~((3))~~ (4) "Computer loan information systems" or "CLI system" means ~~((the real estate mortgage financing information system defined by rule of the director))~~ a real estate mortgage financing information system that facilitates the provision of information to consumers by a mortgage broker, loan originator, lender, real estate agent, or other person regarding interest rates and other loan terms available from different lenders.

~~((4))~~ (5) "Department" means the department of financial institutions.

~~((5))~~ (6) "Designated broker" means a natural person designated ~~((by the applicant for a license or licensee))~~ as the person responsible for activities of the licensed mortgage broker in conducting the business of a mortgage broker under this chapter and who meets the experience~~((, education,))~~ and examination requirements set forth in RCW 19.146.210(1)(e).

~~((6))~~ (7) "Director" means the director of financial institutions.

~~((7))~~ (8) "Employee" means an individual who has an employment relationship ~~((acknowledged by both the employee and the licensee))~~ with a mortgage broker, and the individual is treated as an employee by the ~~((licensee))~~ mortgage broker for purposes of compliance with federal income tax laws.

~~((8))~~ (9) "Independent contractor" or "person who independently contracts" means any person that expressly or impliedly contracts to perform mortgage brokering services for another and that with respect to its manner or means of performing the services is not subject to the other's right of control, and that is not treated as an employee by the other for purposes of compliance with federal income tax laws.

~~((9))~~ "Investigation" means an examination undertaken for the purpose of detection of violations of this chapter or securing information lawfully required under this chapter.

(10) "Loan originator" means a natural person ~~((employed, either directly or indirectly, or retained as an independent contractor by a person required to be licensed as a mortgage broker, or a natural person who represents a person required to be licensed as a mortgage broker, in the performance of any act specified in subsection (12) of this section))~~ who (a) takes a residential mortgage loan application for a mortgage broker, or (b) offers or negotiates terms of a mortgage loan, for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain. "Loan originator" also includes a person who holds themselves out to the public as able to perform any of these activities. "Loan originator" does not mean persons performing purely administrative or clerical tasks for a mortgage broker. For the purposes of this subsection, "administrative or clerical tasks" means the receipt, collection, and distribution of information common for the processing of a loan in the mortgage industry and communication with a borrower to obtain information necessary for the processing of a loan. A person who holds himself or herself out to the public as able to obtain a loan is not performing administrative or clerical tasks.

(11) "Lock-in agreement" means an agreement with a borrower made by a mortgage broker or loan originator, in which the mortgage broker or loan originator agrees that, for a period of time, a specific interest rate or other financing terms will be the rate or terms at which it will make a loan available to that borrower.

(12) "Mortgage broker" means any person who for compensation or gain, or in the expectation of compensation or gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person in obtaining or applying to obtain a residential mortgage loan.

(13) "Person" means a natural person, corporation, company, limited liability corporation, partnership, or association.

(14) "Principal" means any person who controls, directly or indirectly through one or more intermediaries, or alone or in concert with others, a ten percent or greater interest in a partnership, company, association, or corporation, and the owner of a sole proprietorship.

(15) "Residential mortgage loan" means any loan primarily for personal, family, or household use secured by a mortgage or deed of trust on residential real estate upon which is constructed or intended to be constructed a single family dwelling or multiple family dwelling of four or less units.

~~((15))~~ (16) "Third-party provider" means any person other than a mortgage broker or lender who provides goods or services to the mortgage broker in connection with the preparation of the borrower's loan and includes, but is not limited to, credit reporting agencies, title

companies, appraisers, structural and pest inspectors, or escrow companies.

Sec. 3. RCW 19.146.020 and 1997 c 106 s 2 are each amended to read as follows:

(1) Except as provided under subsections (2) ~~((and (3)))~~ through (4) of this section, the following are exempt from all provisions of this chapter:

(a) ~~(i)~~ Any person doing business under the laws of the state of Washington or the United States, and any federally insured depository institution doing business under the laws of any other state, relating to commercial banks, bank holding companies, savings banks, trust companies, savings and loan associations, credit unions, ~~((consumer loan companies,))~~ insurance companies, or real estate investment trusts as defined in 26 U.S.C. Sec. 856 and the affiliates, subsidiaries, and service corporations thereof; and

(ii) Subject to the director's written approval, the exclusive agents of an affiliate of a bank that is wholly owned by the bank holding company that owns the bank;

(b) Any person doing business under the consumer loan act is exempt from this chapter only for that business conducted under the authority and coverage of the consumer loan act;

(c) An attorney licensed to practice law in this state who is not principally engaged in the business of negotiating residential mortgage loans when such attorney renders services in the course of his or her practice as an attorney;

~~((e))~~ (d) Any person doing any act under order of any court, except for a person subject to an injunction to comply with any provision of this chapter or any order of the director issued under this chapter;

~~((f))~~ (e) Any person making or acquiring a residential mortgage loan solely with his or her own funds for his or her own investment without intending to resell the residential mortgage loans;

~~((g))~~ (f) A real estate broker or salesperson licensed by the state who obtains financing for a real estate transaction involving a bona fide sale of real estate in the performance of his or her duties as a real estate broker and who receives only the customary real estate broker's or salesperson's commission in connection with the transaction;

~~((h))~~ (g) Any mortgage broker approved and subject to auditing by the federal national mortgage association or the federal home loan mortgage corporation;

~~((i))~~ (h) The United States of America, the state of Washington, any other state, and any Washington city, county, or other political subdivision, and any agency, division, or corporate instrumentality of any of the entities in this subsection (1) ~~((g))~~ (h); and

~~((j))~~ (i) A real estate broker who provides only information regarding rates, terms, and lenders in connection with a CLI system, who receives a fee for providing such information, who conforms to all rules of the director with respect to the providing of such service, and who discloses on a form approved by the director that to obtain a loan the borrower must deal directly with a mortgage broker or lender. However, a real estate broker shall not be exempt if he or she does any of the following:

(i) Holds himself or herself out as able to obtain a loan from a lender;

(ii) Accepts a loan application, or submits a loan application to a lender;

(iii) Accepts any deposit for third-party services or any loan fees from a borrower, whether such fees are paid before, upon, or after the closing of the loan;

(iv) Negotiates rates or terms with a lender on behalf of a borrower; or

(v) Provides the disclosure required by RCW 19.146.030(1).

(2) Those persons and their loan originators otherwise exempt under subsection (1)(~~(d) or (f)~~) (e), (g), or (4) of this section must comply with RCW 19.146.0201 (~~and shall be subject to the director's authority to issue a cease and desist order for any violation of RCW 19.146.0201 and shall be subject to the director's authority~~) through 19.146.080. For violations of RCW 19.146.0201 through 19.146.080, the director has authority to issue a cease and desist order as provided in RCW 19.146.220 and 19.146.227, to impose penalties as provided in RCW 19.146.220, and to obtain and review books and records that are relevant to any allegation of such a violation as provided in RCW 19.146.235.

(3) Any person otherwise exempted from the licensing provisions of this chapter may voluntarily submit an application to the director for a mortgage broker's license. The director shall review such application and may grant or deny licenses to such applicants upon the same grounds and with the same fees as may be applicable to persons required to be licensed under this chapter.

(a) Upon receipt of a license under this subsection, (~~such an applicant~~) the licensee is required to continue to maintain a valid license, is subject to all provisions of this chapter, and has no further right to claim exemption from the provisions of this chapter except as provided in (b) of this subsection.

(b) Any licensee under this subsection who would otherwise be exempted from the requirements of licensing by (~~RCW 19.146.020~~) this section may apply to the director for exemption from licensing. The director shall adopt rules for reviewing such applications and shall grant exemptions from licensing to applications which are consistent with those rules and consistent with the other provisions of this chapter.

(4) The director may exempt an exclusive agent under subsection (1)(a) of this section provided that the affiliate in subsection (1)(a) of this section:

(a) Applies for and maintains a license as provided by subsection (3) of this section;

(b) Has on file with the director a binding written agreement under which the affiliate assumes responsibility for the exclusive agent's violations of this chapter or rules adopted under this chapter; and

(c) Maintains a bond or other security in an amount required by the director that runs to the benefit of the state and any person who suffers loss by reason of the exclusive agent's violation of this chapter or rules adopted under this chapter.

Sec. 4. RCW 19.146.0201 and 1997 c 106 s 3 are each amended to read as follows:

It is a violation of this chapter for a loan originator, mortgage broker required to be licensed under this chapter, or mortgage broker otherwise exempted from this chapter under RCW 19.146.020(1) (~~(d) or (f) in connection with a residential mortgage loan~~) (e), (g), or (4) to:

(1) Directly or indirectly employ any scheme, device, or artifice to defraud or mislead borrowers or lenders or to defraud any person;

(2) Engage in any unfair or deceptive practice toward any person;

(3) Obtain property by fraud or misrepresentation;

(4) Solicit or enter into a contract with a borrower that provides in substance that the mortgage broker may earn a fee or commission through the mortgage broker's "best efforts" to obtain a loan even though no loan is actually obtained for the borrower;

(5) Solicit, advertise, or enter into a contract for specific interest rates, points, or other financing terms unless the terms are actually available at the time of soliciting, advertising, or contracting from a person exempt from licensing under RCW 19.146.020(1) (~~(f) or~~) (g) or (h) or a lender with whom the mortgage broker maintains a written correspondent or loan (~~brokerage~~) broker agreement under RCW 19.146.040;

(6) Fail to make disclosures to loan applicants and noninstitutional investors as required by RCW 19.146.030 and any other applicable state or federal law;

(7) Make, in any manner, any false or deceptive statement or representation with regard to the rates, points, or other financing terms or conditions for a residential mortgage loan or engage in bait and switch advertising;

(8) Negligently make any false statement or knowingly and willfully make any omission of material fact in connection with any reports filed by a mortgage broker or in connection with any investigation conducted by the department;

(9) Make any payment, directly or indirectly, to any appraiser of a property, for the purposes of influencing the independent judgment of the appraiser with respect to the value of the property;

(10) Advertise any rate of interest without conspicuously disclosing the annual percentage rate implied by such rate of interest (~~or otherwise~~);

(11) Fail to comply with any requirement of the truth-in-lending act, 15 U.S.C. Sec. 1601 and Regulation Z, 12 C.F.R. Sec. 226(~~(-)~~); the real estate settlement procedures act, 12 U.S.C. Sec. 2601 and Regulation X, 24 C.F.R. Sec. 3500(~~(- or)~~); the equal credit opportunity act, 15 U.S.C. Sec. 1691 and Regulation B, Sec. 202.9, 202.11, and 202.12(~~(- as now or hereafter amended, in any advertising of residential mortgage loans or any other mortgage brokerage activity)~~); Title V, Subtitle A of the financial modernization act of 1999 (known as the "Gramm-Leach-Bliley act"), 12 U.S.C. Secs. 6801-6809; the federal trade commission's privacy rules, 16 C.F.R. Parts 313-314, mandated by the Gramm-Leach-Bliley act; the home mortgage disclosure act, 12 U.S.C. Sec. 2801 et seq. and Regulation C, home mortgage disclosure; the federal trade commission act, 12 C.F.R. Part 203, 15 U.S.C. Sec. 45(a); the telemarketing and consumer fraud and abuse act, 15 U.S.C. Secs. 6101 to 6108; and the federal trade commission telephone sales rule, 16 C.F.R. Part 310, as these acts existed on the effective date of this section, or such subsequent date as may be provided by the department by rule, in any advertising of residential mortgage loans, or any other applicable mortgage broker or loan originator activities covered by the acts. The department may adopt by rule requirements that mortgage brokers and loan originators comply with other applicable federal statutes and regulations in any advertising of residential mortgage loans, or any other mortgage broker or loan originator activity;

(~~(11)~~) (12) Fail to pay third-party providers no later than thirty days after the recording of the loan closing documents or ninety days after completion of the third-party service, whichever comes first, unless otherwise agreed or unless the third-party service provider has been notified in writing that a bona fide dispute exists regarding the performance or quality of the third-party service;

(~~(12)~~) (13) Collect, charge, attempt to collect or charge or use or propose any agreement purporting to collect or charge any fee prohibited by RCW 19.146.030 or 19.146.070;

(~~(13)~~) (14)(a) Except when complying with (b) and (c) of this subsection, (~~to~~) act as a (~~mortgage broker~~) loan originator in any transaction (i) in which the (~~mortgage broker~~) loan originator acts or has acted as a real estate broker or salesperson or (ii) in which

another person doing business under the same licensed real estate broker acts or has acted as a real estate broker or salesperson;

(b) Prior to providing mortgage (~~(broker)~~) services to the borrower, (~~(the mortgage broker)~~) a loan originator, in addition to other disclosures required by this chapter and other laws, shall provide to the borrower the following written disclosure:

THIS IS TO GIVE YOU NOTICE THAT I OR ONE OF MY ASSOCIATES HAVE/HAS ACTED AS A REAL ESTATE BROKER OR SALESPERSON REPRESENTING THE BUYER/SELLER IN THE SALE OF THIS PROPERTY TO YOU. I AM ALSO A (~~(LICENSED MORTGAGE BROKER)~~) LOAN ORIGINATOR, AND WOULD LIKE TO PROVIDE MORTGAGE (~~(BROKERAGE)~~) SERVICES TO YOU IN CONNECTION WITH YOUR LOAN TO PURCHASE THE PROPERTY. YOU ARE NOT REQUIRED TO USE ME AS A (~~(MORTGAGE BROKER)~~) LOAN ORIGINATOR IN CONNECTION WITH THIS TRANSACTION. YOU ARE FREE TO COMPARISON SHOP WITH OTHER MORTGAGE BROKERS AND LENDERS, AND TO SELECT ANY MORTGAGE BROKER OR LENDER OF YOUR CHOOSING; and

(c) A real estate broker or salesperson licensed under chapter 18.85 RCW who also acts as a mortgage broker shall carry on such mortgage (~~(brokerage)~~) broker business activities and shall maintain such person's mortgage (~~(brokerage)~~) broker business records separate and apart from the real estate (~~(brokerage)~~) broker activities conducted pursuant to chapter 18.85 RCW. Such activities shall be deemed separate and apart even if they are conducted at an office location with a common entrance and mailing address, so long as each business is clearly identified by a sign visible to the public, each business is physically separated within the office facility, and no deception of the public as to the separate identities of the (~~(brokerage)~~) broker business firms results. This subsection (~~((13))~~) (14)(c) shall not require a real estate broker or salesperson licensed under chapter 18.85 RCW who also acts as a mortgage broker to maintain a physical separation within the office facility for the conduct of its real estate and mortgage (~~(brokerage)~~) broker activities where the director determines that maintaining such physical separation would constitute an undue financial hardship upon the mortgage broker and is unnecessary for the protection of the public; or

(~~((14))~~) (15) Fail to comply with any provision of RCW 19.146.030 through 19.146.080 or any rule adopted under those sections.

Sec. 5. RCW 19.146.030 and 1997 c 106 s 4 are each amended to read as follows:

(1) Within three business days following receipt of a loan application or any moneys from a borrower, a mortgage broker or loan originator on behalf of the mortgage broker shall provide to each borrower a full written disclosure containing an itemization and explanation of all fees and costs that the borrower is required to pay in connection with obtaining a residential mortgage loan, and specifying the fee or fees which inure to the benefit of the mortgage broker and other such disclosures as may be required by rule. A good faith estimate of a fee or cost shall be provided if the exact amount of the fee or cost is not determinable. This subsection shall not be construed to require disclosure of the distribution or breakdown of loan fees, discount, or points between the mortgage broker and any lender or investor.

