

SIXTIETH LEGISLATURE - REGULAR SESSION

ONE HUNDREDTH DAY

House Chamber, Olympia, Tuesday, April 17, 2007

April 16, 2007

The House was called to order at 10:00 a.m. by the Speaker (Representative Lovick presiding). The Clerk called the roll and a quorum was present.

Mr. Speaker:

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Drew Rickerson and Jisoo Yamada. The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. Prayer was offered by Reverend Jim Erlandson, Community of Christ, Olympia.

The Senate concurred in the House amendments to the following bills and passed the bills as amended by the House: ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5859, ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5862, ENGROSSED SUBSTITUTE SENATE BILL NO. 5915, SENATE BILL NO. 5926, and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary

April 16, 2007

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

Mr. Speaker:

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

The Senate concurred in the House amendments to the following bills and passed the bills as amended by the House: SUBSTITUTE SENATE BILL NO. 5503, ENGROSSED SENATE BILL NO. 5508, SUBSTITUTE SENATE BILL NO. 5533, SUBSTITUTE SENATE BILL NO. 5534, and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary

April 16, 2007

MESSAGES FROM THE SENATE

April 16, 2007

Mr. Speaker:

The Senate concurred in the House amendments to the following bills and passed the bills as amended by the House:

- SENATE BILL NO. 5551, SUBSTITUTE SENATE BILL NO. 5634, SUBSTITUTE SENATE BILL NO. 5639, SECOND SUBSTITUTE SENATE BILL NO. 5652, SUBSTITUTE SENATE BILL NO. 5653, SUBSTITUTE SENATE BILL NO. 5674, ENGROSSED SENATE BILL NO. 5675, SUBSTITUTE SENATE BILL NO. 5702, SUBSTITUTE SENATE BILL NO. 5718, SUBSTITUTE SENATE BILL NO. 5721, SUBSTITUTE SENATE BILL NO. 5731, ENGROSSED SUBSTITUTE SENATE BILL NO. 5774, ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5828, ENGROSSED SUBSTITUTE SENATE BILL NO. 5836,

and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary

April 16, 2007

Mr. Speaker:

The Senate concurred in the House amendments to the following bills and passed the bills as amended by the House:

- SECOND SUBSTITUTE SENATE BILL NO. 5995, SECOND SUBSTITUTE SENATE BILL NO. 6016, SENATE BILL NO. 6119, SUBSTITUTE SENATE JOINT MEMORIAL NO. 8011,

and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary

Mr. Speaker:

The Senate concurred in the House amendments to the following bills and passed the bills as amended by the House:

- SUBSTITUTE SENATE BILL NO. 5002, SENATE BILL NO. 5014, ENGROSSED SUBSTITUTE SENATE BILL NO. 5037, SUBSTITUTE SENATE BILL NO. 5053, SENATE BILL NO. 5084, SENATE BILL NO. 5088, SECOND SUBSTITUTE SENATE BILL NO. 5092, ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5098, SUBSTITUTE SENATE BILL NO. 5101, ENGROSSED SUBSTITUTE SENATE BILL NO. 5112, SECOND SUBSTITUTE SENATE BILL NO. 5188, SUBSTITUTE SENATE BILL NO. 5243, ENGROSSED SUBSTITUTE SENATE BILL NO. 5290, SUBSTITUTE SENATE BILL NO. 5321, SENATE BILL NO. 5332, SENATE BILL NO. 5402, SENATE BILL NO. 5429, SENATE BILL NO. 5512,

and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary

MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1141, with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 13.50.050 and 2004 c 42 s 1 are each amended to read as follows:

(1) This section governs records relating to the commission of juvenile offenses, including records relating to diversions.

(2) The official juvenile court file of any alleged or proven juvenile offender shall be open to public inspection, unless sealed pursuant to subsection (12) of this section.

(3) All records other than the official juvenile court file are confidential and may be released only as provided in this section, RCW 13.50.010, 13.40.215, and 4.24.550.

(4) Except as otherwise provided in this section and RCW 13.50.010, records retained or produced by any juvenile justice or care agency may be released to other participants in the juvenile justice or care system only when an investigation or case involving the juvenile in question is being pursued by the other participant or when that other participant is assigned the responsibility for supervising the juvenile.

(5) Except as provided in RCW 4.24.550, information not in an official juvenile court file concerning a juvenile or a juvenile's family may be released to the public only when that information could not reasonably be expected to identify the juvenile or the juvenile's family.

(6) Notwithstanding any other provision of this chapter, the release, to the juvenile or his or her attorney, of law enforcement and prosecuting attorneys' records pertaining to investigation, diversion, and prosecution of juvenile offenses shall be governed by the rules of discovery and other rules of law applicable in adult criminal investigations and prosecutions.

(7) Upon the decision to arrest or the arrest, law enforcement and prosecuting attorneys may cooperate with schools in releasing information to a school pertaining to the investigation, diversion, and prosecution of a juvenile attending the school. Upon the decision to arrest or the arrest, incident reports may be released unless releasing the records would jeopardize the investigation or prosecution or endanger witnesses. If release of incident reports would jeopardize the investigation or prosecution or endanger witnesses, law enforcement and prosecuting attorneys may release information to the maximum extent possible to assist schools in protecting other students, staff, and school property.

(8) The juvenile court and the prosecutor may set up and maintain a central record-keeping system which may receive information on all alleged juvenile offenders against whom a complaint has been filed pursuant to RCW 13.40.070 whether or not their cases are currently pending before the court. The central record-keeping system may be computerized. If a complaint has been referred to a diversion unit, the diversion unit shall promptly report to the juvenile court or the prosecuting attorney when the juvenile has agreed to diversion. An offense shall not be reported as criminal history in any central record-keeping system without notification by the diversion unit of the date on which the offender agreed to diversion.