(2) The written disclosure shall contain the following information:

(a) The annual percentage rate, finance charge, amount financed, total amount of all payments, number of payments, amount of each payment, amount of points or prepaid interest and the conditions and terms under which any loan terms may change between the time of disclosure and closing of the loan; and if a variable rate, the circumstances under which the rate may increase, any limitation on the increase, the effect of an increase, and an example of the payment terms resulting from an increase. Disclosure in compliance with the requirements of the truth-in-lending act, 15 U.S.C. Sec. 1601 and Regulation Z, 12 C.F.R. Sec. 226, as now or hereafter amended, shall be deemed to comply with the disclosure requirements of this subsection;

(b) The itemized costs of any credit report, appraisal, title report, title insurance policy, mortgage insurance, escrow fee, property tax, insurance, structural or pest inspection, and any other third-party provider's costs associated with the residential mortgage loan. Disclosure through good faith estimates of settlement services and special information booklets in compliance with the requirements of the real estate settlement procedures act, 12 U.S.C. Sec. 2601, and Regulation X, 24 C.F.R. Sec. 3500, as now or hereafter amended, shall be deemed to comply with the disclosure requirements of this subsection;

(c) If applicable, the cost, terms, duration, and conditions of a lock-in agreement and whether a lock-in agreement has been entered, and whether the lock-in agreement is guaranteed by the mortgage broker or lender, and if a lock-in agreement has not been entered, disclosure in a form acceptable to the director that the disclosed interest rate and terms are subject to change;

(d) A statement that if the borrower is unable to obtain a loan for any reason, the mortgage broker must, within five days of a written request by the borrower, give copies of any appraisal, title report, or credit report paid for by the borrower to the borrower, and transmit the appraisal, title report, or credit report to any other mortgage broker or lender to whom the borrower directs the documents to be sent;

(e) Whether and under what conditions any lock-in fees are refundable to the borrower; and

(f) A statement providing that moneys paid by the borrower to the mortgage broker for third-party provider services are held in a trust account and any moneys remaining after payment to third-party providers will be refunded.

(3) If subsequent to the written disclosure being provided under this section, a mortgage broker or loan originator enters into a lock-in agreement with a borrower or represents to the borrower that the borrower has entered into a lock-in agreement, then no less than three business days thereafter including Saturdays, the mortgage broker or loan originator shall deliver or send by first-class mail to the borrower a written confirmation of the terms of the lock-in agreement, which shall include a copy of the disclosure made under subsection (2)(c) of this section.

(4) A mortgage broker or loan originator on behalf of a mortgage broker shall not charge any fee that inures to the benefit of the mortgage broker if it exceeds the fee disclosed on the written disclosure pursuant to this section, unless (a) the need to charge the fee was not reasonably foreseeable at the time the written disclosure was provided and (b) the mortgage broker or loan originator on behalf of a mortgage broker has provided to the borrower, no less than three business days prior to the signing of the loan closing documents, a clear written explanation of the fee and the reason for charging a fee exceeding that which was previously disclosed.

However, if the borrower's closing costs on the final settlement statement, excluding prepaid escrowed costs of ownership as defined by rule, does not exceed the total closing costs in the most recent good faith estimate, excluding prepaid escrowed costs of ownership as defined by rule, no other disclosures shall be required by this subsection.

Sec. 6. RCW 19.146.040 and 1994 c 33 s 19 are each amended to read as follows:

(1) Every contract between a mortgage broker, or a loan originator, and a borrower shall be in writing and shall contain the entire agreement of the parties.

(2) Any contract under this section entered by a loan originator shall be binding on the mortgage broker.

(3) A mortgage broker shall have a written correspondent or loan ~~((brokerage))~~ broker agreement with a lender before any solicitation of, or contracting with, the public.

Sec. 7. RCW 19.146.060 and 1997 c 106 s 6 are each amended to read as follows:

(1) A mortgage broker shall use generally accepted accounting principles.

(2) Except as otherwise provided in subsection (3) of this section, a mortgage broker shall maintain accurate and current books and records which shall be readily available at ~~((the mortgage broker's usual business))~~ a location available to the director until at least twenty-five months have elapsed following the effective period to which the books and records relate.

(3) Where a mortgage broker's usual business location is outside of the state of Washington, the mortgage broker shall, as determined by the director by rule, either maintain its books and records at a location in this state, or reimburse the director for his or her expenses, including but not limited to transportation, food, and lodging expenses, relating to any examination or investigation resulting under this chapter.

(4) "Books and records" includes but is not limited to:

(a) Copies of all advertisements placed by or at the request of the mortgage broker which mention rates or fees. In the case of radio or television advertisements, or advertisements placed on a telephonic information line or other electronic source of information including but not limited to a computer data base or electronic bulletin board, a mortgage broker shall keep copies of the precise script for the advertisement. All advertisement records shall include for each advertisement the date or dates of publication and name of each periodical, broadcast station, or telephone information line which published the advertisement or, in the case of a flyer or other material distributed by the mortgage broker, the dates, methods, and areas of distribution; and

(b) Copies of all documents, notes, computer records if not stored in printed form, correspondence or memoranda relating to a borrower from whom the mortgage broker has accepted a deposit or other funds, or accepted a residential mortgage loan application or with whom the mortgage broker has entered into an agreement to assist in obtaining a residential mortgage loan.

Sec. 8. RCW 19.146.070 and 1993 c 468 s 13 are each amended to read as follows:

(1) Except as otherwise permitted by this section, a mortgage broker shall not receive a fee, commission, or compensation of any kind in connection with the preparation, negotiation, and brokering of a residential mortgage loan unless a borrower actually obtains a loan from a lender on the terms and conditions agreed upon by the

borrower and mortgage broker. A loan originator may not accept a fee, commission, or compensation of any kind from borrowers in connection with the preparation, negotiation, and brokering of a residential mortgage loan.

(2) A mortgage broker may:

(a) If the mortgage broker has obtained for the borrower a written commitment from a lender for a loan on the terms and conditions agreed upon by the borrower and the mortgage broker, and the borrower fails to close on the loan through no fault of the mortgage broker, charge a fee not to exceed three hundred dollars for services rendered, preparation of documents, or transfer of documents in the borrower's file which were prepared or paid for by the borrower if the fee is not otherwise prohibited by the Truth-in-Lending Act, 15 U.S.C. Sec. 1601, and Regulation Z, 12 C.F.R. Sec. 226, as now or hereafter amended; or

(b) Solicit or receive fees for third party provider goods or services in advance. Fees for any goods or services not provided must be refunded to the borrower and the mortgage broker may not charge more for the goods and services than the actual costs of the goods or services charged by the third party provider.

(3) A loan originator may not solicit or receive fees for a third-party provider of goods or services except that a loan originator may transfer funds from a borrower to a licensed mortgage broker, exempt mortgage broker, or third-party provider, if the loan originator does not deposit, hold, retain, or use the funds for any purpose other than the payment of bona fide fees to third-party providers.

Sec. 9. RCW 19.146.200 and 1997 c 106 s 8 are each amended to read as follows:

(1) A person, unless specifically exempted from this chapter under RCW 19.146.020, may not engage in the business of a mortgage broker ~~((except as an employee of a person licensed or exempt from licensing;))~~ or loan originator without first obtaining and maintaining a license under this chapter. ~~((However, a person who independently contracts with a licensed mortgage broker need not be licensed if the licensed mortgage broker and the independent contractor have on file with the director a binding written agreement under which the licensed mortgage broker assumes responsibility for the independent contractor's violations of any provision of this chapter or rules adopted under this chapter; and if the licensed mortgage broker's bond or other security required under this chapter runs to the benefit of the state and any person who suffers loss by reason of the independent contractor's violation of any provision of this chapter or rules adopted under this chapter.))~~

(2) A person may not bring a suit or action for the collection of compensation ~~((as a mortgage broker))~~ in connection with a residential mortgage loan unless the plaintiff alleges and proves that he or she was a duly licensed mortgage broker, or exempt from the license requirement of this chapter, at the time of offering to perform or performing any such an act or service regulated by this chapter. ~~((This subsection does not apply to suits or actions for the collection or compensation for services performed prior to October 31, 1993.))~~

(3) ~~((The))~~ A mortgage broker license must be prominently displayed in the mortgage broker's place of business.

(4) Every licensed mortgage broker must at all times have a designated broker responsible for all activities of the mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or owner who has supervisory authority over a mortgage broker is responsible for a licensee's, employee's, or independent contractor's violations of this chapter and its rules if:

(a) The designated broker, principal, or owner directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows the conduct; or

(b) The designated broker, principal, or owner who has supervisory authority over the licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have known of the conduct, at a time when its consequences can be avoided or mitigated and fails to take reasonable remedial action.

Sec. 10. RCW 19.146.205 and 2001 c 177 s 4 are each amended to read as follows:

(1) Application for a mortgage broker license under this chapter shall be in writing and in the form prescribed by the director. The application shall contain at least the following information:

(a) The name, address, date of birth, and social security number of the applicant, and any other names, dates of birth, or social security numbers previously used by the applicant, unless waived by the director;

(b) If the applicant is a partnership or association, the name, address, date of birth, and social security number of each general partner or principal of the association, and any other names, dates of birth, or social security numbers previously used by the members, unless waived by the director;

(c) If the applicant is a corporation, the name, address, date of birth, and social security number of each officer, director, registered agent, and each principal stockholder, and any other names, dates of birth, or social security numbers previously used by the officers, directors, registered agents, and principal stockholders unless waived by the director;

(d) The street address, county, and municipality where the principal business office is to be located;

(e) The name, address, date of birth, and social security number of the applicant's designated broker, and any other names, dates of birth, or social security numbers previously used by the designated broker and a complete set of the designated broker's fingerprints taken by an authorized law enforcement officer; and

(f) Such other information regarding the applicant's or designated broker's background, financial responsibility, experience, character, and general fitness as the director may require by rule.

~~(2) ((The director may exchange fingerprint data with the federal bureau of investigation.))~~ As a part of or in connection with an application for any license under this section, the applicant shall furnish information concerning his or her identity, including fingerprints for submission to the Washington state patrol, the federal bureau of investigation, and any governmental agency or entity authorized to receive this information for a state and national criminal history background check; personal history; experience; business record; purposes; and other pertinent facts, as the director may reasonably require. As part of or in connection with an application for a license under this chapter, the director is authorized to receive criminal history record information that includes nonconviction data as defined in RCW 10.97.030. The department may only disseminate nonconviction data obtained under this section to criminal justice agencies. This section does not apply to financial institutions regulated under chapters 31.12 and 31.13 RCW and Titles 30, 32, and 33 RCW.

(3) At the time of filing an application for a license under this chapter, each applicant shall pay to the director the appropriate application fee in an amount determined by rule of the director in accordance with RCW 43.24.086 to cover, but not exceed, the cost of processing and reviewing the application. The director shall deposit the moneys in the financial services regulation fund, unless

the consumer services account is created as a dedicated, nonappropriated account, in which case the director shall deposit the moneys in the consumer services account.

(4)(a) Each applicant for a mortgage broker's license shall file and maintain a surety bond, in an amount of not greater than sixty thousand dollars nor less than twenty thousand dollars which the director deems adequate to protect the public interest, executed by the applicant as obligor and by a surety company authorized to do a surety business in this state as surety. The bonding requirement as established by the director may take the form of a uniform bond amount for all licensees or the director may establish by rule a schedule establishing a range of bond amounts which shall vary according to the annual average number of loan originators (~~or independent contractors~~) of a licensee. The bond shall run to the state of Washington as obligee, and shall run first to the benefit of the borrower and then to the benefit of the state and any person or persons who suffer loss by reason of the applicant's or its loan originator's violation of any provision of this chapter or rules adopted under this chapter. The bond shall be conditioned that the obligor as licensee will faithfully conform to and abide by this chapter and all rules adopted under this chapter, and shall reimburse all persons who suffer loss by reason of a violation of this chapter or rules adopted under this chapter. Borrowers shall be given priority over the state and other persons. The state and other third parties shall be allowed to receive distribution pursuant to a valid claim against the remainder of the bond. In the case of claims made by any person or entity who is not a borrower, no final judgment may be entered prior to one hundred eighty days following the date the claim is filed. The bond shall be continuous and may be canceled by the surety upon the surety giving written notice to the director of its intent to cancel the bond. The cancellation shall be effective thirty days after the notice is received by the director. Whether or not the bond is renewed, continued, reinstated, reissued, or otherwise extended, replaced, or modified, including increases or decreases in the penal sum, it shall be considered one continuous obligation, and the surety upon the bond shall not be liable in an aggregate or cumulative amount exceeding the penal sum set forth on the face of the bond. In no event shall the penal sum, or any portion thereof, at two or more points in time be added together in determining the surety's liability. The bond shall not be liable for any penalties imposed on the licensee, including, but not limited to, any increased damages or attorneys' fees, or both, awarded under RCW 19.86.090. The applicant may obtain the bond directly from the surety or through a group bonding arrangement involving a professional organization comprised of mortgage brokers if the arrangement provides at least as much coverage as is required under this subsection.

(b) Subsection (4)(b) and (c) of this section applies only to applications received on or before January 1, 2007. Before January 1, 2007, in lieu of a surety bond, the applicant may, upon approval by the director, file with the director a certificate of deposit, an irrevocable letter of credit, or such other instrument as approved by the director by rule, drawn in favor of the director for an amount equal to the required bond.

(c) Before January 1, 2007, in lieu of the surety bond or compliance with (b) of this subsection, an applicant may obtain insurance or coverage from an association comprised of mortgage brokers that is organized as a mutual corporation for the sole purpose of insuring or self-insuring claims that may arise from a violation of this chapter. An applicant may only substitute coverage under this subsection for the requirements of (a) or (b) of this subsection if the director, with the consent of the insurance commissioner, has authorized such association to organize a mutual corporation under

such terms and conditions as may be imposed by the director to ensure that the corporation is operated in a financially responsible manner to pay any claims within the financial responsibility limits specified in (a) of this subsection.

Sec. 11. RCW 19.146.210 and 1997 c 106 s 10 are each amended to read as follows:

(1) The director shall issue and deliver a mortgage broker license to an applicant if, after investigation, the director makes the following findings:

(a) The applicant has paid the required license fees;

(b) The applicant has complied with RCW 19.146.205;

(c) Neither the applicant, any of its principals, or the designated broker have had a license issued under this chapter or any similar state statute suspended or revoked within five years of the filing of the present application;

(d) Neither the applicant, any of its principals, or the designated broker have been convicted of a gross misdemeanor involving dishonesty or financial misconduct or a felony within seven years of the filing of the present application;

(e) The designated broker, (i) has at least two years of experience in the residential mortgage loan industry (~~or has completed the educational requirements established by rule of the director~~) and (ii) has passed a written examination whose content shall be established by rule of the director; (~~and~~)

(f) The applicant (~~has~~), its principals, and the designated broker have demonstrated financial responsibility, character, and general fitness such as to command the confidence of the community and to warrant a belief that the business will be operated honestly, fairly, and efficiently within the purposes of this chapter; and

(g) Neither the applicant, any of its principals, or the designated broker have been found to be in violation of this chapter or rules.

(2) If the director does not find the conditions of subsection (1) of this section have been met, the director shall not issue the license. The director shall notify the applicant of the denial and return to the applicant the bond or approved alternative and any remaining portion of the license fee that exceeds the department's actual cost to investigate the license.

(3) The director shall issue a mortgage broker license under this chapter to any licensee issued a license under chapter 468, Laws of 1993, that has a valid license and is otherwise in compliance with the provisions of this chapter.

(4) A license issued pursuant to this (~~chapter is valid~~) section expires on the date one year from the date of issuance (~~with no fixed date of expiration~~) which, for license renewal purposes, is also the renewal date. The director shall adopt rules establishing the process for renewal of licenses.

(5) A licensee may surrender a license by delivering to the director written notice of surrender, but the surrender does not affect the licensee's civil or criminal liability or any administrative actions arising from acts or omissions occurring before such surrender.

(6) To prevent undue delay in the issuance of a license and to facilitate the business of a mortgage broker, an interim license with a fixed date of expiration may be issued when the director determines that the mortgage broker has substantially fulfilled the requirements for licensing as defined by rule.

Sec. 12. RCW 19.146.215 and 1997 c 106 s 11 are each amended to read as follows:

The designated broker of every licensee shall complete an annual continuing education requirement (~~which the director shall define by rule~~). The director shall establish standards in rule for

approval of professional organizations offering continuing education to designated brokers. The director may approve continuing education taken by designated brokers in other states if the director is satisfied that such continuing education meets the requirements of the continuing education required by this chapter.

Sec. 13. RCW 19.146.220 and 1997 c 106 s 12 and 1997 c 58 s 879 are each reenacted and amended to read as follows:

(1) The director (~~shall~~) may enforce all laws and rules relating to the licensing of mortgage brokers and loan originators, grant or deny licenses to mortgage brokers and loan originators, and hold hearings.

(2) The director may impose (~~the following sanctions:~~

~~(a) Deny applications for licenses for: (i) fines or order restitution against licensees or other persons subject to this chapter, or deny, suspend, decline to renew, or revoke licenses for:~~

~~(a) Violations of orders, including cease and desist orders (issued under this chapter; or (ii) any violation of RCW 19.146.050 or 19.146.0201 (1) through (9));~~

~~(b) (Suspend or revoke licenses for:~~

~~(i) False statements or omission of material information on the application that, if known, would have allowed the director to deny the application for the original license;~~

~~((iii)) (c) Failure to pay a fee required by the director or maintain the required bond;~~

~~((iii)) (d) Failure to comply with any directive (~~or~~), order, or subpoena of the director; or~~

~~((iv)) (e) Any violation of ((RCW 19.146.050, 19.146.060(3), 19.146.0201 (1) through (9) or (12), 19.146.205(4), or 19.146.265; (e)) this chapter.~~

(3) The director may impose fines on ((the licensee;)) an employee ((or)), loan originator, independent contractor, or agent of the licensee, or other person subject to this chapter for:

~~((i)) (a) Any violations of RCW 19.146.0201 (1) through (9) or ((12)) (13), 19.146.030 through 19.146.080, 19.146.200, 19.146.205(4), or 19.146.265; or~~

~~((iii)) (b) Failure to comply with any directive or order of the director((s)).~~

~~((iv)) (4) The director may issue orders directing a licensee, its employee ((or)), loan originator, independent contractor, agent, or other person subject to this chapter to((:~~

~~(i) cease and desist from conducting business ((in a manner that is injurious to the public or violates any provision of this chapter; or~~

~~(ii) Pay restitution to an injured borrower; or~~

~~(c)).~~

(5) The director may issue orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker or any person subject to licensing under this chapter for:

~~((i)) (a) Any violation of 19.146.0201 (1) through (9) or ((12)) (13), 19.146.030 through 19.146.080, 19.146.200, 19.146.205(4), or 19.146.265; ((or~~

~~(ii)) (b) False statements or omission of material information on the application that, if known, would have allowed the director to deny the application for the original license;~~

~~((iii)) (c) Conviction of a gross misdemeanor involving dishonesty or financial misconduct or a felony after obtaining a license; or~~

~~((iv)) (d) Failure to comply with any directive or order of the director.~~

~~((3))~~ (6) Each day's continuance of a violation or failure to comply with any directive or order of the director is a separate and distinct violation or failure.

~~((4))~~ (7) The director shall establish by rule standards for licensure of applicants licensed in other jurisdictions.

~~((5))~~ (8) The director shall immediately suspend the license or certificate of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order ~~((or a residential or visitation order))~~. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license or certificate shall be automatic upon the director's receipt of a release issued by the department of social and health services stating that the licensee is in compliance with the order.

Sec. 14. RCW 19.146.225 and 1994 c 33 s 15 are each amended to read as follows:

In accordance with the administrative procedure act, chapter 34.05 RCW, the director may issue rules under this chapter only after seeking the advice of the mortgage ~~((brokerage))~~ broker commission and ~~((to govern))~~ only for the purpose of governing the activities of licensed mortgage brokers, loan originators, and other persons subject to this chapter.

Sec. 15. RCW 19.146.228 and 2001 c 177 s 5 are each amended to read as follows:

The director shall establish fees by rule in accordance with the policy established in RCW 43.24.086 and fees shall be sufficient to cover, but not exceed, the costs of administering this chapter. These fees may include:

(1) An annual assessment paid by each licensee on or before a date specified by rule;

(2) An investigation fee to cover the costs of any investigation of the books and records of a licensee or other person subject to this chapter; and

(3) An application fee to cover the costs of processing applications made to the director under this chapter.

Mortgage brokers and loan originators shall not be charged investigation fees for the processing of complaints when the investigation determines that no violation of this chapter occurred or when the mortgage broker or loan originator provides a remedy satisfactory to the complainant and the director and no order of the director is issued. All moneys, fees, and penalties collected under the authority of this chapter shall be deposited into the financial services regulation fund, unless the consumer services account is created as a dedicated, nonappropriated account, in which case all moneys, fees, and penalties collected under this chapter shall be deposited in the consumer services account.

Sec. 16. RCW 19.146.235 and 1997 c 106 s 14 are each amended to read as follows:

~~((For the purposes of investigating complaints arising under this chapter, the director may at any time, either personally or by a designee, examine the business, including but not limited to the books, accounts, records, and files used therein, of every licensee and of every person engaged in the business of mortgage brokering, whether such a person shall act or claim to act under or without the authority of this chapter. For that purpose the director and designated representatives shall have access during regular business hours to the offices and places of business, books, accounts, papers, records, files, safes, and vaults of all such persons. The director or designated~~

~~person may direct or order the attendance of and examine under oath all persons whose testimony may be required about the loans or the business or subject matter of any such examination or investigation, and may direct or order such person to produce books, accounts, records, files, and any other documents the director or designated person deems relevant to the inquiry. If a person who receives such a directive or order does not attend and testify, or does not produce the requested books, records, files, or other documents within the time period established in the directive or order, then the director or designated person may issue a subpoena requiring attendance or compelling production of books, records, files, or other documents. No person subject to examination or investigation under this chapter shall withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information.~~

~~Once during the first two years of licensing, the director may visit, either personally or by designee, the licensee's place or places of business to conduct a compliance examination. The director may examine, either personally or by designee, a sample of the licensee's loan files, interview the licensee or other designated employee or independent contractor, and undertake such other activities as necessary to ensure that the licensee is in compliance with the provisions of this chapter. For those licensees issued licenses prior to March 21, 1994, the cost of such an examination shall be considered to have been prepaid in their license fee. After this one visit within the two-year period subsequent to issuance of a license, the director or a designee may visit the licensee's place or places of business only to ensure that corrective action has been taken or to investigate a complaint.)~~

The director or a designee has authority to conduct investigations and examinations as provided in this section.

(1) For the purposes of investigating violations or complaints arising under this chapter, the director or his or her designee may make an investigation of the operations of any mortgage broker or loan originator as often as necessary in order to carry out the purposes of this chapter.

(2) Every mortgage broker shall make available to the director or a designee its books and records relating to its operations.

(a) For the purpose of examinations, the director or his or her designee may have access to such books and records during normal business hours and interview the officers, principals, loan originators, employees, independent contractors, and agents of the licensee concerning their business.

(b) For the purposes of investigating violations or complaints arising under this chapter, the director may at any time, either personally or by a designee, investigate the business, including but not limited to the books, accounts, records, and files used therein, of every licensee and of every person engaged in the business of mortgage brokering, whether such a person acts or claims to act under, or without the authority of, this chapter.

(c) The director or designated person may direct, subpoena, or order the attendance of and examine under oath all persons whose testimony may be required about the loans or the business or subject matter of any such examination or investigation, and may direct, subpoena, or order such person to produce books, accounts, records, files, and any other documents the director or designated person deems relevant to the inquiry.

(3) Once during the first five years of licensing, including branch licensing, the director may visit, either personally or by designee, the licensee's place or places of business to conduct an examination. The scope of the examination is limited to documents and information necessary to determine compliance with this chapter and attendant rules. In general, the examination scope may include:

(a) A review for trust accounting compliance;

(b) Loan file review to determine the mortgage broker's compliance with this chapter and applicable federal regulations covering the business of mortgage brokering and lending;

(c) Interviews for the purpose of understanding business and solicitation practices, transactional events, disclosure compliance, complaint resolution, or determining specific compliance with this chapter and the attendant rules; and

(d) A review of general business books and records, including employee records, for the purpose of determining specific compliance with this chapter and the attendant rules.

(4) The purpose of an examination is to make certain that licensees are conducting business in compliance with the law. Therefore, protocols for examination findings and corrective action directed from an examination must be established by rule of the director. To accomplish this purpose, these protocols must include the following:

(a) A reporting mechanism from the director to the licensee;

(b) A process for clear notification of violations and an opportunity for response by the licensee; and

(c) The criteria by which the frequency of examinations will be determined.

(5) If the examination findings clearly identify the need to expand the scope of the examination, the director or a designee, upon five days' written notification to the licensee with an explanation of the need, may:

(a) Expand the examination review to locations other than the examined location regardless of the number of years a location has held a license; or

(b) Expand the time period of the examination beyond the five-year period of licensing, provided the expansion of time does not exceed a date certain identified in the written notification in this subsection.

(6) The director or a designee may consider reports made by independent certified professionals for the mortgage broker covering the same general subject matter as the examination. The director or a designee may incorporate all or part of the report in the report of the examination.

(7) The director may retain attorneys, accountants, or other professionals and specialists as examiners, auditors, or investigators to conduct or assist in the conduct of examinations or investigations. The cost of these services for investigations only must be billed in accordance with RCW 19.146.228.

(8) The director may establish by rule travel costs for examination of out-of-state entities.

(9)(a) No person subject to examination or investigation under this chapter may knowingly withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information.

(b) A person who commits an act under (a) of this subsection is guilty of a class B felony punishable under RCW 9A.20.021(1)(b) or punishable by a fine of not more than twenty thousand dollars, or both.

Sec. 17. RCW 19.146.280 and 2001 c 177 s 6 are each amended to read as follows:

(1) There is established the mortgage ~~((brokerage))~~ broker commission consisting of ~~((five))~~ seven commission members who shall act in an advisory capacity to the director on mortgage ~~((brokerage))~~ broker issues.

(2) The director shall appoint the members of the commission, weighing the recommendations from professional organizations

representing mortgage brokers and loan originators. At least three of the commission members shall be mortgage brokers licensed under this chapter ~~((and))~~, at least one shall be exempt from licensure under RCW 19.146.020(1)~~((ff))~~ (g), and at least two of the commission members shall be licensed loan originators under this chapter. No commission member shall be appointed who has had less than five years' experience in the business of residential mortgage lending. In addition, the director or a designee shall serve as an ex officio, nonvoting member of the commission. ~~Voting members of the commission shall serve for two-year terms ((with three of the initial commission members serving one-year terms))~~. The department shall provide staff support to the commission.

(3) The commission may establish a code of conduct for its members. Any commissioner may bring a motion before the commission to remove a commissioner for failing to conduct themselves in a manner consistent with the code of conduct. The motion shall be in the form of a recommendation to the director to dismiss a specific commissioner and shall enumerate causes for doing so. The commissioner in question shall recuse himself or herself from voting on any such motion. Any such motion must be approved unanimously by the remaining ~~((four))~~ six commissioners. Approved motions shall be immediately transmitted to the director for review and action.

(4) Members of the commission shall be reimbursed for their travel expenses incurred in carrying out the provisions of this chapter in accordance with RCW 43.03.050 and 43.03.060. All costs and expenses associated with the commission shall be paid from the financial services regulation fund, unless the consumer services account is created as a dedicated, nonappropriated account, in which case all costs and expenses shall be paid from the consumer services account.

(5) The commission shall advise the director on the characteristics and needs of the mortgage ~~((brokerage))~~ broker profession.

(6) The department, in consultation with other applicable agencies of state government, shall conduct a continuing review of the number and type of consumer complaints arising from residential mortgage lending in the state. The department shall report its findings to the senate committee on financial institutions and house of representatives committee on financial institutions and insurance along with recommendations for any changes in the licensing requirements of this chapter, biennially by December 1st of each even-numbered year.

NEW SECTION. Sec. 18. A new section is added to chapter 19.146 RCW to read as follows:

(1) A licensee shall provide the director with an annual report of mortgage broker activity. The director may by rule create a schedule and format for the annual report. The annual report may only include the following for mortgage broker activities in Washington state:

(a) The total number of closed loans originated by the mortgage broker; and

(b) The total dollar volume of closed loans originated by the mortgage broker.

(2) Any information provided by a mortgage broker in an annual report that constitutes a trade secret as defined in RCW 19.108.010 is exempt from the disclosure requirements in chapters 42.17 and 42.56 RCW, unless aggregated with information supplied by other mortgage brokers in such a manner that the mortgage broker's individual information is not identifiable. Any information provided by the mortgage broker that allows identification of the mortgage broker may only be used for purposes reasonably related to the

regulation of mortgage brokers to ensure compliance with this chapter.

NEW SECTION. Sec. 19. A new section is added to chapter 19.146 RCW to read as follows:

(1) Application for a loan originator license under this chapter shall be in writing and in the form prescribed by the director. The application shall contain at least the following information:

(a) The name, address, date of birth, and social security number of the loan originator applicant, and any other names, dates of birth, or social security numbers previously used by the loan originator applicant, unless waived by the director; and

(b) Such other information regarding the loan originator applicant's background, experience, character, and general fitness as the director may require by rule.

(2) As part of or in connection with an application for any license under this section, the loan originator applicant shall furnish information concerning his or her identity, including fingerprints for submission to the Washington state patrol, the federal bureau of investigation, and any governmental agency or entity authorized to receive this information for a state and national criminal history background check; personal history; experience; business record; purposes; and other pertinent facts, as the director may reasonably require. As part of or in connection with an application for a license under this chapter, the director is authorized to receive criminal history record information that includes nonconviction data as defined in RCW 10.97.030. The department may only disseminate nonconviction data obtained under this section to criminal justice agencies. This section does not apply to financial institutions regulated under chapters 31.12 and 31.13 RCW and Titles 30, 32, and 33 RCW.

(3) At the time of filing an application for a license under this chapter, each loan originator applicant shall pay to the director the appropriate application fee in an amount determined by rule of the director in accordance with RCW 19.146.228 to cover the cost of processing and reviewing the application. The director shall deposit the moneys in the financial services regulation fund.

(4) The director must establish by rule procedures for accepting and processing incomplete applications.

NEW SECTION. Sec. 20. A new section is added to chapter 19.146 RCW to read as follows:

(1) The director shall issue and deliver a loan originator license if, after investigation, the director makes the following findings:

(a) The loan originator applicant has paid the required license fees;

(b) The loan originator applicant has met the requirements of section 19 of this act;

(c) The loan originator applicant has not had a license issued under this chapter or any similar state statute suspended or revoked within five years of the filing of the present application;

(d) The loan originator applicant has not been convicted of a gross misdemeanor involving dishonesty or financial misconduct or a felony within seven years of the filing of the present application;

(e) The loan originator applicant has passed a written examination whose content shall be established by rule of the director;

(f) The loan originator applicant has not been found to be in violation of this chapter or rules;

(g) The loan originator applicant has demonstrated character and general fitness such as to command the confidence of the community

and to warrant a belief that the business will be operated honestly and fairly within the purposes of this chapter; and

(h) The loan originator licensee has completed, during the calendar year preceding a licensee's annual license renewal date, continuing education as established by rule of the director. The director shall establish standards in rule for approval of professional organizations offering continuing education to loan originators. The director may approve continuing education taken by loan originators in other states if the director is satisfied that such continuing education meets the requirements of the continuing education required by this chapter.

(2) If the director does not find the conditions of subsection (1) of this section have been met, the director shall not issue the loan originator license. The director shall notify the loan originator applicant of the denial and return to the loan originator applicant any remaining portion of the license fee that exceeds the department's actual cost to investigate the license.

(3) The director shall issue a new loan originator license under this chapter to any licensee that has a valid license and is otherwise in compliance with this chapter.

(4) A loan originator license issued under this section expires on the date one year from the date of issuance which, for license renewal purposes, is also the renewal date. The director shall establish rules regarding the loan originator license renewal process created under this chapter.

(5) A loan originator licensee may surrender a license by delivering to the director written notice of surrender, but the surrender does not affect the loan originator licensee's civil or criminal liability or any administrative actions arising from acts or omissions occurring before such surrender.

(6) To prevent undue delay in the issuance of a loan originator license and to facilitate the business of a loan originator, an interim loan originator license with a fixed date of expiration may be issued when the director determines that the loan originator has substantially fulfilled the requirements for loan originator licensing as defined by rule.

NEW SECTION. Sec. 21. A new section is added to chapter 19.146 RCW to read as follows:

A loan originator license, or the authority granted under such a license, is not assignable and cannot be transferred, sold, or franchised by contract or any other means.

NEW SECTION. Sec. 22. A new section is added to chapter 19.146 RCW to read as follows:

A loan originator may only take an application on behalf of one mortgage broker at a time, and that mortgage broker must be clearly identified on the application.

NEW SECTION. Sec. 23. The director of the department of financial institutions or the director's designee may take such steps as are necessary to ensure that this act is implemented on the effective date of this section.

NEW SECTION. Sec. 24. This act takes effect January 1, 2007."

Correct the title.

Representatives Kirby and Roach spoke in favor of the adoption of the amendment.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Kirby and Roach spoke in favor of passage of the bill.