(9) Upon request of the victim of a crime or the victim's immediate family, the identity of an alleged or proven juvenile

offender alleged or found to have committed a crime against the victim and the identity of the alleged or proven juvenile offender's parent, guardian, or custodian and the circumstance of the alleged or proven crime shall be released to the victim of the crime or the victim's immediate family.

(10) Subject to the rules of discovery applicable in adult criminal prosecutions, the juvenile offense records of an adult criminal defendant or witness in an adult criminal proceeding shall be released upon request to prosecution and defense counsel after a charge has actually been filed. The juvenile offense records of any adult convicted of a crime and placed under the supervision of the adult corrections system shall be released upon request to the adult corrections system.

(11) In any case in which an information has been filed pursuant to RCW 13.40.100 or a complaint has been filed with the prosecutor and referred for diversion pursuant to RCW 13.40.070, the person the subject of the information or complaint may file a motion with the court to have the court vacate its order and findings, if any, and, subject to subsection (23) of this section, order the sealing of the official juvenile court file, the social file, and records of the court and of any other agency in the case.

(12) The court shall not grant any motion to seal records made pursuant to subsection (11) of this section that is filed on or after July 1, 1997, unless it finds that:

(a) For class B offenses other than sex offenses, since the last date of release from confinement, including full-time residential treatment, if any, or entry of disposition, the person has spent five consecutive years in the community without committing any offense or crime that subsequently results in conviction. For class C offenses other than sex offenses, since the last date of release from confinement, including full-time residential treatment, if any, or entry of disposition, the person has spent two consecutive years in the community without committing any offense or crime that subsequently results in conviction. For gross misdemeanors and misdemeanors, since the last date of release from confinement, including full-time residential treatment, if any, or entry of disposition, the person has spent two consecutive years in the community without committing any offense or crime that subsequently results in conviction. For diversions, since completion of the diversion agreement, the person has spent two consecutive years in the community without committing any offense or crime that subsequently results in conviction or diversion;

(b) No proceeding is pending against the moving party seeking the conviction of a juvenile offense or a criminal offense;

(c) No proceeding is pending seeking the formation of a diversion agreement with that person;

(d) The person has not been convicted of a class A or sex offense; and

(e) Full restitution has been paid.

(13) The person making a motion pursuant to subsection (11) of this section shall give reasonable notice of the motion to the prosecution and to any person or agency whose files are sought to be sealed.

(14) If the court grants the motion to seal made pursuant to subsection (11) of this section, it shall, subject to subsection (23) of this section, order sealed the official juvenile court file, the social file, and other records relating to the case as are named in the order. Thereafter, the proceedings in the case shall be treated as if they never occurred, and the subject of the records may reply accordingly to any inquiry about the events, records of which are sealed. Any agency shall reply to any inquiry concerning confidential or sealed records that records are confidential, and no information can be given

about the existence or nonexistence of records concerning an individual.

(15) Inspection of the files and records included in the order to seal may thereafter be permitted only by order of the court upon motion made by the person who is the subject of the information or complaint, except as otherwise provided in RCW 13.50.010(8) and subsection (23) of this section.

(16) Any adjudication of a juvenile offense or a crime subsequent to sealing has the effect of nullifying the sealing order. Any charging of an adult felony subsequent to the sealing has the effect of nullifying the sealing order for the purposes of chapter 9.94A RCW. The administrative office of the courts shall ensure that the superior court judicial information system provides prosecutors access to information on the existence of sealed juvenile records.

~~(17)(a) ((A person eighteen years of age or older whose criminal history consists of only one referral for diversion may request that the court order the records in that case destroyed. The request shall be granted, subject to subsection (23) of this section, if the court finds that two years have elapsed since completion of the diversion agreement.)) (i) Subject to subsection (23) of this section, all records maintained by any court or law enforcement agency, including the juvenile court, local law enforcement, the Washington state patrol, and the prosecutor's office, shall be automatically destroyed within ninety days of becoming eligible for destruction. Juvenile records are eligible for destruction when:~~

~~(A) The person who is the subject of the information or complaint is at least eighteen years of age;~~

~~(B) His or her criminal history consists entirely of one diversion agreement or counsel and release entered on or after the effective date of this act;~~

~~(C) Two years have elapsed since completion of the agreement or counsel and release;~~

~~(D) No proceeding is pending against the person seeking the conviction of a criminal offense; and~~

~~(E) There is no restitution owing in the case.~~

~~(ii) No less than quarterly, the administrative office of the courts shall provide a report to the juvenile courts of those individuals whose records may be eligible for destruction. The juvenile court shall verify eligibility and notify the Washington state patrol and the appropriate local law enforcement agency and prosecutor's office of the records to be destroyed. The requirement to destroy records under this subsection is not dependent on a court hearing or the issuance of a court order to destroy records.~~

~~(iii) The state and local governments and their officers and employees are not liable for civil damages for the failure to destroy records pursuant to this section.~~

~~(b) A person eighteen years of age or older whose criminal history consists entirely of one diversion agreement or counsel and release entered prior to the effective date of this act, may request that the court order the records in his or her case destroyed. The request shall be granted, subject to subsection (23) of this section, if the court finds that two years have elapsed since completion of the agreement or counsel and release.~~

~~(c) A person twenty-three years of age or older whose criminal history consists of only referrals for diversion may request that the court order the records in those cases destroyed. The request shall be granted, subject to subsection (23) of this section, if the court finds that all diversion agreements have been successfully completed and no proceeding is pending against the person seeking the conviction of a criminal offense.~~

(18) If the court grants the motion to destroy records made pursuant to subsection (17)(b) or (c) of this section, it shall, subject

to subsection (23) of this section, order the official juvenile court file, the social file, and any other records named in the order to be destroyed.