Representative Nixon spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2340.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2340 and the bill passed the House by the following vote: Yeas - 89, Nays - 6, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eickmeyer, Ericks, Ericksen, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, O'Brien, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 89.

Voting nay: Representatives Condotta, Cox, Dunn, Flannigan, Nixon and Orcutt - 6.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

ENGROSSED HOUSE BILL NO. 2340, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2364, By Representatives Santos, Orcutt, McIntire, Hunter, Armstrong, Morrell, Roach, Kenney, Fromhold, Ericks and McDermott

Creating a use tax exemption when converting or merging a federal, foreign, or out-of-state credit union into a state charter.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Santos, Orcutt and Roach spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2364.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2364 and the bill passed the House by the following vote: Yeas - 87, Nays - 8, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Bailey, Blake, Buck, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Conway, Crouse, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 87.

Voting nay: Representatives Armstrong, Buri, Condotta, Cox, Curtis, Hinkle, Holmquist and Tom - 8.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

HOUSE BILL NO. 2364, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2398, By Representatives Cody, Morrell, Appleton, Hasegawa, Clibborn, Hudgins, Dickerson, Kagi, Green and Schual-Berke

Expanding participation in state purchased health care programs.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representative Cody spoke in favor of passage of the bill.

Representatives Hinkle and Alexander spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2398.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2398 and the bill passed the House by the following vote: Yeas - 53, Nays - 42, Absent - 0, Excused - 3.

Voting yea: Representatives Appleton, Blake, Campbell, Chase, Clibborn, Cody, Conway, Cox, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Morrell, Murray, O'Brien, Ormsby, Pettigrew, Roberts, Santos, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Wallace, Williams, Wood and Mr. Speaker - 53.

Voting nay: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Buri, Chandler, Clements, Condotta, Crouse, Curtis, DeBolt, Dunn, Ericksen, Haler, Hankins, Hinkle, Holmquist, Jarrett, Kretz, Kristiansen, McCune, McDonald, Morris, Newhouse, Nixon, Orcutt, Pearson, Priest, Roach, Rodne, Schindler, Serben, Shabro, Skinner, Strow, Sump, Talcott, Tom, Walsh and Woods - 42.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

HOUSE BILL NO. 2398, having received the necessary constitutional majority, was declared passed.

The Speaker assumed the chair.

HOUSE BILL NO. 2437, By Representatives Hudgins, Chase, Dunshee and Upthegrove

Providing guidelines for state-owned refueling stations.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2437 was substituted for House Bill No. 2437 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2437 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hudgins and Nixon spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute House Bill No. 2437.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2437 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 2437, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2447, By Representatives Condotta and Armstrong

Extending the expiration date for funding the construction of new regional centers.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2447 was substituted for House Bill No. 2447 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2447 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Condotta and Armstrong spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute House Bill No. 2447.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2447 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 2447, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2534, By Representatives Nixon, Rodne and Woods

Requiring full disclosure of vehicle taxes and license fees.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2534 was substituted for House Bill No. 2534 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2534 was read the second time.

Representative Nixon moved the adoption of amendment (708):

Beginning on page 1, line 18, after "description." strike all material through "2006." on page 2, line 2

On page 2, line 23, strike "August 1, 2006" and insert "July 1, 2007"

Representatives Nixon and Murray spoke in favor of the adoption of the amendment.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Nixon and Murray spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2534.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2534 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2534, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2551, By Representative Dunshee

Regulating campaign contributions by limited liability companies.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Dunshee, Nixon, Clements, Flannigan and Strow spoke in favor of passage of the bill.

Representatives Armstrong, Ericksen and Ahern spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of House Bill No. 2551.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2551 and the bill passed the House by the following vote: Yeas - 66, Nays - 29, Absent - 0, Excused - 3.

Voting yea: Representatives Appleton, Blake, Buri, Campbell, Chase, Clements, Clibborn, Cody, Conway, Cox, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Grant, Green, Haigh, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Ormsby, Pettigrew, Priest, Roberts, Santos, Sells, Simpson, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Takko, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 66.

Voting nay: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Chandler, Condotta, Crouse, Curtis, DeBolt, Dunn, Ericksen, Haler, Hankins, Holmquist, Kretz, Kristiansen, McCune, Orcutt, Pearson, Roach, Rodne, Schindler, Serben, Shabro, Skinner, Sump and Talcott - 29.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

HOUSE BILL NO. 2551, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2617, By Representatives Kretz, Blake, Ahern, Schindler, Sump, Condotta, Holmquist, Kristiansen, Serben, Campbell, McDonald, Hinkle and Dunn

Allowing local jurisdictions to allow off-road vehicles to operate on designated city or county roads.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Kretz and Blake spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of House Bill No. 2617.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2617 and the bill passed the House by the following vote: Yeas - 84, Nays - 11, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Clements, Clibborn, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hunt, Jarrett, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDonald, McIntire, Miloscia, Moeller, Morrell, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 84.

Voting nay: Representatives Chase, Cody, Dickerson, Flannigan, Hudgins, Hunter, Kagi, McDermott, Morris, Murray, and Simpson - 11.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

HOUSE BILL NO. 2617, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2651, By Representatives Pettigrew, Kristiansen, Haigh, Buri, Walsh, Linville, Kretz, Grant, Cox, Newhouse, Holmquist, Blake, Armstrong and Springer

Regarding disclosure of animal information.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2651 was substituted for House Bill No. 2651 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2651 was read the second time.

Representative Pettigrew moved the adoption of amendment (840):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that livestock identification numbers, premise information, and animal movement data are proprietary information that all have a role in defining a livestock producer's position within the marketplace, including his or her competitive advantage over other producers. The legislature therefore finds that exempting certain voluntary livestock identification, premise, and movement information from state public disclosure requirements will foster an environment that is more conducive to voluntary participation, and lead to a more effective livestock identification system.

Sec. 2. RCW 42.17.310 and 2005 c 424 s 16, 2005 c 349 s 1, 2005 c 312 s 6, 2005 c 284 s 1, 2005 c 172 s 13, and 2005 c 33 s 4 are each reenacted and amended to read as follows:

(1) The following are exempt from public inspection and copying:

(a) Personal information in any files maintained for students in public schools, patients or clients of public institutions or public health agencies, or welfare recipients.

(b) Personal information in files maintained for employees, appointees, or elected officials of any public agency to the extent that disclosure would violate their right to privacy.

(c) Information required of any taxpayer in connection with the assessment or collection of any tax if the disclosure of the information to other persons would (i) be prohibited to such persons by RCW 84.08.210, 82.32.330, 84.40.020, or 84.40.340 or (ii) violate the taxpayer's right to privacy or result in unfair competitive disadvantage to the taxpayer.

(d) Specific intelligence information and specific investigative records compiled by investigative, law enforcement, and penology agencies, and state agencies vested with the responsibility to discipline members of any profession, the nondisclosure of which is essential to effective law enforcement or for the protection of any person's right to privacy.

(e) Information revealing the identity of persons who are witnesses to or victims of crime or who file complaints with investigative, law enforcement, or penology agencies, other than the public disclosure commission, if disclosure would endanger any person's life, physical safety, or property. If at the time a complaint is filed the complainant, victim or witness indicates a desire for disclosure or nondisclosure, such desire shall govern. However, all complaints filed with the public disclosure commission about any elected official or candidate for public office must be made in writing and signed by the complainant under oath.

(f) Test questions, scoring keys, and other examination data used to administer a license, employment, or academic examination.

(g) Except as provided by chapter 8.26 RCW, the contents of real estate appraisals, made for or by any agency relative to the acquisition or sale of property, until the project or prospective sale is abandoned or until such time as all of the property has been acquired or the property to which the sale appraisal relates is sold, but in no event shall disclosure be denied for more than three years after the appraisal.

(h) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss.

(i) Preliminary drafts, notes, recommendations, and intra-agency memorandums in which opinions are expressed or policies formulated or recommended except that a specific record shall not be exempt when publicly cited by an agency in connection with any agency action.

(j) Records which are relevant to a controversy to which an agency is a party but which records would not be available to another party under the rules of pretrial discovery for causes pending in the superior courts.

(k) Records, maps, or other information identifying the location of archaeological sites in order to avoid the looting or depredation of such sites.

(l) Any library record, the primary purpose of which is to maintain control of library materials, or to gain access to information, which discloses or could be used to disclose the identity of a library user.

(m) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (i) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (ii) highway construction or improvement as required by RCW 47.28.070.

(n) Railroad company contracts filed prior to July 28, 1991, with the utilities and transportation commission under RCW 81.34.070, except that the summaries of the contracts are open to public inspection and copying as otherwise provided by this chapter.

(o) Financial and commercial information and records supplied by private persons pertaining to export services provided pursuant to chapter 43.163 RCW and chapter 53.31 RCW, and by persons pertaining to export projects pursuant to RCW 43.23.035.

(p) Financial disclosures filed by private vocational schools under chapters 28B.85 and 28C.10 RCW.

(q) Records filed with the utilities and transportation commission or attorney general under RCW 80.04.095 that a court has determined are confidential under RCW 80.04.095.

(r) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency.

(s) Membership lists or lists of members or owners of interests of units in timeshare projects, subdivisions, camping resorts, condominiums, land developments, or common-interest communities affiliated with such projects, regulated by the department of licensing, in the files or possession of the department.

(t) All applications for public employment, including the names of applicants, resumes, and other related materials submitted with respect to an applicant.

(u) The residential addresses, residential telephone numbers, personal wireless telephone numbers, personal electronic mail addresses, Social Security numbers, and emergency contact information of employees or volunteers of a public agency, and the names, dates of birth, residential addresses, residential telephone numbers, personal wireless telephone numbers, personal electronic mail addresses, Social Security numbers, and emergency contact information of dependents of employees or volunteers of a public agency, which are held by any public agency in personnel records, public employment related records, or volunteer rosters, or are included in any mailing list of employees or volunteers of any public agency. For purposes of this subsection, "employees" includes independent provider home care workers as defined in RCW 74.39A.240.

(v) The residential addresses and residential telephone numbers of the customers of a public utility contained in the records or lists held by the public utility of which they are customers, except that this information may be released to the division of child support or the agency or firm providing child support enforcement for another state under Title IV-D of the federal social security act, for the establishment, enforcement, or modification of a support order.

(w)(i) The federal social security number of individuals governed under chapter 18.130 RCW maintained in the files of the department of health, except this exemption does not apply to requests made directly to the department from federal, state, and local agencies of government, and national and state licensing, credentialing, investigatory, disciplinary, and examination organizations; (ii) the current residential address and current residential telephone number of a health care provider governed under chapter 18.130 RCW maintained in the files of the department, if the provider requests that this information be withheld from public

inspection and copying, and provides to the department an accurate alternate or business address and business telephone number. On or after January 1, 1995, the current residential address and residential telephone number of a health care provider governed under RCW 18.130.040 maintained in the files of the department shall automatically be withheld from public inspection and copying unless the provider specifically requests the information be released, and except as provided for under RCW 42.17.260(9).

(x) Information obtained by the board of pharmacy as provided in RCW 69.45.090.

(y) Information obtained by the board of pharmacy or the department of health and its representatives as provided in RCW 69.41.044, 69.41.280, and 18.64.420.

(z) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW.

(aa) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information.

(bb) Financial and valuable trade information under RCW 51.36.120.

(cc) Client records maintained by an agency that is a domestic violence program as defined in RCW 70.123.020 or 70.123.075 or a rape crisis center as defined in RCW 70.125.030.

(dd) Information that identifies a person who, while an agency employee: (i) Seeks advice, under an informal process established by the employing agency, in order to ascertain his or her rights in connection with a possible unfair practice under chapter 49.60 RCW against the person; and (ii) requests his or her identity or any identifying information not be disclosed.

(ee) Investigative records compiled by an employing agency conducting a current investigation of a possible unfair practice under chapter 49.60 RCW or of a possible violation of other federal, state, or local laws prohibiting discrimination in employment.

(ff) Business related information protected from public inspection and copying under RCW 15.86.110.

(gg) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW.

(hh) Information and documents created specifically for, and collected and maintained by, a quality improvement committee pursuant to RCW 43.70.510 or 70.41.200, by a peer review committee under RCW 4.24.250, or by a quality assurance committee pursuant to RCW 74.42.640 or 18.20.390, regardless of which agency is in possession of the information and documents.

(ii) Personal information in files maintained in a data base created under RCW 43.07.360.

(jj) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010.

(kk) Names of individuals residing in emergency or transitional housing that are furnished to the department of revenue or a county assessor in order to substantiate a claim for property tax exemption under RCW 84.36.043.

(ll) The names, residential addresses, residential telephone numbers, and other individually identifiable records held by an agency in relation to a vanpool, carpool, or other ride-sharing

program or service. However, these records may be disclosed to other persons who apply for ride-matching services and who need that information in order to identify potential riders or drivers with whom to share rides.

(mm) The personally identifying information of current or former participants or applicants in a paratransit or other transit service operated for the benefit of persons with disabilities or elderly persons.

(nn) The personally identifying information of persons who acquire and use transit passes and other fare payment media including, but not limited to, stored value smart cards and magnetic strip cards, except that an agency may disclose this information to a person, employer, educational institution, or other entity that is responsible, in whole or in part, for payment of the cost of acquiring or using a transit pass or other fare payment media, or to the news media when reporting on public transportation or public safety. This information may also be disclosed at the agency's discretion to governmental agencies or groups concerned with public transportation or public safety.

(oo) Proprietary financial and commercial information that the submitting entity, with review by the department of health, specifically identifies at the time it is submitted and that is provided to or obtained by the department of health in connection with an application for, or the supervision of, an antitrust exemption sought by the submitting entity under RCW 43.72.310. If a request for such information is received, the submitting entity must be notified of the request. Within ten business days of receipt of the notice, the submitting entity shall provide a written statement of the continuing need for confidentiality, which shall be provided to the requester. Upon receipt of such notice, the department of health shall continue to treat information designated under this section as exempt from disclosure. If the requester initiates an action to compel disclosure under this chapter, the submitting entity must be joined as a party to demonstrate the continuing need for confidentiality.

(pp) Records maintained by the board of industrial insurance appeals that are related to appeals of crime victims' compensation claims filed with the board under RCW 7.68.110.

(qq) Financial and commercial information supplied by or on behalf of a person, firm, corporation, or entity under chapter 28B.95 RCW relating to the purchase or sale of tuition units and contracts for the purchase of multiple tuition units.

(rr) Any records of investigative reports prepared by any state, county, municipal, or other law enforcement agency pertaining to sex offenses contained in chapter 9A.44 RCW or sexually violent offenses as defined in RCW 71.09.020, which have been transferred to the Washington association of sheriffs and police chiefs for permanent electronic retention and retrieval pursuant to RCW 40.14.070(2)(b).

(ss) Credit card numbers, debit card numbers, electronic check numbers, card expiration dates, or bank or other financial account numbers, except when disclosure is expressly required by or governed by other law.

(tt) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), liquor license, gambling license, or lottery retail license.

(uu) Records maintained by the employment security department and subject to chapter 50.13 RCW if provided to another individual or organization for operational, research, or evaluation purposes.

(vv) Individually identifiable information received by the work force training and education coordinating board for research or evaluation purposes.

(ww) Those portions of records assembled, prepared, or maintained to prevent, mitigate, or respond to criminal terrorist acts, which are acts that significantly disrupt the conduct of government or of the general civilian population of the state or the United States and that manifest an extreme indifference to human life, the public disclosure of which would have a substantial likelihood of threatening public safety, consisting of:

(i) Specific and unique vulnerability assessments or specific and unique response or deployment plans, including compiled underlying data collected in preparation of or essential to the assessments, or to the response or deployment plans; and

(ii) Records not subject to public disclosure under federal law that are shared by federal or international agencies, and information prepared from national security briefings provided to state or local government officials related to domestic preparedness for acts of terrorism.

(xx) Commercial fishing catch data from logbooks required to be provided to the department of fish and wildlife under RCW 77.12.047, when the data identifies specific catch location, timing, or methodology and the release of which would result in unfair competitive disadvantage to the commercial fisher providing the catch data. However, this information may be released to government agencies concerned with the management of fish and wildlife resources.