(19) The person making the motion pursuant to subsection (17)(b) or (c) of this section shall give reasonable notice of the motion to the prosecuting attorney and to any agency whose records are sought to be destroyed.

(20) Any juvenile to whom the provisions of this section may apply shall be given written notice of his or her rights under this section at the time of his or her disposition hearing or during the diversion process.

(21) Nothing in this section may be construed to prevent a crime victim or a member of the victim's family from divulging the identity of the alleged or proven juvenile offender or his or her family when necessary in a civil proceeding.

(22) Any juvenile justice or care agency may, subject to the limitations in subsection (23) of this section and (a) and (b) of this subsection, develop procedures for the routine destruction of records relating to juvenile offenses and diversions.

~~(a) Records may be routinely destroyed only when the person the subject of the information or complaint has attained twenty-three years of age or older (or is eighteen years of age or older and his or her criminal history consists entirely of one diversion agreement and two years have passed since completion of the agreement) or pursuant to subsection (17)(a) of this section.~~

~~(b) The court may not routinely destroy the official juvenile court file or recordings or transcripts of any proceedings.~~

(23) No identifying information held by the Washington state patrol in accordance with chapter 43.43 RCW is subject to destruction or sealing under this section. For the purposes of this subsection, identifying information includes photographs, fingerprints, palmprints, soleprints, toeprints and any other data that identifies a person by physical characteristics, name, birthdate or address, but does not include information regarding criminal activity, arrest, charging, diversion, conviction or other information about a person's treatment by the criminal justice system or about the person's behavior.

(24) Information identifying child victims under age eighteen who are victims of sexual assaults by juvenile offenders is confidential and not subject to release to the press or public without the permission of the child victim or the child's legal guardian. Identifying information includes the child victim's name, addresses, location, photographs, and in cases in which the child victim is a relative of the alleged perpetrator, identification of the relationship between the child and the alleged perpetrator. Information identifying a child victim of sexual assault may be released to law enforcement, prosecutors, judges, defense attorneys, or private or governmental agencies that provide services to the child victim of sexual assault.

**NEW SECTION. Sec. 2.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void."

On page 1, line 1 of the title, after "records;" strike the remainder of the title and insert "amending RCW 13.50.050; and creating a new section."

and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House refused to concur in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1141 and asked the Senate to recede therefrom.

**MESSAGE FROM THE SENATE**

April 13, 2007

Mr. Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1303, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) The legislature finds that excessive dependence on fossil fuels jeopardizes Washington's economic security, environmental integrity, and public health. Accelerated development and use of clean fuels and clean vehicle technologies will reduce the drain on Washington's economy from importing fossil fuels. As fossil fuel prices rise, clean fuels and vehicles can save consumers money while promoting the development of a major, sustainable industry that provides good jobs and a new source of rural prosperity. In addition, clean fuels and vehicles protect public health by reducing toxic air and climate change emissions.

(2) The legislature also finds that climate change is expected to have significant impacts in the Pacific Northwest region in the near and long-term future. These impacts include: Increased temperatures, declining snowpack, more frequent heavy rainfall and flooding, receding glaciers, rising sea levels, increased risks to public health due to insect and rodent-borne diseases, declining salmon populations, and increased drought and risk of forest fires. The legislature recognizes the need at this time to continue to gather and analyze information related to climate protection. This analysis will allow prudent steps to be taken to avoid, mitigate, or respond to climate impacts and protect our communities.

(3) Finally, the legislature finds that to reduce fossil fuel dependence, build our clean energy economy, and reduce climate impacts, the state should develop policies and incentives that help businesses, consumers, and farmers gain greater access to affordable clean fuels and vehicles and to produce clean fuels in the state. These policies and incentives should include: Incentives for replacement of the most polluting diesel engines, especially in school buses; transitional incentives for development of the most promising in-state clean fuels and fuel feedstocks, including biodiesel crops, ethanol from plant waste, and liquid natural gas from landfill or wastewater treatment gases; reduced fossil fuel consumption by state fleets; development of promising new technologies for displacing petroleum with electricity, such as "plug-in hybrids"; and impact analysis and emission accounting procedures that prepare Washington to respond and prosper as climate change impacts occur, and as policies and markets to reduce climate pollution are developed.

**PART 1  
INVESTING IN CLEAN AIR**

**NEW SECTION. Sec. 101.** A new section is added to chapter 28A.300 RCW to read as follows:

(1) The office of the superintendent of public instruction shall implement a school bus replacement incentive program. As part of the program, the office shall fund up to ten percent of the cost of a new 2007 or later model year school bus that meets the 2007 federal motor vehicle emission control standards and is purchased by a school district by no later than June 30, 2009, provided that the new bus is replacing a 1994 or older school bus in the school district's fleet. Replacement of the oldest buses must be given highest priority.

(2) The office of the superintendent of public instruction shall ensure that buses being replaced through this program are surplus under RCW 28A.335.180. As part of the surplus process, school districts must provide written documentation to the office of the superintendent of public instruction demonstrating that buses being replaced are scrapped and not purchased for road use. The documentation must include bus make, model, year, vehicle identification number, engine make, engine serial number, and salvage yard receipts; and must demonstrate that the engine and body of the bus being replaced has been rendered unusable.

(3) The office of the superintendent of public instruction may adopt any rules necessary for the implementation of this act.

**Sec. 102.** RCW 70.94.017 and 2005 c 295 s 5 are each amended to read as follows:

(1) Money deposited in the segregated subaccount of the air pollution control account under RCW 46.68.020(2) shall be distributed as follows:

(a) Eighty-five percent shall be distributed to air pollution control authorities created under this chapter. The money must be distributed in direct proportion with the amount of fees imposed under RCW 46.12.080, 46.12.170, and 46.12.181 that are collected within the boundaries of each authority. However, an amount in direct proportion with those fees collected in counties for which no air pollution control authority exists must be distributed to the department.