(yy) Sensitive wildlife data obtained by the department of fish and wildlife. However, sensitive wildlife data may be released to government agencies concerned with the management of fish and wildlife resources. Sensitive wildlife data includes:

(i) The nesting sites or specific locations of endangered species designated under RCW 77.12.020, or threatened or sensitive species classified by rule of the department of fish and wildlife;

(ii) Radio frequencies used in, or locational data generated by, telemetry studies; or

(iii) Other location data that could compromise the viability of a specific fish or wildlife population, and where at least one of the following criteria are met:

(A) The species has a known commercial or black market value;

(B) There is a history of malicious take of that species; or

(C) There is a known demand to visit, take, or disturb, and the species behavior or ecology renders it especially vulnerable or the species has an extremely limited distribution and concentration.

(zz) The personally identifying information of persons who acquire recreational licenses under RCW 77.32.010 or commercial licenses under chapter 77.65 or 77.70 RCW, except name, address of contact used by the department, and type of license, endorsement, or tag. However, the department of fish and wildlife may disclose personally identifying information to:

(i) Government agencies concerned with the management of fish and wildlife resources;

(ii) The department of social and health services, child support division, and to the department of licensing in order to implement RCW 77.32.014 and 46.20.291; and

(iii) Law enforcement agencies for the purpose of firearm possession enforcement under RCW 9.41.040.

(aaa)(i) Discharge papers of a veteran of the armed forces of the United States filed at the office of the county auditor before July 1, 2002, that have not been commingled with other recorded documents. These records will be available only to the veteran, the veteran's next of kin, a deceased veteran's properly appointed personal

representative or executor, a person holding that veteran's general power of attorney, or to anyone else designated in writing by that veteran to receive the records.

(ii) Discharge papers of a veteran of the armed forces of the United States filed at the office of the county auditor before July 1, 2002, that have been commingled with other records, if the veteran has recorded a "request for exemption from public disclosure of discharge papers" with the county auditor. If such a request has been recorded, these records may be released only to the veteran filing the papers, the veteran's next of kin, a deceased veteran's properly appointed personal representative or executor, a person holding the veteran's general power of attorney, or anyone else designated in writing by the veteran to receive the records.

(iii) Discharge papers of a veteran filed at the office of the county auditor after June 30, 2002, are not public records, but will be available only to the veteran, the veteran's next of kin, a deceased veteran's properly appointed personal representative or executor, a person holding the veteran's general power of attorney, or anyone else designated in writing by the veteran to receive the records.

(iv) For the purposes of this subsection (1)(aaa), next of kin of deceased veterans have the same rights to full access to the record. Next of kin are the veteran's widow or widower who has not remarried, son, daughter, father, mother, brother, and sister.

(bbb) Those portions of records containing specific and unique vulnerability assessments or specific and unique emergency and escape response plans at a city, county, or state adult or juvenile correctional facility, the public disclosure of which would have a substantial likelihood of threatening the security of a city, county, or state adult or juvenile correctional facility or any individual's safety.

(ccc) Information compiled by school districts or schools in the development of their comprehensive safe school plans pursuant to RCW 28A.320.125, to the extent that they identify specific vulnerabilities of school districts and each individual school.

(ddd) Information regarding the infrastructure and security of computer and telecommunications networks, consisting of security passwords, security access codes and programs, access codes for secure software applications, security and service recovery plans, security risk assessments, and security test results to the extent that they identify specific system vulnerabilities.

(eee) Information obtained and exempted or withheld from public inspection by the health care authority under RCW 41.05.026, whether retained by the authority, transferred to another state purchased health care program by the authority, or transferred by the authority to a technical review committee created to facilitate the development, acquisition, or implementation of state purchased health care under chapter 41.05 RCW.

(fff) Proprietary data, trade secrets, or other information that relates to: (i) A vendor's unique methods of conducting business; (ii) data unique to the product or services of the vendor; or (iii) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services for purposes of the development, acquisition, or implementation of state purchased health care as defined in RCW 41.05.011.

(ggg) The personally identifying information of persons who acquire and use transponders or other technology to facilitate payment of tolls. This information may be disclosed in aggregate form as long as the data does not contain any personally identifying information. For these purposes aggregate data may include the census tract of the account holder as long as any individual personally identifying information is not released. Personally identifying information may be released to law enforcement agencies only for toll enforcement purposes. Personally identifying

information may be released to law enforcement agencies for other purposes only if the request is accompanied by a court order.

(hhh) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the life sciences discovery fund authority in applications for, or delivery of, grants under chapter 43.350 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information.

(iii) Records of mediation communications that are privileged under chapter 7.07 RCW.

(jjj) Information submitted by an individual or business for the purpose of participating in a state or national animal identification system. Disclosure to local, state, and federal officials is not public disclosure. This exemption does not affect the disclosure of information used in reportable animal health investigations under chapter 16.36 RCW once they are complete.

(kkk) Results of testing for animal diseases not required to be reported under chapter 16.36 RCW that is done at the request of the animal owner or his or her designee that can be identified to a particular business or individual.

(2) Except for information described in subsection (1)(c)(i) of this section and confidential income data exempted from public inspection pursuant to RCW 84.40.020, the exemptions of this section are inapplicable to the extent that information, the disclosure of which would violate personal privacy or vital governmental interests, can be deleted from the specific records sought. No exemption may be construed to permit the nondisclosure of statistical information not descriptive of any readily identifiable person or persons.

(3) Inspection or copying of any specific records exempt under the provisions of this section may be permitted if the superior court in the county in which the record is maintained finds, after a hearing with notice thereof to every person in interest and the agency, that the exemption of such records is clearly unnecessary to protect any individual's right of privacy or any vital governmental function.

(4) Agency responses refusing, in whole or in part, inspection of any public record shall include a statement of the specific exemption authorizing the withholding of the record (or part) and a brief explanation of how the exemption applies to the record withheld.

Sec. 3. RCW 42.56.380 and 2005 c 274 s 418 are each amended to read as follows:

The following information relating to agriculture and livestock is exempt from disclosure under this chapter:

- (1) Business-related information under RCW 15.86.110;
- (2) Information provided under RCW 15.54.362;
- (3) Production or sales records required to determine assessment levels and actual assessment payments to commodity boards and commissions formed under chapters 15.24, 15.26, 15.28, 15.44, 15.65, 15.66, 15.74, 15.88, 15.100, and 16.67 RCW or required by the department of agriculture to administer these chapters or the department's programs;

(4) Consignment information contained on phytosanitary certificates issued by the department of agriculture under chapters 15.13, 15.49, and 15.17 RCW or federal phytosanitary certificates issued under 7 C.F.R. 353 through cooperative agreements with the animal and plant health inspection service, United States department of agriculture, or on applications for phytosanitary certification required by the department of agriculture;

(5) Financial and commercial information and records supplied by persons (a) to the department of agriculture for the purpose of conducting a referendum for the potential establishment of a

commodity board or commission; or (b) to the department of agriculture or commodity boards or commissions formed under chapter 15.24, 15.28, 15.44, 15.65, 15.66, 15.74, 15.88, 15.100, or 16.67 RCW with respect to domestic or export marketing activities or individual producer's production information;

(6) Except under RCW 15.19.080, information obtained regarding the purchases, sales, or production of an individual American ginseng grower or dealer;

(7) Information that can be identified to a particular business and that is collected under section 3(1), chapter 235, Laws of 2002; ~~((and))~~

(8) Financial statements provided under RCW 16.65.030(1)(d);

(9) Information submitted by an individual or business for the purpose of participating in a state or national animal identification system. Disclosure to local, state, and federal officials is not public disclosure. This exemption does not affect the disclosure of information used in reportable animal health investigations under chapter 16.36 RCW once they are complete; and

(10) Results of testing for animal diseases not required to be reported under chapter 16.36 RCW that is done at the request of the animal owner or his or her designee that can be identified to a particular business or individual.

NEW SECTION. Sec. 4. Section 2 of this act expires July 1, 2006.

NEW SECTION. Sec. 5. Section 3 of this act takes effect July 1, 2006."

Representatives Pettigrew and Kristiansen spoke in favor of the adoption of the amendment.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Pettigrew, Kristiansen, Hinkle and Linville spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2651.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2651 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney,

Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2651, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2670, By Representatives Kilmer, Lantz, Priest, Talcott, Green, Conway, Darneille, Cody, Hinkle, Linville, Flannigan, Miloscia and Moeller

Authorizing hospital benefit zone financing.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2670 was substituted for House Bill No. 2670 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2670 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Kilmer and Talcott spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute House Bill No. 2670.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2670 and the bill passed the House by the following vote: Yeas - 94, Nays - 1, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse,

Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 94.

Voting nay: Representative Roach - 1.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 2670, having received the necessary constitutional majority, was declared passed.

The Speaker called upon Representative Lovick to preside.

HOUSE BILL NO. 2658, By Representatives Hinkle, B. Sullivan, Condotta and Kretz

Establishing a statewide ORV data base.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2658 was substituted for House Bill No. 2658 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2658 was read the second time.

With the consent of the House, amendment (794) was withdrawn.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hinkle and B. Sullivan spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2658.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2658 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney,

Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 2658, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2694, By Representatives Haigh, Nixon, Sump and Hunt

Eliminating Saturday counting of ballots.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2694 was substituted for House Bill No. 2694 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2694 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Haigh and Nixon spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2694.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2694 and the bill passed the House by the following vote: Yeas - 94, Nays - 1, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts,

Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 94.

Voting nay: Representative Dunn - 1.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 2694, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2704, By Representatives O'Brien, Pearson, Darneille, Kirby, Ahern, Williams, Strow, Kilmer, Green, Sells and Morrell

Including organized retail theft in crime guidelines.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives O'Brien and Pearson spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2704.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2704 and the bill passed the House by the following vote: Yeas - 95, Nays - 0, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Ericksen, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 95.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

HOUSE BILL NO. 2704, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2715, By Representatives Ericks, Anderson, Morris, Haler, Crouse, Hankins, Nixon, Sump, P. Sullivan, Hudgins, Kilmer, Takko, Green, Sells, Clibborn, Simpson, Springer, Roberts, Ormsby, Morrell and McIntire

Regarding the state interoperability executive committee.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2715 was substituted for House Bill No. 2715 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2715 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Ericks and Anderson spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2715.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2715 and the bill passed the House by the following vote: Yeas - 93, Nays - 2, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Erickson, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 93.

Voting nay: Representatives Hunt, and Hunter - 2.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

SUBSTITUTE HOUSE BILL NO. 2715, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2717, By Representatives Schindler, O'Brien, Dunn, McCune, Miloscia and Holmquist

Restricting mobile home park sewer-related charges.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Schindler and Miloscia spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2717.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2717 and the bill passed the House by the following vote: Yeas - 93, Nays - 2, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eickmeyer, Ericks, Erickson, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 93.

Voting nay: Representatives Moeller, and Ormsby - 2.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

HOUSE BILL NO. 2717, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2829, By Representatives Wallace, Curtis, Haigh, Springer, Morrell, Hunt, Takko, Schual-Berke, Murray and Moeller; by request of Department of Licensing

Modifying provisions concerning the regulation of driver training schools.

The bill was read the second time.

Representative Holmquist moved the adoption of amendment (855):

On page 14, after line 11, strike all material through "(d)" on line 15 and insert the following:

~~"(To classify as a branch office or classroom the facility must be within a thirty-five mile radius of the established place of business.)"~~
(c)"

Representative Holmquist spoke in favor of the adoption of the amendment.

Representative Wallace spoke against the adoption of the amendment.

The amendment was not adopted.

Representative Woods moved the adoption of amendment (853):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 46.82 RCW to read as follows:

The uniform regulation of business and professions act, chapter 18.235 RCW, governs unlicensed practice, the issuance and denial of licenses, and the discipline of licensees under this chapter.

Sec. 2. RCW 46.82.280 and 1986 c 80 s 1 are each amended to read as follows:

~~"(Unless the context clearly requires otherwise;)"~~ The definitions in this section ~~"(shall)"~~ apply throughout this chapter unless the context clearly requires otherwise.

(1) "Behind-the-wheel instruction" means instruction in an approved driver training school instruction vehicle according to and inclusive of the minimum required curriculum. Behind-the-wheel instruction is characterized by driving experience.

(2) "Classroom" means a space dedicated to and used exclusively by a driver training instructor for the instruction of students. With prior department approval, a branch office classroom may be located within alternative facilities, such as a public or private library, school, community college, college or university, or a business training facility.

(3) "Classroom instruction" means that portion of a traffic safety education course that is characterized by classroom-based student instruction conducted by or under the direct supervision of a licensed instructor or licensed instructors.

(4) "Driver training school" means a commercial driver training school engaged in the business of giving instruction, for a fee, in the operation of automobiles.

~~"(2)"~~ (5) "Driver training education course" means a course of instruction in traffic safety education approved and licensed by the department of licensing that consists of classroom and behind-the-wheel instruction as documented by the minimum approved curriculum.

(6) "Director" means the director of the department of licensing of the state of Washington.

~~"(3)"~~ (7) "Advisory committee" means the driving instructors' advisory committee as created in this chapter.

~~"(4)"~~ (8) "Fraudulent practices" means any conduct or representation on the part of a ((licensee under this chapter tending to induce)) driver training school owner or instructor including:

(a) Inducing anyone to believe, or to give the impression, that a license to operate a motor vehicle or any other license granted by the director may be obtained by any means other than those prescribed by law, or furnishing or obtaining the same by illegal or improper means, or requesting, accepting, or collecting money for such purposes;

(b) Operation of a driver training school without a license, providing instruction without an instructor's license, verifying enrollment prior to being licensed, misleading or false statements on applications for a commercial driver training school license or instructor's license or on any required records or supporting documentation;

(c) Failing to fully document and maintain all required driver training school records of instruction, school operation, and instructor training;

(d) Issuing a driver training course certificate without requiring completion of the necessary behind-the-wheel and classroom instruction.

~~"(5)"~~ (9) "Instructor" means any person employed by or otherwise associated with a driver training school to instruct persons in the operation of ((automobiles)) an automobile.

(10) "Owner" means an individual, partnership, corporation, association, or other person or group that holds a substantial interest in a driver training school.

~~"(6)"~~ (11) "Place of business" means a designated location at which the business of a driver training school is transacted and its records are kept.

~~"(7)"~~ (12) "Person" means any individual, firm, corporation, partnership, or association.

(13) "Substantial interest holder" means a person who has actual or potential influence over the management or operation of any driver training school. Evidence of substantial interest includes, but is not limited to, one or more of the following:

(a) Directly or indirectly owning, operating, managing, or controlling a driver training school or any part of a driver training school;

(b) Directly or indirectly profiting from or assuming liability for debts of a driver training school;

(c) Is an officer or director of a driver training school;

(d) Owning ten percent or more of any class of stock in a privately or closely held corporate driver training school, or five percent or more of any class of stock in a publicly traded corporate driver training school;

(e) Furnishing ten percent or more of the capital, whether in cash, goods, or services, for the operation of a driver training school during any calendar year; or

(f) Directly or indirectly receiving a salary, commission, royalties, or other form of compensation from the activity in which a driver training school is or seeks to be engaged.

(14) "Student" means any person enrolled in a driver training course that pays a fee for instruction.

Sec. 3. RCW 46.82.300 and 2002 c 195 s 5 are each amended to read as follows:

(1) The director shall be assisted in the duties and responsibilities of this chapter by the driver instructors' advisory committee, consisting of five members. Members of the advisory committee shall be appointed by the director for two-year terms and shall consist of a representative of the driver training schools, a

representative of the driving instructors (who shall not be from the same school as the school member), a representative of the superintendent of public instruction, a representative of the department of licensing, and a representative from the Washington state traffic safety commission. Members shall be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060. A member who is receiving a salary from the state shall not receive compensation other than travel expenses incurred in such service.

(2) The advisory committee shall meet at least semiannually and shall have additional meetings as may be called by the director. The director or the director's representative shall attend all meetings of the advisory committee and shall serve as chairman.

(3) Duties of the advisory committee shall be to:

(a) Advise and confer with the director or the director's representative on matters pertaining to the establishment of rules necessary to carry out this chapter;

(b) ~~((Review violations of this chapter and to recommend to the director appropriate enforcement or disciplinary action as provided in this chapter;~~

~~((c))~~ Review and update when necessary a curriculum consisting of a list of items of knowledge and the processes of driving a motor vehicle specifying the minimum requirements adjudged necessary in teaching a proper and adequate course of driver education;

~~((d))~~ (c) Review and update instructor certification standards to be consistent with RCW 46.82.330 and take into consideration those standards required to be met by traffic safety education teachers under RCW 28A.220.020(3); and

~~((e))~~ (d) Prepare the examination for a driver instructor's certificate and review examination results at least once each calendar year for the purpose of updating and revising examination standards.