(b) The remaining fifteen percent shall be distributed to the department.

(2) Money distributed to air pollution control authorities and the department under subsection (1) of this section must be used as follows:

(a) Eighty-five percent of the money received by an air pollution control authority or the department is available on a priority basis to retrofit school buses with exhaust emission control devices or to provide funding for fueling infrastructure necessary to allow school bus fleets to use alternative, cleaner fuels. In addition, the director of ecology or the air pollution control officer may direct funding under this section for other publicly or privately owned diesel equipment if the director of ecology or the air pollution control officer finds that funding for other publicly or privately owned diesel equipment will provide public health benefits and further the purposes of this chapter.

(b) The remaining fifteen percent may be used by the air pollution control authority or department to reduce transportation-related air contaminant emissions and clean up air pollution, or reduce and monitor toxic air contaminants.

(3) Money in the air pollution control account may be spent by the department only after appropriation.

(4) This section expires July 1, 2020.

**Sec. 103.** RCW 53.08.040 and 1989 c 298 s 1 are each amended to read as follows:

(1) A district may improve its lands by dredging, filling, bulkheading, providing waterways or otherwise developing such lands for industrial and commercial purposes. A district may also acquire, construct, install, improve, and operate sewer and water utilities to serve its own property and other property owners under terms, conditions, and rates to be fixed and approved by the port commission. A district may also acquire, by purchase, construction, lease, or in any other manner, and may maintain and operate other facilities for the control or elimination of air, water, or other pollution, including, but not limited to, facilities for the treatment and/or disposal of industrial wastes, and may make such facilities available to others under terms, conditions and rates to be fixed and approved by the port commission. Such conditions and rates shall be sufficient to reimburse the port for all costs, including reasonable amortization of capital outlays caused by or incidental to providing such other pollution control facilities(~~(—PROVIDED, That)~~). However, no part of such costs of providing any pollution control facility to others shall be paid out of any tax revenues of the port(~~(—AND PROVIDED FURTHER, That)~~) and no port shall enter into an agreement or contract to provide sewer and/or water utilities or pollution control facilities if substantially similar utilities or facilities are available from another source (or sources) which is able and willing to provide such utilities or facilities on a reasonable and nondiscriminatory basis unless such other source (or sources) consents thereto.

(2) In the event that a port elects to make such other pollution control facilities available to others, it shall do so by lease, lease purchase agreement, or other agreement binding such user to pay for the use of said facilities for the full term of the revenue bonds issued by the port for the acquisition of said facilities, and said payments shall at least fully reimburse the port for all principal and interest paid by it on said bonds and for all operating or other costs, if any, incurred by the port in connection with said facilities(~~(—PROVIDED,))~~. However, (~~That~~) where there is more than one user of any such facilities, each user shall be responsible for its pro rata share of such costs and payment of principal and interest. Any port intending to provide pollution control facilities to others shall first survey the port district to ascertain the potential users of such facilities and the extent of their needs. The port shall conduct a public hearing upon the proposal and shall give each potential user an opportunity to participate in the use of such facilities upon equal terms and conditions.

(3) "Pollution control facility," as used in this section and RCW 53.08.041, does not include air quality improvement equipment that provides emission reductions for engines, vehicles, and vessels.

## PART 2 PUBLIC SECTOR FUEL USE

**Sec. 201.** RCW 43.19.642 and 2006 c 338 s 10 are each amended to read as follows:

(1) ~~((All state agencies are encouraged to use a fuel blend of twenty percent biodiesel and eighty percent petroleum diesel for use in diesel-powered vehicles and equipment.~~

~~(2))~~ Effective June 1, 2006, for agencies complying with the ultra- low sulfur diesel mandate of the United States environmental protection agency for on-highway diesel fuel, agencies shall use biodiesel as an additive to ultra-low sulfur diesel for lubricity, provided that the use of a lubricity additive is warranted and that the use of biodiesel is comparable in performance and cost with other available lubricity additives. The amount of biodiesel added to the ultra-low sulfur diesel fuel shall be not less than two percent.

~~((3))~~ (2) Effective June 1, 2009, state agencies are required to use a minimum of twenty percent biodiesel as compared to total volume of all diesel purchases made by the agencies for the operation of the agencies' diesel-powered vessels, vehicles, and construction equipment.

~~((4))~~ (3) All state agencies using biodiesel fuel shall, beginning on July 1, 2006, file ~~((quarterly))~~ biannual reports with the department of general administration documenting the use of the fuel and a description of how any problems encountered were resolved.

**NEW SECTION. Sec. 202.** A new section is added to chapter 43.19 RCW to read as follows:

(1) Effective June 1, 2015, all state agencies and local government subdivisions of the state, to the extent determined practicable by the rules adopted by the department of community, trade, and economic development pursuant to section 204 of this act, are required to satisfy one hundred percent of their fuel usage for operating publicly owned vessels, vehicles, and construction equipment from electricity or biofuel.

(2) Except for cars owned or operated by the Washington state patrol, when tires on vehicles in the state's motor vehicle fleet are replaced, they must be replaced with tires that have the same or better rolling resistance as the original tires.

**NEW SECTION. Sec. 203.** A new section is added to chapter 43.19 RCW to read as follows:

(1) In order to allow the motor vehicle fuel needs of state and local government to be satisfied by Washington-produced biofuels as provided in this chapter, the department of general administration as well as local governments may contract in advance and execute contracts with public or private producers, suppliers, or other parties, for the purchase of appropriate biofuels, as that term is defined in RCW 15.110.010 (as recodified by this act), and biofuel blends. Contract provisions may address items including, but not limited to, fuel standards, price, and delivery date.

(2) The department of general administration may combine the needs of local government agencies, including ports, special districts, school districts, and municipal corporations, for the purposes of executing contracts for biofuels and to secure a sufficient and stable supply of alternative fuels.

**NEW SECTION. Sec. 204.** By June 1, 2010, the department shall adopt rules to define practicability and clarify how state agencies and local government subdivisions will be evaluated in determining whether they have met the goals set out in section 202(1) of this act. At a minimum, the rules must address:

(1) Criteria for determining how the goal in section 202(1) of this act will be met by June 1, 2015;

(2) Factors considered to determine compliance with the goal in section 202(1) of this act, including but not limited to: The regional availability of fuels; vehicle costs; differences between types of vehicles, vessels, or equipment; the cost of program implementation; and cost differentials in different parts of the state; and

(3) A schedule for phased-in progress towards meeting the goal in section 202(1) of this act that may include different schedules for different fuel applications or different quantities of biofuels.

**NEW SECTION. Sec. 205.** The director of the department shall appoint a coordinator that is responsible for:

(1) Managing, directing, inventorying, and coordinating state efforts to promote, develop, and encourage a biofuels market in Washington;

(2) Developing, coordinating, and overseeing the implementation of a plan, or series of plans, for the production, transport, distribution, and delivery of biofuels produced predominantly from recycled products or Washington feedstocks;

(3) Working with the departments of transportation and general administration, and other applicable state and local governmental entities and the private sector, to ensure the development of biofuel fueling stations for use by state and local governmental motor vehicle fleets, and to provide greater availability of public biofuel fueling stations for use by state and local governmental motor vehicle fleets;

(4) Coordinating with the Western Washington University alternative automobile program for opportunities to support new Washington state technology for conversion of fossil fuel fleets to biofuel, hybrid, or alternative fuel propulsion;

(5) Coordinating with the University of Washington's college of forest management and the Olympic natural resources center for the identification of barriers to using the state's forest resources for fuel production, including the economic and transportation barriers of physically bringing forest biomass to the market;

(6) Coordinating with the department of agriculture and Washington State University for the identification of other barriers for future biofuels development and development of strategies for furthering the penetration of the Washington state fossil fuel market with Washington produced biofuels, particularly among public entities.

**NEW SECTION. Sec. 206.** A new section is added to chapter 43.01 RCW to read as follows:

(1) It is in the state's interest and to the benefit of the people of the state to encourage the use of electrical vehicles in order to reduce emissions and provide the public with cleaner air. This section expressly authorizes the purchase of power at state expense to recharge privately and publicly owned plug-in electrical vehicles at state office locations where the vehicles are used for state business, are commute vehicles, or where the vehicles are at the state location for the purpose of conducting business with the state.

(2) The director of the department of general administration may report to the governor and the appropriate committees of the legislature, as deemed necessary by the director, on the estimated amount of state-purchased electricity consumed by plug-in electrical vehicles if the director of general administration determines that the use has a significant cost to the state, and on the number of plug-in electric vehicles using state office locations. The report may be combined with the report under section 401 of this act.

**NEW SECTION. Sec. 207.** A new section is added to chapter 89.08 RCW to read as follows:

In addition to any other authority provided by law, conservation districts are authorized to enter into crop purchase contracts for a dedicated energy crop for the purposes of producing, selling, and distributing biodiesel produced from Washington state feedstocks, cellulosic ethanol, and cellulosic ethanol blend fuels.

**NEW SECTION. Sec. 208.** A new section is added to chapter 35.21 RCW to read as follows:

In addition to any other authority provided by law, public development authorities are authorized to enter into crop purchase contracts for a dedicated energy crop for the purposes of producing, selling, and distributing biodiesel produced from Washington state feedstocks, cellulosic ethanol, and cellulosic ethanol blend fuels.

**NEW SECTION. Sec. 209.** A new section is added to chapter 35.92 RCW to read as follows:

In addition to any other authority provided by law, municipal utilities are authorized to produce and distribute biodiesel, ethanol, and ethanol blend fuels, including entering into crop purchase contracts for a dedicated energy crop for the purpose of generating electricity or producing biodiesel produced from Washington feedstocks, cellulosic ethanol, and cellulosic ethanol blend fuels for use in internal operations of the electric utility and for sale or distribution.

**NEW SECTION. Sec. 210.** A new section is added to chapter 54.04 RCW to read as follows:

In addition to any other authority provided by law, public utility districts are authorized to produce and distribute biodiesel, ethanol, and ethanol blend fuels, including entering into crop purchase contracts for a dedicated energy crop for the purpose of generating electricity or producing biodiesel produced from Washington feedstocks, cellulosic ethanol, and cellulosic ethanol blend fuels for use in internal operations of the electric utility and for sale or distribution.

### PART 3 ENERGY FREEDOM PROGRAM

**Sec. 301.** RCW 15.110.010 and 2006 c 171 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Applicant" means any political subdivision of the state, including port districts, counties, cities, towns, special purpose districts, and other municipal corporations or quasi-municipal corporations. "Applicant" may also include federally recognized tribes and state institutions of higher education with appropriate research capabilities.

(2) "Alternative fuel" means all products or energy sources used to propel motor vehicles, other than conventional gasoline, diesel, or reformulated gasoline. "Alternative fuel" includes, but is not limited to, cellulose, liquefied petroleum gas, liquefied natural gas, compressed natural gas, biofuels, biodiesel fuel, E85 motor fuel, fuels containing seventy percent or more by volume of alcohol fuel, fuels that are derived from biomass, hydrogen fuel, anhydrous ammonia fuel, nonhazardous motor fuel, or electricity, excluding onboard electric generation.