Sec. 4. RCW 46.82.310 and 2002 c 352 s 24 are each amended to read as follows:

(1) No person shall engage in the business of conducting a driver training school without a license issued by the director for that purpose. The school's license must be displayed before the school may:

(a) Schedule, enroll, or engage any students in a course of instruction;

(b) Issue a verification of enrollment to any student; or

(c) Begin any classroom or behind-the-wheel instruction.

(2) An application for a driver training school license shall be filed with the director, containing such information as prescribed by the director, including a uniform business identifier number, accompanied by an application fee of three hundred dollars, which shall in no event be refunded. Before an application for a driver training school license is approved, the business practices, facilities, records, and insurance of the proposed school must be inspected and reviewed by authorized representatives of the director. If an application is approved by the director, the applicant upon payment of an additional fee of two hundred dollars shall be granted a license valid for a period of one year from the date of issuance.

~~((2))~~ (3) A driver training school may apply for a license to establish a branch office or branch classroom by filing an application with the director, containing such information as prescribed by the director. Before an application for a license to establish a branch office or branch classroom is approved, the business practices, facilities, records, and insurance of the proposed branch location must be inspected and reviewed by authorized representatives of the director. If an application is approved by the director, the applicant shall be granted a license valid for a period of one year from the date of issuance.

(4) The annual fee for renewal of a school license shall be two hundred fifty dollars. Subject to the department's inspection of the business, the director shall issue a license certificate to each licensee which shall be conspicuously displayed in the place of business of the licensee. If the director has not received a renewal application (~~has not been received by the director within sixty days from~~) on or before the date a ((notice of)) license ((expiration was mailed to the licensee)) expires, the license will be void requiring a new application as provided for in this chapter, including payment of all fees.

~~((3))~~ (5) The person to whom a driver training school license has been issued must notify the director in writing within ((thirty)) ten business days after any change is made in the officers, directors, or location of the place of business of the school.

~~((4))~~ Driver training school licenses shall not be transferable. In the event of any transfer of ownership in the business, an application for) (6) A change involving the ownership of a driver training school requires a new license application, including payment of all fees((; must be made)).

(a) The owner relinquishing the business must notify the director in writing within ten business days.

(b) The new owner must submit an application as prescribed by rule of the department for transfer of the school's license to the director within ten business days.

(c) Upon receipt of the required notification and the application for license transfer, the director shall permit continuance of the business for a period not to exceed sixty days from the date of transfer pending approval of the new application for a school license.

(d) The transferred license shall remain subject to suspension, revocation, or denial in accordance with RCW 46.82.350 and 46.82.360.

~~((5))~~ (5) The director shall not issue or renew a school license certificate until the licensee has filed with the director evidence of liability insurance coverage with an insurance company authorized to do business in this state in the amount of not less than three hundred thousand dollars because of bodily injury or death to two or more persons in any one accident, not less than one hundred thousand dollars because of bodily injury or death to one person in one accident, and not less than fifty thousand dollars because of property damage to others in one accident, and the coverage shall include uninsured motorists coverage. The insurance coverage shall be maintained in full force and effect and the director shall be notified at least ten days prior to cancellation or expiration of any such policy of insurance.

~~((6))~~ (7) Evidence of liability insurance coverage must be filed with the director prior to the issuance or renewal of a school license, and shall meet the following standards:

(a) Coverage must be provided by a company authorized to do business in Washington state;

(b) Automobile liability coverage shall be in the amount of not less than one million dollars, and shall include property damage and uninsured motorists coverage;

(c) The required coverage shall be maintained in full force and effect for the term of the school license;

(d) Changes in insurance coverage due to cancellation or expiration require notification of the director and proof of continuing coverage within ten working days following any change; and

(e) Coverage shall be issued in the name of the school and identify the covered locations and vehicles.

(8) The increased insurance requirements of subsection ((5)) (7) of this section must be in effect by no later than one year after ((September 1, 1979)) July 1, 2006.

Sec. 5. RCW 46.82.320 and 2002 c 352 s 25 are each amended to read as follows:

(1) No person (~~(including the owner, operator, partner, officer, or stockholder of)~~) affiliated with a driver training school shall give instruction in the operation of an automobile for a fee without a license issued by the director for that purpose. An application for an original or renewal instructor's license shall be filed with the director, containing such information as prescribed by this chapter and by the director, accompanied by an application fee of seventy-five dollars, which shall in no event be refunded. An application for a renewal instructor's license must be accompanied by proof of the applicant's continuing professional development that meets the standards adopted by the director. If the ~~((application is approved by the director and the))~~ applicant satisfactorily meets the application requirements and the examination requirements as prescribed in RCW 46.82.330, the applicant shall be granted a license valid for a period of one year from the date of issuance. An instructor shall take a requalification examination every five years.

(2) The annual fee for renewal of an instructor's license shall be twenty-five dollars. The director shall issue a license certificate to each ~~((licensee which shall be))~~ qualified applicant.

(a) An employing driver training school must conspicuously ((displayed in the)) display an instructor's license at its established place of business ((of the employing driver training school)) and display copies of the instructor's license at any branch office where the instructor provides instruction.

(b) Unless revoked, canceled, or denied by the director, the license shall remain the property of the licensee in the event of termination of employment or employment by another driver training school.

(c) If the director has not received a renewal application ((has not been received by the director within sixty days from)) on or before the date a ((notice of)) license ((expiration was mailed to the licensee)) expires, the license will be voided requiring a new application as provided for in this chapter, including examination and payment of all fees.

(d) If revoked, canceled, or denied by the director, the license must be surrendered to the department within ten days following the effective date of such action.

(3) ~~((Persons who qualify under the rules jointly adopted by the superintendent of public instruction and the director of licensing to teach only the laboratory phase, shall be subject to a ten dollar examination fee.~~

~~((4))~~ Each licensee shall be provided with a wallet-size identification card by the director at the time the license is issued which shall be carried on the instructor's person at all times while engaged in instructing.

~~((5))~~ (4) The person to whom an instructor's license has been issued shall notify the director in writing within ~~((thirty))~~ ten days of any change of employment or termination of employment, providing the name and address of the new driver training school by whom the instructor will be employed.

Sec. 6. RCW 46.82.325 and 2002 c 195 s 4 are each amended to read as follows:

(1) ~~((Persons instructing students under eighteen years of age))~~ Instructors, owners, and other persons affiliated with a school who have contact with students are required to have a background check through the Washington state patrol criminal identification system and through the federal bureau of investigation. The background check shall also include a fingerprint check using a fingerprint card. Persons covered by this section must have their background rechecked under this subsection every five years.

(2) In addition to the background check required under subsection (1) of this section, persons covered by this section must have a background check through the Washington criminal identification system at the time of application for any renewal license.

~~((3))~~ (3) The cost of the background check shall be paid by the ~~((instructor))~~ person.

~~((3))~~ ~~The department may waive the background check for any applicant who has had a background check within two years before applying to become an instructor.)~~

Sec. 7. RCW 46.82.330 and 1979 ex.s. c 51 s 6 are each amended to read as follows:

(1) ~~((Upon receipt and approval of an application accompanied by the proper fees, the director shall arrange for the examination of each applicant for an instructor's license and shall notify each applicant of the time and place to appear for examination.~~

~~((2))~~ The examination prepared by the advisory committee shall consist of a knowledge test and an actual driving test conducted in a vehicle provided by the applicant. The examination shall determine: The applicant's knowledge of driving laws, rules, and regulations; the applicant's ability to safely operate a motor vehicle; and the applicant's ability to impart this knowledge to others.

~~((3))~~ ~~No))~~ The application for an instructor's license shall document the applicant's fitness, knowledge, skills, and abilities to teach the classroom and behind-the-wheel phases of a driver training education program in a commercial driver training school.

(2) An applicant shall be ~~((permitted by the director to take the examination for an instructor's license until it is determined that the applicant meets the following requirements))~~ eligible to apply for an original instructor's certificate if the applicant possesses and meets the following qualifications and conditions:

(a) Has been licensed to drive for five or more years and possesses a current and valid Washington driver's license or is a resident of a jurisdiction immediately adjacent to Washington state and possesses a current and valid license issued by such jurisdiction, and does not have on his or her driving record any of the violations or penalties set forth in ~~((3))~~ (2)(a) (i), (ii), or (iii) of this section. The director shall have the right to examine the driving record of the applicant from the department of licensing and from other jurisdictions and from these records determine if the applicant has had:

(i) Not more than ~~((three))~~ one moving traffic violation ~~((s))~~ within the preceding twelve months or more than ~~((four))~~ two moving traffic violations in the preceding twenty-four months;

(ii) No alcohol-related traffic violation or incident within the preceding ~~((three))~~ seven years; and

(iii) No driver's license suspension, cancellation, revocation, or denial within the preceding ~~((three))~~ five years;

(b) Is a high school graduate or the equivalent and at least twenty-one years of age;

(c) Has completed an acceptable application on a form prescribed by the director; ~~((and))~~

(d) Has satisfactorily completed a ~~((sixty-hour))~~ course of instruction in the training of drivers acceptable to the director ~~((The course shall include at least twelve hours of))~~ that is no less than sixty hours in length and includes instruction in classroom and behind-the-wheel teaching methods and ((at least six hours)) supervised practice behind-the-wheel teaching of driving techniques; and

(e) Has successfully completed an instructor's examination as prepared by the advisory committee, which shall consist of a

knowledge test and an actual driving test conducted in a vehicle provided by the applicant. The examination shall determine:

- (i) The applicant's knowledge of driving laws and rules;
- (ii) The applicant's ability to safely operate a motor vehicle; and
- (iii) The applicant's ability to impart this knowledge and ability to others.

~~((4) Any person with a valid instructor's license in effect as of September 1, 1979, shall not be required to take the examination, or complete the revised course of instruction, otherwise required under this section.)~~

Sec. 8. RCW 46.82.350 and 1979 ex.s. c 51 s 8 are each amended to read as follows:

~~((4))~~ The director may suspend, revoke, deny, or refuse to renew an instructor's license or a driver training school license, or impose such other disciplinary action authorized under RCW 18.235.110, upon determination that the applicant, licensee, or owner has engaged in unprofessional conduct as defined by RCW 18.235.130 or for any of the following causes:

~~((a))~~ (1) Upon determination that the licensee has made a false statement or concealed any material fact in connection with the application or license renewal;

~~((b))~~ (2) Upon ~~(conviction of)~~ determination that the applicant, licensee, owner, or any person directly or indirectly interested in the driver training school's business has been convicted of a felony, or any crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude;

~~((c))~~ (3) Upon determination that the applicant, licensee, owner, or any person directly or indirectly interested in the driver training school's business previously held a driver training school license which was revoked, suspended, or refused renewal by the director;

~~((d))~~ (4) Upon determination that the applicant ~~(or)~~, licensee, or owner does not have ~~(a)~~ an established place of business as required by this chapter;

~~((e))~~ (5) Upon determination that the applicant or licensee has failed to require all persons with financial interest in the driver training school to be signatories to the application;

~~((f))~~ (6) Upon determination that the applicant ~~(or)~~, licensee, or owner has ~~(been found guilty of fraud or)~~ committed fraud, induced another to commit fraud, or engaged in fraudulent practices in relation to the business conducted under the license, or (guilty of inducing) has induced another to resort to fraud in relation to securing for himself, herself, or another a license to drive a motor vehicle; ~~(or~~

~~(g))~~ (7) Upon determination that the applicant, licensee, or owner has engaged in conduct that could endanger the educational welfare or personal safety of students or others;

(8) Upon determination that a licensed instructor no longer possesses and meets the qualifications and conditions set out in RCW 46.82.330(2)(a); or

(9) Upon determination that the applicant (or), licensee or owner failed to satisfy or fails to satisfy the other conditions stated in this chapter.

Sec. 9. RCW 46.82.360 and 1989 c 337 s 19 are each amended to read as follows:

The license of any driver training school or instructor may be suspended, revoked, denied, or refused renewal, or such other disciplinary action authorized under RCW 18.235.110 may be imposed, for failure to comply with the business practices specified in this section.

(1) No place of business shall be established nor any business of a driver training school conducted or solicited within one thousand feet of an office or building owned or leased by the department of licensing in which examinations for drivers' licenses are conducted. The distance of one thousand feet shall be measured along the public streets by the nearest route from the place of business to such building.

(2) Any automobile used by a driver training school or an instructor for instruction purposes must be equipped with:

(a) Dual controls for foot brake and clutch, or foot brake only in a vehicle equipped with an automatic transmission;

(b) An instructor's rear view mirror; and

(c) A sign in legible, printed English letters displayed on the back or top, or both, of the vehicle that:

(i) Is not less than twenty inches in horizontal width or less than ten inches in vertical height ((and having));

(ii) Has the words "student driver," ((or)) "instruction car," or ((both, in legible, printed, English)) "driving school" in letters at least two and one-half inches in height near the top ((and));

(iii) Has the name and telephone number of the school in similarly legible letters not less than one inch in height placed somewhere below the aforementioned words ((and the street number and name and the telephone number in similarly legible letters at least one inch in height placed next below the name of the school. The));

(iv) Has lettering and background colors ((shall be of contrasting shades so as to be)) that make it clearly readable at one hundred feet in clear daylight ((The sign shall be));

(v) Is displayed at all times when instruction is being given.

(3) Instruction may not be given by an instructor to a student who is under the age of fifteen, and behind-the-wheel instruction may not be given by an instructor to a student in an automobile unless the student possesses a current and valid instruction permit issued pursuant to RCW 46.20.055 or a current and valid driver's license.

(4) No driver training school or instructor shall advertise or otherwise indicate that the issuance of a driver's license is guaranteed or assured as a result of the course of instruction offered.

(5) No driver training school or instructor shall utilize any types of advertising without using the full, legal name of the school and identifying itself as a driver training school. ~~((Items))~~ Instruction vehicles and equipment, classrooms, driving simulators, training materials and services advertised must be available in a manner as might be expected by the average person reading the advertisement.

(6) A driver training school shall have an established place of business owned, rented, or leased by the school and regularly occupied and used exclusively for the business of giving driver instruction. The established place of business of a driver training school ~~((that applies for an initial license after July 23, 1989;))~~ shall be located in a district that is zoned for business or commercial purposes.

(a) The established place of business, branch office, or classroom or advertised address of any such driver training school shall not consist of or include a house trailer, residence, tent, temporary stand, temporary address, bus, telephone answering service if such service is the sole means of contacting the driver training school, a room or rooms in a hotel or rooming house or apartment house, or premises occupied by a single or multiple-unit dwelling house.

(b) A driver training school may lease classroom space within a public or private school that is recognized and regulated by the office of the superintendent of public instruction to conduct student instruction as approved by the director. However, such use of public or private classroom space does not alleviate the driver training school from securing and maintaining an established place of

business nor from using its own classroom on a regular basis as required by this chapter.

(c) To classify as a branch office or classroom the facility must be within a thirty-five mile radius of the established place of business.

(d) Nothing in this subsection may be construed as limiting the authority of local governments to grant conditional use permits or variances from zoning ordinances.

(7) No driver training school or instructor shall conduct any type of instruction or training on a course used by the department of licensing for testing applicants for a Washington driver's license.

(8) Each driver training school shall maintain ~~((records on all of))~~ its ~~((students, including))~~ student, instructor, vehicle, and operating records at its established place of business.

(a) Student records must include the student's name ~~((and))~~, address, and telephone number, ~~((the starting and ending))~~ date of enrollment and all dates of instruction, the student's instruction permit or driver's license number, the type of training given, ~~((and))~~ the total number of hours of instruction, and the name and signature of the instructor or instructors.

(b) Instructor records shall include the instructor's license number, the date of hire, the dates and duration of an instructor's training including initial certification as an instructor and continuing education, an abstract of the driving record for the instructor obtained within the past year, and a list of the locations where the instructor is providing student instruction.

(c) Vehicle records shall include the original insurance policies and copies of the vehicle registration for all instruction vehicles.

(d) Student and instructor records ~~((of past students))~~ shall be maintained for five years following the completion of the instruction. Vehicle records shall be maintained for five years following their issuance. All records shall be made available for inspection upon the request of the department.

(e) Upon a transfer or sale of school ownership the school records shall be transferred to and become the property and responsibility of the new owner.