(3) "Assistance" includes loans, leases, product purchases, or other forms of financial or technical assistance.

~~((3))~~ (4) "Biofuel" includes, but is not limited to, biodiesel, ethanol, and ethanol blend fuels and renewable liquid natural gas or liquid compressed natural gas made from biogas.

(5) "Biogas" includes waste gases derived from landfills and wastewater treatment plants and dairy and farm wastes.

(6) "Cellulose" means lignocellulosic, hemicellulosic, or other cellulosic matter that is available on a renewable or recurring basis, including dedicated energy crops and trees, wood and wood residues, plants, grasses, agricultural residues, fibers, animal wastes and other waste materials, and municipal solid waste.

(7) "Coordinator" means the person appointed by the director of the department of community, trade, and economic development.

(8) "Department" means the department of ~~((agriculture))~~ community, trade, and economic development.

~~((4))~~ (9) "Director" means the director of the department of ~~((agriculture))~~ community, trade, and economic development.

~~((5))~~ (10) "Green highway zone" means an area in the state designated by the department that is within reasonable proximity of state route number 5, state route number 90, and state route number 82.

(11) "Peer review committee" means a board, appointed by the director, that includes bioenergy specialists, energy conservation specialists, scientists, and individuals with specific recognized expertise.

~~((6))~~ (12) "Project" means the construction of facilities, including the purchase of equipment, to convert farm products or wastes into electricity or gaseous or liquid fuels or other coproducts associated with such conversion. These specifically include fixed or mobile facilities to generate electricity or methane from the anaerobic digestion of organic matter, and fixed or mobile facilities for extracting oils from canola, rape, mustard, and other oilseeds. "Project" may also include the construction of facilities associated with such conversion for the distribution and storage of such feedstocks and fuels.

~~((7))~~ (13) "Refueling project" means the construction of new alternative fuel refueling facilities, as well as upgrades and expansion of existing refueling facilities, that will enable these facilities to offer alternative fuels to the public.

(14) "Research and development project" means research and development, by an institution of higher education as defined in subsection (1) of this section, relating to:

- (a) Bioenergy sources including but not limited to biomass and associated gases; or
- (b) The development of markets for bioenergy coproducts.

**Sec. 302.** RCW 15.110.020 and 2006 c 171 s 3 are each amended to read as follows:

(1) The energy freedom program is established within the department. The director may establish policies and procedures necessary for processing, reviewing, and approving applications made under this chapter.

(2) When reviewing applications submitted under this program, the director shall consult with those agencies and other public entities 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 community, trade, and economic development,)~~ the department of natural resources, the department of agriculture, the department of general administration, local clean air authorities, and the Washington state conservation commission.

(3) Except as provided in subsection (4) of this section, the director, in cooperation with the department of ~~(community, trade, and economic development)~~ agriculture, may approve an application only if the director finds:

- (a) The project will convert farm products ~~((or))~~ wastes, cellulose, or biogas directly into electricity or ~~(into gaseous or liquid fuels))~~ biofuel or other coproducts associated with such conversion;
- (b) The project demonstrates technical feasibility and directly assists in moving a commercially viable project into the marketplace for use by Washington state citizens;
- (c) The facility will produce 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 assistance will result in new jobs, job retention, or higher incomes for citizens of the state;
- (f) The state is provided an option under the assistance agreement to purchase a portion of the fuel or feedstock to be

produced by the project, exercisable by the department of general administration;

(g) The project will increase energy independence or diversity for the state;

(h) The project will use feedstocks produced in the state, if feasible, except this criterion does not apply to the construction of facilities used to distribute and store fuels that are produced from farm products or wastes;

(i) Any product produced by the project will be suitable for its intended use, will meet accepted national or state standards, and will be stored and distributed in a safe and environmentally sound manner;

(j) The application provides for adequate reporting or disclosure of financial and employment data to the director, and permits the director to require an annual or other periodic audit of the project books; and

(k) For research and development projects, the application has been independently reviewed by a peer review committee as defined in RCW 15.110.010 (as recodified by this act) and the findings delivered to the director.

(4) When reviewing an application for a refueling project, the coordinator may award a grant or a loan to an applicant if the director finds:

- (a) The project will offer alternative fuels to the motoring public;
- (b) The project does not require continued state support;
- (c) The project is located within a green highway zone as defined in RCW 15.110.010 (as recodified by this act);
- (d) The project will contribute towards an efficient and adequately spaced alternative fuel refueling network along the green highways designated in RCW 47.17.020, 47.17.135, and 47.17.140; and
- (e) The project will result in increased access to alternative fueling infrastructure for the motoring public along the green highways designated in RCW 47.17.020, 47.17.135, and 47.17.140.

(5)(a) The director may approve ~~((am))~~ a project application for assistance under subsection (3) of this section up to five million dollars. In no circumstances shall this assistance constitute more than fifty percent of the total project cost.

~~((5))~~ (b) The director may approve a refueling project application for a grant or a loan under subsection (4) of this section up to fifty thousand dollars. In no circumstances shall a grant or a loan award constitute more than fifty percent of the total project cost.

(6) The director shall enter into agreements with approved applicants to fix the terms and rates of the assistance to minimize the costs to the applicants, and to encourage establishment of a viable bioenergy or biofuel industry. The agreement shall include provisions to protect the state's investment, including a requirement that a successful applicant enter into contracts with any partners that may be involved in the use of any assistance provided under this program, including services, facilities, infrastructure, or equipment. Contracts with any partners shall become part of the application record.

~~((6))~~ (7) The director may defer any payments for up to twenty-four months or until the project starts to receive revenue from operations, whichever is sooner.

**Sec. 303.** RCW 15.110.040 and 2006 c 171 s 5 are each amended to read as follows:

(1) If the total requested dollar amount of assistance awarded for projects under RCW 15.110.020(3) (as recodified by this act) exceeds the amount available in the energy freedom account created in RCW

15.110.050 (as recodified by this act), the applications must be prioritized based upon the following criteria:

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

~~((2))~~ (b) The extent to which the project will reduce air and water pollution either directly or indirectly;

~~((3))~~ (c) The extent to which the project will establish a viable bioenergy or biofuel production capacity in Washington;

~~((4))~~ (d) The benefits to Washington's agricultural producers;

~~(and~~  
~~(5))~~ (e) The benefits to the health of Washington's forests;

(f) The beneficial uses of biogas; and

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

(2) This section does not apply to grants or loans awarded for refueling projects under RCW 15.110.020(4) (as recodified by this act).

**NEW SECTION. Sec. 304.** If the total requested dollar amount of funds for refueling projects under RCW 15.110.020(4) (as recodified by this act) exceeds the amount available for refueling projects in the energy freedom account created in RCW 15.110.050 (as recodified by this act), the applications must be prioritized based upon the following criteria:

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

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

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

(4) The extent to which the project will make biofuels more accessible to the motoring public;

(5) The benefits to Washington's agricultural producers; and

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

**Sec. 305.** RCW 15.110.050 and 2006 c 371 s 223 are each amended to read as follows:

(1) The energy freedom account is created in the state treasury. All receipts from appropriations made to the account and any 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 assistance for projects consistent with this chapter or otherwise authorized by the legislature. ((Administrative costs of the department may not exceed three percent of the total funds available for this program:))

(2) The green energy incentive account is created in the state treasury as a subaccount of the energy freedom account. All receipts from appropriations made to the green energy incentive account shall be deposited into the account, and may be spent only after appropriation. Expenditures from the account may be used only for:

(a) Refueling projects awarded under this chapter;

(b) Pilot projects for plug-in hybrids, including grants provided for the electrification program set forth in section 408 of this act; and

(c) Demonstration projects developed with state universities as defined in RCW 28B.10.016 and local governments that result in the design and building of a hydrogen vehicle fueling station.

(3) Any state agency receiving funding from the energy freedom account is prohibited from retaining greater than three percent of any funding provided from the energy freedom account for administrative

overhead or other deductions not directly associated with conducting the research, projects, or other end products that the funding is designed to produce unless this provision is waived in writing by the director.

(4) Any university, institute, or other entity that is not a state agency receiving funding from the energy freedom account is prohibited from retaining greater than fifteen percent of any funding provided from the energy freedom account for administrative overhead or other deductions not directly associated with conducting the research, projects, or other end products that the funding is designed to produce.

(5) Subsections (2) through (4) of this section do not apply to assistance awarded for projects under RCW 15.110.020(3) (as recodified by this act).

**Sec. 306.** RCW 15.110.060 and 2006 c 171 s 7 are each amended to read as follows:

The director shall report to the legislature and governor on the status of the energy freedom program created under this chapter, on or before December 1, ~~((2006))~~ 2007, and annually thereafter. 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 as well as an assessment of the availability of alternative fuels in the state and best estimates to indicate, by percentage, the types of biofuel feedstocks and sources that contribute to biofuels used in the state and the general geographic origination of such feedstocks and sources. Based on analysis of this information, the report must also recommend appropriate mechanisms, including but not limited to changes in state contracting practices, tax incentives, or renewable fuel standard provisions, that will help Washington farmers and businesses compete in an economically viable manner and will encourage environmentally sustainable development of an in-state biofuels industry based on feedstocks grown and produced in Washington.

**NEW SECTION. Sec. 307.** (1) Energy freedom program projects funded pursuant to RCW 15.110.050 (as recodified by this act) or by the legislature pursuant to sections 191 and 192, chapter 371, Laws of 2006 for which the department of agriculture has signed loan agreements and disbursed funds prior to June 30, 2007, shall continue to be serviced by the department of agriculture.

(2) Energy freedom program projects funded pursuant to RCW 15.110.050 (as recodified by this act) or by the legislature pursuant to sections 191 and 192, chapter 371, Laws of 2006 for which moneys have been appropriated but loan agreements or disbursements have not been completed must be transferred to the department for project management on July 1, 2007, subject to the ongoing requirements of the energy freedom program.

#### **PART 4 PLANNING FOR THE FUTURE**

**NEW SECTION. Sec. 401.** (1) The department of ecology and the department of community, trade, and economic development, in implementing executive order number 07-02 shall include an analysis of, and potential for, vehicle electrification. That analysis may include:

(a) Use by the state of plug-in hybrid vehicles and developing plug-in availability at state locations;

(b) Incentives to encourage the use of plug-in truck auxiliary power units and truck stop electrification;

(c) Use of plug-in shore power for cargo and cruise ship terminals, shipside technology, and use of electric power alternatives for port-related operations and equipment such as switching locomotives, vessels and harborcraft, and cargo-handling equipment;

(d) Potential uses for and availability of plug-in hybrid school buses;

(e) Potential environmental and electrical grid impacts on electrical power consumption of the conversion of a meaningful portion of the state's private and public fleet to plug-in electrical power;

(f) Tax and fee incentives to encourage individual and fleet purchases of plug-in hybrid vehicles;

(g) State laws, rules, tariffs, and policies that impact transportation electrification and plug-in adoption, including pricing with incentives for off-peak charging;

(h) Measures to encourage the use of plug-in vehicles by public fleets, and resulting cost savings, and whether state and local fleets should be required to purchase plug-in hybrid vehicles if it is determined that plug-in hybrid vehicles are commercially available at a reasonably comparable life-cycle cost;

(i) Explore the potential for the use of electrification of fixed transit routes for magnetic levitation propulsion systems;

(j) Actions by the state to help industries located in the state participate in developing and manufacturing plug-in vehicles and vehicle-to-grid technologies;

(k) Additional ways the state can promote transportation electrification in the private and public sectors, including cars and light-duty vehicles, and truck stop and port electrification; and

(l) Potential partners for vehicle-to-grid pilot projects that test the use of parked plug-in vehicles for power grid energy storage and support.