(9) Each driver training school shall, at its established place of business, display, in a place where it can be seen by all clients, a copy of the required minimum curriculum ~~((compiled))~~ furnished by the ~~((driver advisory committee))~~ department and a copy of the school's own curriculum. Copies of the required minimum curriculum are to be provided to driver training schools and instructors by the director.

(10) Driver training schools and instructors shall submit to periodic inspections of their business practices, facilities, records, and insurance by authorized representatives of the director of the department of licensing.

Sec. 10. RCW 46.82.370 and 1979 ex.s. c 51 s 10 are each amended to read as follows:

Upon notification of suspension, revocation, denial, or refusal to renew a license under this chapter, a driver training school or instructor shall have the right to appeal the action being taken. An appeal may be made to the director, who shall cause a hearing to be held ~~((by the advisory committee))~~ in accordance with chapter 34.05 RCW. Filing an appeal shall stay the action pending the hearing and the director's decision. Upon conclusion of the hearing, ~~((the advisory committee shall notify the director of its findings of fact and recommended action. Within ten days of receipt of the advisory committee's findings and recommendation;))~~ the director shall issue a decision on the appeal.

(1) A license may, however, be temporarily suspended by the director without notice pending any prosecution, investigation, or

hearing where such emergency action is warranted. A licensee or applicant entitled to a hearing shall be given due notice thereof.

(2) The sending of a notice of a hearing by registered mail to the last known address of a licensee or applicant in accordance with chapter 34.05 RCW shall be deemed due notice.

(3) The director or the director's authorized representative shall preside over the ~~((advisory committee during the))~~ hearing and shall have the power to subpoena witnesses, administer oaths to witnesses, take testimony of any person, and cause depositions to be taken. A subpoena issued under the authority of this section shall be served in the same manner as a subpoena issued by a court of record. Witnesses subpoenaed under this section and persons other than officers or employees of the department of licensing shall be entitled to the same fees and mileage as are allowed in civil actions in courts of law.

Sec. 11. RCW 46.82.420 and 2004 c 126 s 2 are each amended to read as follows:

(1) The advisory committee shall ~~((compile))~~ consult with the department in the development and maintenance of a basic minimum required curriculum and the department shall furnish to each qualifying applicant for an instructor's license or a driver training school license a ~~((basic minimum required))~~ copy of such curriculum.

(2) In addition to information on the safe, lawful, and responsible operation of motor vehicles on the state's highways, the basic minimum required curriculum shall ~~((also))~~ include ~~((+))~~ information on:

(a) Intermediate driver's license issuance, passenger and driving restrictions and sanctions for violating the restrictions, and the effect of traffic violations and collisions on the driving privileges;

(b) The effects of alcohol and drug use on motor vehicle operators, including information on drug and alcohol related traffic injury and mortality rates in the state of Washington ~~((+2))~~ and the current penalties for driving under the influence of drugs or alcohol; and ~~((3))~~ information on)

(c) Motorcycle awareness, approved by the Motorcycle Safety Foundation, to ensure new operators of motor vehicles have been instructed in the importance of safely sharing the road with motorcyclists.

(3) Should the director be presented with acceptable proof that any licensed instructor or driver training school is not showing proper diligence in teaching such basic minimum curriculum as required, the instructor or school shall be required to appear before the advisory committee and show cause why the license of the instructor or school should not be revoked for such negligence. If the committee does not accept such reasons as may be offered, the director may revoke the license of the instructor or school, or both.

Sec. 12. RCW 18.235.020 and 2002 c 86 s 103 are each amended to read as follows:

(1) This chapter applies only to the director and the boards and commissions having jurisdiction in relation to the businesses and professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The director has authority under this chapter in relation to the following businesses and professions:

(i) Auctioneers under chapter 18.11 RCW;

(ii) Bail bond agents under chapter 18.185 RCW;

(iii) Camping resorts' operators and salespersons under chapter 19.105 RCW;

(iv) Commercial telephone solicitors under chapter 19.158 RCW;

(v) Cosmetologists, barbers, manicurists, and estheticians under chapter 18.16 RCW;

(vi) Court reporters under chapter 18.145 RCW;

(vii) Driver training schools and instructors under chapter 46.82 RCW;

(viii) Employment agencies under chapter 19.31 RCW;

~~((viii))~~ (ix) For hire vehicle operators under chapter 46.72 RCW;

~~((ix))~~ (x) Limousines under chapter 46.72A RCW;

~~((x))~~ (xi) Notaries public under chapter 42.44 RCW;

~~((xi))~~ (xii) Private investigators under chapter 18.165 RCW;

~~((xii))~~ (xiii) Professional boxing, martial arts, and wrestling under chapter 67.08 RCW;

~~((xiii))~~ (xiv) Real estate appraisers under chapter 18.140 RCW;

~~((xiv))~~ (xv) Real estate brokers and salespersons under chapters 18.85 and 18.86 RCW;

~~((xv))~~ (xvi) Security guards under chapter 18.170 RCW;

~~((xvi))~~ (xvii) Sellers of travel under chapter 19.138 RCW;

~~((xvii))~~ (xviii) Timeshares and timeshare salespersons under chapter 64.36 RCW; and

~~((xviii))~~ (xix) Whitewater river outfitters under chapter 79A.60 RCW.

(b) The boards and commissions having authority under this chapter are as follows:

(i) The state board of registration for architects established in chapter 18.08 RCW;

(ii) The cemetery board established in chapter 68.05 RCW;

(iii) The Washington state collection agency board established in chapter 19.16 RCW;

(iv) The state board of registration for professional engineers and land surveyors established in chapter 18.43 RCW governing licenses issued under chapters 18.43 and 18.210 RCW;

(v) The state board of funeral directors and embalmers established in chapter 18.39 RCW;

(vi) The state board of registration for landscape architects established in chapter 18.96 RCW; and

(vii) The state geologist licensing board established in chapter 18.220 RCW.

(3) In addition to the authority to discipline license holders, the disciplinary authority may grant or deny licenses based on the conditions and criteria established in this chapter and the chapters specified in subsection (2) of this section. This chapter also governs any investigation, hearing, or proceeding relating to denial of licensure or issuance of a license conditioned on the applicant's compliance with an order entered under RCW 18.235.110 by the disciplinary authority.

Sec. 13. RCW 46.20.055 and 2005 c 314 s 303 are each amended to read as follows:

(1) **Driver's instruction permit.** The department may issue a driver's instruction permit with or without a photograph to an applicant who has successfully passed all parts of the examination other than the driving test, provided the information required by RCW 46.20.091, paid a fee of twenty dollars, and meets the following requirements:

(a) Is at least fifteen and one-half years of age; or

(b) Is at least fifteen years of age and:

(i) Has submitted a proper application; and

(ii) Is enrolled in a traffic safety education program offered, approved, and accredited by the superintendent of public instruction

or offered by a driver training school licensed and inspected by the department of licensing under chapter 46.82 RCW, that includes practice driving.

(2) **Waiver of written examination for instruction permit.**

The department may waive the written examination, if, at the time of application, an applicant is enrolled in:

(a) A traffic safety education course as defined by RCW 28A.220.020(2); or

(b) A course of instruction offered by a licensed driver training school as defined by RCW 46.82.280~~((4))~~ (4).

The department may require proof of registration in such a course as it deems necessary.

(3) **Effect of instruction permit.** A person holding a driver's instruction permit may drive a motor vehicle, other than a motorcycle, upon the public highways if:

(a) The person has immediate possession of the permit; and

(b) An approved instructor, or a licensed driver with at least five years of driving experience, occupies the seat beside the driver.

(4) **Term of instruction permit.** A driver's instruction permit is valid for one year from the date of issue.

(a) The department may issue one additional one-year permit.

(b) The department may issue a third driver's permit if it finds after an investigation that the permittee is diligently seeking to improve driving proficiency.

(c) A person applying to renew an instruction permit must submit the application to the department in person.

NEW SECTION. Sec. 14. This act is necessary for the immediate preservation of the public peace, health, or safety, in support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

Representative Holmquist moved the adoption of amendment (854) to amendment (853):

On page 13, after line 21 of the amendment, strike all material through "(d)" on line 25 and insert the following:

~~"((To classify as a branch office or classroom the facility must be within a thirty-five mile radius of the established place of business.))~~
(c)"

Representative Holmquist spoke in favor of the adoption of the amendment.

Representative Wallace spoke against the adoption of the amendment.

The amendment was not adopted.

The question before the House was the adoption of amendment (853).

Representative Woods spoke in favor of the adoption of the amendment.

Representative Wallace spoke against the adoption of the amendment.

The amendment was not adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Wallace, Curtis and Murray spoke in favor of passage of the bill.

Representative Holmquist spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2829.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2829 and the bill passed the House by the following vote: Yeas - 82, Nays - 13, Absent - 0, Excused - 3.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Blake, Buck, Campbell, Chase, Clibborn, Cody, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Schindler, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Takko, Tom, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 82.

Voting nay: Representatives Armstrong, Bailey, Buri, Chandler, Clements, Condotta, Cox, Dunn, Ericksen, Holmquist, Kretz, Sump and Talcott - 13.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

HOUSE BILL NO. 2829, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2943, By Representatives Cody, Curtis, Morrell, Campbell, Green, Clibborn, Kessler, Serben, Rodne, Roach, Moeller, Buri, Pearson, McCune, Appleton, Kenney, Hasegawa and Dunn

Modifying health care provider contract requirements.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2943 was substituted for House Bill No. 2943 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2943 was read the second time.

Representative Morrell moved the adoption of amendment (818):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 48.43 RCW to read as follows:

(1) Every health carrier, insurer, and other organization engaged in the business of creating provider networks shall comply with the provisions of this section in selecting and contracting with health care providers. For the purpose of this section, "contractor" refers to health carriers, insurers, and other organizations engaged in the business of creating provider networks.

(2) Contractors may not discriminate against various classes of health care practitioners by adopting health care network selection and credentialing standards that permit selection and credentialing of clinics of only one or certain classes of practitioners. For example and not as a limitation of this subsection, if a contractor permits a clinic comprising physicians and nurses to contract on a clinic rather than upon an individual basis, the contractor must permit a clinic comprising chiropractors and licensed massage therapists to contract on a clinic rather than upon an individual basis.

(3) Contractors may not refuse to contract with a provider or providers who purchase the practice of an existing contracted provider if the purchasing provider or providers otherwise meet the credentialing standards of the contractor and agree to comply with the terms and conditions of the provider contract, including provisions related to quality assurance and utilization review.

(4) Contractors may not refuse to contract with a provider who works as an employee of a contracted provider if the employee otherwise meets the credentialing standards of the contractor and agrees to comply with the terms and conditions of the provider contract, including provisions related to quality assurance and utilization review.

(5) A contractor may not directly or indirectly require a health care provider to participate in any arrangement that is not a health plan as a condition for participating in any of the contractor's health plans.

(6) For purposes of this section, "health plan" includes a health plan as defined in RCW 48.43.005 and medical coverage programs administered by the health care authority.

NEW SECTION. Sec. 2. The insurance commissioner may adopt rules necessary to implement this act."

Representatives Morrell, Cody and Curtis spoke in favor of the adoption of the amendment.

The amendment was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Cody, Curtis and Campbell spoke in favor of passage of the bill.

Representatives Hinkle and Bailey spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2943.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2943 and the bill passed the House by the following vote: Yeas - 73, Nays - 22, Absent - 0, Excused - 3.

Voting yea: Representatives Appleton, Armstrong, Blake, Buck, Buri, Campbell, Chase, Clibborn, Cody, Conway, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Morrell, Morris, Murray, O'Brien, Orcutt, Ormsby, Pearson, Pettigrew, Priest, Roach, Roberts, Rodne, Santos, Sells, Serben, Shabro, Simpson, Sommers, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Wallace, Walsh, Williams, Wood, Woods and Mr. Speaker - 73.

Voting nay: Representatives Ahern, Alexander, Anderson, Bailey, Chandler, Clements, Condotta, Cox, Crouse, Dunn, Ericksen, Hinkle, Holmquist, Moeller, Newhouse, Nixon, Schindler, Skinner, Springer, Strow, Talcott and Tom - 22.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2943, having received the necessary constitutional majority, was declared passed.

THIRD READING

ENGROSSED HOUSE BILL NO. 1069, By Representatives McIntire, Conway, Priest, Upthegrove, Kilmer, Moeller, Dickerson, Williams, Schual-Berke, Nixon, Springer, Sells, P. Sullivan, Green, Lovick, Kenney, Haigh, Wallace, Kagi, Simpson, Linville, Morris, Wood, Hunter, Lantz, Hudgins, Ericks, Darneille, Clibborn, Sommers, Morrell, Takko, O'Brien, Appleton, Hunt, Santos, Ormsby, Murray and Chase

Requiring performance audits for tax preferences.

The bill was read the third time.

Representatives McIntire spoke in favor of passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1069.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1069 and the bill passed the House by the following vote: Yeas - 61, Nays - 34, Absent - 0, Excused - 3.

Voting yea: Representatives Anderson, Appleton, Blake, Campbell, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks, Flannigan, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Nixon, O'Brien, Ormsby, Pettigrew, Priest, Roberts, Rodne, Santos, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Tom, Upthegrove, Wallace, Walsh, Williams, Wood and Mr. Speaker - 61.

Voting nay: Representatives Ahern, Alexander, Armstrong, Bailey, Buck, Buri, Chandler, Clements, Condotta, Cox, Crouse, Curtis, DeBolt, Dunn, Ericksen, Haler, Hankins, Hinkle, Holmquist, Kretz, Kristiansen, McCune, Newhouse, Orcutt, Pearson, Roach, Schindler, Serben, Shabro, Skinner, Strow, Sump, Talcott and Woods - 34.

Excused: Representatives Fromhold, Quall and Schual-Berke - 3.

ENGROSSED HOUSE BILL NO. 1069, having received the necessary constitutional majority, was declared passed.

INTRODUCTION & FIRST READING

HB 3312 by Representatives Chase, Hasegawa, Williams, Ormsby and Appleton

AN ACT Relating to fair employment practices; and adding a new chapter to Title 49 RCW.

Referred to Committee on Commerce & Labor.

ESB 5232 by Senators Oke, Swecker and Jacobsen

AN ACT Relating to turkey tags; and amending RCW 77.32.460.

Referred to Committee on Natural Resources, Ecology & Parks.

ESSB 5385 by Senate Committee on Natural Resources, Ocean & Recreation (originally sponsored by Senators Jacobsen, Oke, Fraser, Swecker and Kline)

AN ACT Relating to creating an invasive species council; amending RCW 79A.25.010; adding new sections to chapter 79A.25 RCW; and providing an expiration date.

Referred to Committee on Natural Resources, Ecology & Parks.

SSB 5838 by Senate Committee on Health & Long-Term Care (originally sponsored by Senators Kastama, Benson, Poulsen, Brandland, Deccio, Keiser, Thibaudeau, Franklin and Rasmussen)

AN ACT Relating to the substitution of a preferred drug for a nonpreferred drug in hepatitis C virus treatments; and amending RCW 69.41.190.

Referred to Committee on Health Care.

SSB 6144 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Stevens, Benton, Carrell, Regala, Benson and Pflug)

AN ACT Relating to registration requirements on sex offenders coming from outside the state who establish or reestablish Washington residency; amending RCW 9A.44.130; and providing an effective date.

Referred to Committee on Criminal Justice & Corrections.

ESB 6152 by Senators Kastama and Kline; by request of Public Disclosure Commission

AN ACT Relating to penalties for violation of chapter 42.17 RCW, the public disclosure and fair campaign practices act; amending RCW 42.17.390 and 42.17.395; adding a new section to chapter 42.17 RCW; and prescribing penalties.

Referred to Committee on State Government Operations & Accountability.

ESSB 6166 by Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senators Fairley, Benton, Prentice, Keiser, Franklin, Berkey, Brandland and Benson; by request of Department of Financial Institutions)

AN ACT Relating to mortgage brokers and loan originators; amending RCW 19.146.005, 19.146.010, 19.146.020, 19.146.0201, 19.146.030, 19.146.040, 19.146.060, 19.146.070, 19.146.200, 19.146.205, 19.146.210, 19.146.215, 19.146.225, 19.146.228, 19.146.235, and 19.146.280; reenacting and amending RCW 19.146.220; adding new sections to chapter 19.146 RCW; creating a new section; prescribing penalties; and providing an effective date.

Referred to Committee on Financial Institutions & Insurance.

SSB 6196 by Senate Committee on Health & Long-Term Care (originally sponsored by Senators Franklin, Regala, Keiser, Eide, Rockefeller, Prentice, Thibaudeau, Jacobsen, Fairley, McAuliffe, Fraser, Sheldon, Brown, Spanel, Kline, Kohl-Welles, Shin and Esser)

AN ACT Relating to including a health official from a federally recognized tribe on the state board of health; reenacting and amending RCW 43.20.030; and creating a new section.

Referred to Committee on Health Care.

SB 6219 by Senators Keiser, Weinstein, Eide, Pridemore, Prentice, Berkey, Fraser and Kohl-Welles

AN ACT Relating to financial literacy education; adding a new section to chapter 28A.230 RCW; and creating a new section.

Referred to Committee on Education.

E2SSB 6239 by Senate Committee on Ways & Means (originally sponsored by Senators Hargrove, Johnson, Doumit, Oke, Stevens and Esser; by request of Attorney General)

AN ACT Relating to the impact of controlled substances, primarily methamphetamine; amending RCW 2.28.170, 26.44.020, 26.44.020, 26.44.195, 74.34.020, 64.44.010, 64.44.020, 64.44.030, 64.44.040, 64.44.050, 64.44.060, 64.44.070, 9.94A.533, 9.94A.660, and 9.94A.500; adding a new section to chapter 70.96A RCW; adding a new section to chapter 72.09 RCW; adding a new section to chapter 64.44 RCW; adding a new chapter to Title 49 RCW; creating new sections; prescribing penalties; providing an effective date; and providing expiration dates.

Referred to Committee on Criminal Justice & Corrections.

ESSB 6315 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Carrell, Benton, Roach, Mulliken, Oke, Schoesler, Schmidt, Regala, Delvin, Stevens, Benson, Sheldon and Esser)

AN ACT Relating to liability protection for landlords; adding a new section to chapter 59.18 RCW; and creating new sections.

Referred to Committee on Judiciary.

2SSB 6319 by Senate Committee on Ways & Means (originally sponsored by Senators Regala, Brandland, Stevens, Kline, Weinstein, Doumit, Carrell, Keiser, Rockefeller, Berkey, Haugen, Fairley, Spanel, Pflug, Sheldon, Rasmussen, McAuliffe, Shin, Roach and Benton)

AN ACT Relating to failure to register as a sex offender; amending RCW 9A.44.130, 9.94A.545, and 9.94A.715; reenacting and amending RCW 9A.44.130 and 9.94A.515; creating new sections; prescribing penalties; providing an effective date; and providing an expiration date.

Referred to Committee on Criminal Justice & Corrections.

SSB 6320 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Regala, Brandland, Franklin, Doumit, Rasmussen, Carrell, Haugen, Pridemore, Kline, Stevens, Keiser, Berkey, Thibaudeau, Jacobsen, Pflug, Sheldon, Kohl-Welles, McAuliffe, Roach and Benton)

AN ACT Relating to a model policy for disclosure of sex offender information; amending RCW 4.24.5501; and creating a new section.

Referred to Committee on Criminal Justice & Corrections.

SSB 6322 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Regala, Brandland, Kohl-Welles, Carrell, Kastama, Stevens, Keiser, Doumit, Rockefeller, Kline, Rasmussen, Berkey, Haugen, Shin, Jacobsen, McAuliffe, Pflug, Sheldon, Roach and Benton)

AN ACT Relating to electronic monitoring of sex offenders; amending RCW 9.94A.715; and adding a new section to chapter 4.24 RCW.

Referred to Committee on Criminal Justice & Corrections.

SSB 6323 by Senate Committee on Government Operations & Elections (originally sponsored by Senators Regala, Swecker, Kastama and Rasmussen)

AN ACT Relating to campaign finance disclosure; and amending RCW 42.17.030 and 42.17.405.

Referred to Committee on State Government Operations & Accountability.

SSB 6325 by Senate Committee on Human Services & Corrections (originally sponsored by Senators

Regala, Kline, Fairley, Stevens, Rasmussen and McAuliffe)

AN ACT Relating to establishing residence restrictions for sex offenders; creating a new section; repealing 2005 c 436 s 4 (uncodified); and repealing 2005 c 436 s 6 (uncodified).

Referred to Committee on Criminal Justice & Corrections.

SB 6334 by Senators Fairley, Benton, Franklin, Kline, Rasmussen and Shin; by request of Housing Finance Commission

AN ACT Relating to increasing the debt limit of the housing finance commission; and amending RCW 43.180.160.

Referred to Committee on Housing.

SSB 6336 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Haugen, Prentice, Fairley, Oke, Fraser, Swecker, Shin, Kline, Rockefeller, Eide, Kohl-Welles, Keiser, McAuliffe, Rasmussen, Franklin, Thibaudeau, Jacobsen, Brown and Sheldon)

AN ACT Relating to the definition of income for public assistance; and creating new sections.

Referred to Committee on Children & Family Services.

SB 6338 by Senators Haugen, Oke, Berkey, Swecker, Eide, Mulliken, Spanel, Kline, Rasmussen, McAuliffe, Shin and Fairley

AN ACT Relating to property tax exemptions and deferrals for senior citizens and persons retired for reasons of disability; amending RCW 84.36.383, 84.38.020, and 84.38.030; and creating a new section.

Referred to Committee on Finance.

SSB 6382 by Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Hewitt, Kohl-Welles, Rasmussen, Finkbeiner, Pflug and Sheldon; by request of Horse Racing Commission)

AN ACT Relating to authorizing the Washington horse racing commission to expend a statutorily limited amount of its operating funds for the development of the equine industry, improvement of racing facilities, and equine health research; and amending RCW 67.16.280 and 67.16.101.

Referred to Committee on Commerce & Labor.

SSB 6406 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Stevens, Doumit, McAuliffe, Regala, Rasmussen, Benton and Oke; by request of Attorney General)

AN ACT Relating to assault of a child in the second degree; amending RCW 9.94A.030, 9.94A.712, and 9.94A.712; providing an effective date; and providing an expiration date.

Referred to Committee on Criminal Justice & Corrections.

ESSB 6409 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Stevens, Doumit, McAuliffe, Regala, Rasmussen and Oke; by request of Attorney General)

AN ACT Relating to prohibiting offenders who enter Alford pleas or Newton pleas from receiving special sex offender sentencing and disposition alternatives; reenacting and amending RCW 9.94A.670 and 13.40.160; and prescribing penalties.

Referred to Committee on Criminal Justice & Corrections.

SB 6429 by Senators Jacobsen, Oke, Haugen, Honeyford and Rasmussen; by request of Archaeology and Historic Preservation

AN ACT Relating to disclosure of certain Native American cultural resources information; amending RCW 42.56.300; and providing an effective date.

Referred to Committee on State Government Operations & Accountability.

SSB 6439 by Senate Committee on Natural Resources, Ocean & Recreation (originally sponsored by Senators Doumit, Oke, Jacobsen, Schoesler and Delvin)

AN ACT Relating to coastal crab fisheries licenses; and amending RCW 77.70.350.

Referred to Committee on Natural Resources, Ecology & Parks.

SSB 6441 by Senate Committee on Judiciary (originally sponsored by Senators Johnson and Kline)

AN ACT Relating to judicial orders concerning distraint of personal property; and adding a new section to chapter 84.56 RCW.

Referred to Committee on Judiciary.

SB 6453 by Senators Mulliken, Pridemore, Fraser, Rockefeller, Franklin and Spanel; by request of Select Committee on Pension Policy

AN ACT Relating to a one thousand dollar minimum monthly benefit for plan 1 members of the public employees' retirement system and plan 1 members of the teachers' retirement system; amending RCW 41.32.4851 and 41.40.1984; and providing an effective date.

Referred to Committee on Appropriations.

2SSB 6460 by Senate Committee on Ways & Means (originally sponsored by Senators Hargrove, Stevens, McCaslin, McAuliffe, Keiser, Rasmussen, Benton, Roach and Oke; by request of Attorney General)

AN ACT Relating to penalties for crimes committed with sexual motivation; amending RCW 9.94A.533 and 9.94A.835; prescribing penalties; creating a new section; and providing an effective date.

Referred to Committee on Criminal Justice & Corrections.

ESSB 6475 by Senate Committee on Early Learning, K-12 & Higher Education (originally sponsored by Senators McAuliffe, Schmidt, Eide, Weinstein, Haugen, Berkey, Kastama, Shin, Kohl-Welles and Rasmussen; by request of Superintendent of Public Instruction)

AN ACT Relating to authorizing alternative methods of assessment and appeal processes for the certificate of academic achievement; adding new sections to chapter 28A.655 RCW; adding a new section to chapter 28C.04 RCW; and creating a new section.

Referred to Committee on Education.

SSB 6478 by Senate Committee on Judiciary (originally sponsored by Senators Regala, Hargrove, McAuliffe, Keiser and Rasmussen)

AN ACT Relating to protection of sexual assault victims; amending RCW 9A.46.060, 10.14.130, 10.31.100, 19.220.010, 26.50.110, and 59.18.575; reenacting and amending RCW 26.50.160; adding a new chapter to Title 7 RCW; creating a new section; and prescribing penalties.

Referred to Committee on Judiciary.

SB 6479 by Senators Regala, McAuliffe and Kline

AN ACT Relating to the privilege for sexual assault advocates; and amending RCW 5.60.060.

Referred to Committee on Judiciary.

SSB 6502 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Roach, Kohl-Welles, Weinstein, Kline, McCaslin, Benton and Rasmussen)

AN ACT Relating to creating a statewide automated victim information and notification system; amending RCW 36.28A.040; and creating a new section.

Referred to Committee on Criminal Justice & Corrections.

SSB 6519 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Benton, Benson, Schoesler, Carrell, Esser, Jacobsen, Pflug, Mulliken, Johnson, Honeyford, Sheldon, Roach, Kline, Oke, Rasmussen and Keiser)

AN ACT Relating to county sheriffs monitoring registered sex offenders; amending RCW 9A.44.130; reenacting and amending RCW 9A.44.130; providing an effective date; and providing an expiration date.

Referred to Committee on Criminal Justice & Corrections.

SB 6536 by Senators Jacobsen and Benton

AN ACT Relating to the legislative youth advisory council; and amending RCW 28A.300.801.

Referred to Committee on State Government Operations & Accountability.

ESB 6537 by Senators Kohl-Welles, Parlette, Hewitt, Honeyford, Keiser and McAuliffe; by request of Liquor Control Board

AN ACT Relating to the shipment of wine from wine manufacturers directly to Washington consumers; amending RCW 66.24.210; adding new sections to chapter 66.20 RCW; and repealing RCW 66.12.190, 66.12.200, 66.12.210, and 66.12.220.

Referred to Committee on Commerce & Labor.

SSB 6571 by Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senators Berkey, Benton, Fairley, Honeyford, Franklin and Parlette)

AN ACT Relating to financing practices of motor vehicle dealers; amending RCW 46.70.180; and creating a new section.

Referred to Committee on Commerce & Labor.

SSB 6572 by Senate Committee on Judiciary (originally sponsored by Senator Hargrove)

AN ACT Relating to the unlawful detainer process under the residential landlord-tenant act; and amending RCW 59.18.365 and 59.18.375.

Referred to Committee on Judiciary.

SB 6576 by Senators Hargrove, Brandland, Rasmussen and McAuliffe; by request of Washington State Patrol

AN ACT Relating to forwarding of sex offender information; and amending RCW 43.43.540.

Referred to Committee on Criminal Justice & Corrections.

ESSB 6580 by Senate Committee on Human Services & Corrections (originally sponsored by Senators McAuliffe, Schmidt, Weinstein, Carrell, Berkey, Rasmussen, Oke and Shin)

AN ACT Relating to sex offender and kidnapping offender notification and information sharing in schools; creating new sections; and providing an expiration date.

Referred to Committee on Juvenile Justice & Family Law.

SSB 6618 by Senate Committee on Early Learning, K-12 & Higher Education (originally sponsored by Senators McAuliffe and Schmidt)

AN ACT Relating to the high school assessment system; and creating new sections.

Referred to Committee on Education.

SB 6658 by Senators Thibaudeau and Deccio

AN ACT Relating to experience requirements for licensed mental health counselors; and amending RCW 18.225.090.

Referred to Committee on Health Care.

ESB 6661 by Senators Rasmussen, Esser, Jacobsen, Schoesler and Kohl-Welles

AN ACT Relating to establishing the Washington beer commission; amending RCW 66.44.800, 15.04.200,

42.17.31907, 42.56.380, and 43.23.033; adding a new section to chapter 66.12 RCW; adding a new chapter to Title 15 RCW; providing an effective date; and providing an expiration date.

Referred to Committee on Economic Development, Agriculture & Trade.

SB 6674 by Senator Oke

AN ACT Relating to funds collected from construction of the second Tacoma Narrows bridge; and amending RCW 47.56.165 and 47.12.063.

Referred to Committee on Transportation.

ESB 6741 by Senators Stevens, Hargrove, Carrell, Brandland and Rasmussen

AN ACT Relating to the joint task force on the administration and delivery of services to children and families; amending 2005 c 474 s 1 (uncodified); amending 2005 c 474 s 2 (uncodified); amending 2005 c 474 s 3 (uncodified); and providing expiration dates.

Referred to Committee on Children & Family Services.

SSB 6775 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Stevens, Rasmussen and McAuliffe; by request of Attorney General)

AN ACT Relating to criminal trespass against children by sex offenders; reenacting and amending RCW 9.94A.515; adding new sections to chapter 9A.44 RCW; creating a new section; prescribing penalties; and declaring an emergency.

Referred to Committee on Criminal Justice & Corrections.

SSB 6806 by Senate Committee on Judiciary (originally sponsored by Senators Esser, Hargrove, Brandland, Johnson and Rasmussen)

AN ACT Relating to domestic violence; creating new sections; and providing an expiration date.

Referred to Committee on Juvenile Justice & Family Law.

2SSB 6823 by Senate Committee on Ways & Means (originally sponsored by Senator Kohl-Welles; by request of Liquor Control Board)

AN ACT Relating to the distribution of beer and wine by wineries and breweries located inside and outside Washington state to Washington retail liquor licensees; amending RCW 66.24.170, 66.24.240, 66.24.206, 66.24.210, 66.24.270,

66.24.290, 66.28.180, and 42.56.270; reenacting and amending RCW 66.24.244, 66.28.070, 66.28.180, and 42.17.310; creating a new section; providing effective dates; providing expiration dates; and declaring an emergency.

Referred to Committee on Commerce & Labor.

ESJM 8019 by Senators Shin, Rasmussen, Rockefeller, Weinstein, Kastama, Kohl-Welles, Pridemore, Berkey, Doumit, McAuliffe, Franklin, Keiser, Regala, Fairley, Prentice, Jacobsen, Fraser and Haugen

Requesting the United States trade representative to create a federal-state international trade policy commission.

Referred to Committee on Economic Development, Agriculture & Trade.

There being no objection, the bills and memorial listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

REPORTS OF STANDING COMMITTEES

February 10, 2006

HB 3308 Prime Sponsor, Representative Morris; Concerning revenue from fossil fuel production. Reported by Committee on Technology, Energy & Communications

MAJORITY recommendation: Do pass. Signed by Representatives Morris, Chairman; Kilmer, Vice Chairman; Haler, Assistant Ranking Minority Member; Ericks; Hankins; Hudgins; Nixon; P. Sullivan; Takko and Wallace.

Passed to Committee on Rules for second reading.

There being no objection, the bill listed on the day's committee reports sheet under the fifth order of business were placed on second reading.

There being no objection, the Rules Committee was relieved of the following bills which were placed on second reading:

HOUSE BILL NO. 2325,
HOUSE BILL NO. 2345,
HOUSE BILL NO. 2399,
HOUSE BILL NO. 2426,
HOUSE BILL NO. 2632,
HOUSE BILL NO. 2801,
HOUSE BILL NO. 2813,
HOUSE BILL NO. 2833,
HOUSE BILL NO. 2879,
HOUSE BILL NO. 3102,
HOUSE BILL NO. 3106,

HOUSE BILL NO. 3156,
HOUSE BILL NO. 3157,
HOUSE BILL NO. 3278,

There being no objection, the House advanced to the eleventh order of business.

There being no objection, the House adjourned until 10:00 a.m., February 13, 2006, the 36th Day of the Regular Session.

FRANK CHOPP, Speaker

RICHARD NAFZIGER, Chief Clerk

draft

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