(2) The departments of ecology and community, trade, and economic development shall provide the appropriate committees of the legislature an analysis or report by March 1, 2008. The report may be included within the report produced for executive order number 07-02.

**NEW SECTION. Sec. 402.** A new section is added to chapter 28B.30 RCW to read as follows:

(1) Washington State University is directed to analyze the availability of biofuels in the state and to make best estimates to indicate, by percentage, the types and geographic origins of biofuel feedstock sources that contribute to biofuel production and use in the state, and to recommend models for possible implementation by the legislature or the executive office for at least the following potential biofuels incentive programs:

(a) Market incentives to encourage instate production of brassica-based biodiesel, and cellulosic ethanol, including such market methods as direct grants, production tax credits, contracting preferences, and the issuance by the state of advance guaranteed purchase contracts;

(b) Possible preferred research programs, grants, or other forms of assistance for accelerating the development of instate production of cellulosic ethanol and in-state biodiesel crops and their coproducts; and

(c) The following should be considered when evaluating potential biofuel incentive programs:

(i) Assisting Washington farmers and businesses in the development of economically viable, environmentally sustainable instate biofuel and biofuel feedstock production;

(ii) Leveraging and encouraging private investment in biofuel production and distribution and biofuel feedstock production; and

(iii) Assisting in the development of biofuel feedstocks and production techniques that deliver the greatest net reductions in petroleum dependence and carbon emissions.

(2) An interim report on the work required under this section must be provided to the legislature and governor by December 1, 2007. A final report must be provided to the legislature and governor by December 1, 2008. Washington State University shall work closely with the department of community, trade, and economic development on these reports. The reports may be produced in conjunction with the reporting requirements of RCW 15.110.060 (as recodified by this act).

**NEW SECTION. Sec. 403.** (1) The department of community, trade, and economic development and the department of ecology shall develop a framework for the state of Washington to participate in emerging regional, national, and to the extent possible, global markets to mitigate climate change, on a multisector basis. This framework must include, but not be limited to, credible, verifiable, replicable inventory and accounting methodologies for each sector involved, along with the completion of the stakeholder process identified in executive order number 07-02 creating the Washington state climate change challenge.

(2) The department of community, trade, and economic development and the department of ecology shall include the forestry sector and work closely with the department of natural resources on those recommendations.

(3) The department must provide a report to the legislature by December 1, 2008. The report may be included within the report produced for executive order number 07-02.

**NEW SECTION. Sec. 404.** (1) In preparing for the impacts of climate change consistent with executive order number 07-02, the departments of community, trade, and economic development and ecology shall work with the climate impacts group at the University of Washington to produce:

(a) A comprehensive state climate change assessment that includes the impacts of global warming, including impacts to public health, agriculture, the coast line, forestry, infrastructure, and water supply and management;

(b) An analysis of the potential human health impacts of climate change on the state of Washington.

(2) To ensure the appropriateness of these assessments for public agency planning and management, the departments and the climate impacts group shall consult with state and local public health resource planning and management agencies.

(3) If adequate funding is not made available for the completion of all elements required under this section, the departments and the climate impacts group shall list and prioritize which research projects have the greatest cost/benefit ratio in terms of providing information important for planning decisions.

(4) The work under this section that is completed by December 1, 2007, must be included in the final report of the Washington climate change challenge. Any further reports must be completed by December 15, 2008.

**Sec. 405.** RCW 47.17.020 and 1970 ex.s. c 51 s 5 are each amended to read as follows:

A state highway to be known as state route number 5, and designated as a Washington green highway, is established as follows:

Beginning at the Washington-Oregon boundary line on the interstate bridge over the Columbia river at Vancouver, thence northerly by way of Kelso, Chehalis, Centralia, Olympia, Tacoma,

Seattle, Everett and Mt. Vernon, thence northwesterly to the east of Lake Samish, thence northeasterly and northerly by way of Bellingham to the international boundary line in the vicinity of Blaine in Whatcom county.

**Sec. 406.** RCW 47.17.135 and 1979 ex.s. c 33 s 3 are each amended to read as follows:

A state highway to be known as state route number 82, and designated as a Washington green highway, is established as follows:

Beginning at a junction with state route number 90 in the vicinity of Ellensburg, thence southerly and easterly by way of Yakima, Union Gap, Sunnyside, Prosser, Kiona, and Goose Gap west of Richland, thence southeasterly near Kennewick and southwesterly by way of the vicinity of Plymouth to a crossing of the Columbia river at the Washington-Oregon boundary line.

**Sec. 407.** RCW 47.17.140 and 1991 c 56 s 2 are each amended to read as follows:

A state highway to be known as state route number 90, and designated as the American Veterans Memorial Highway as well as a Washington green highway, is established as follows:

Beginning at a junction with state route number 5, thence, via the west approach to the Lake Washington bridge in Seattle, in an easterly direction by way of Mercer Island, North Bend, Snoqualmie pass, Ellensburg, Vantage, Moses Lake, Ritzville, Sprague and Spokane to the Washington-Idaho boundary line.

**NEW SECTION. Sec. 408.** (1) The vehicle electrification demonstration grant program is established within the department of community, trade, and economic development. The director may establish policies and procedures necessary for processing, reviewing, and approving applications made under this chapter.

(2) The director may approve an application for a vehicle electrification demonstration project only if the director finds:

(a) The applicant is a state agency, public school district, public utility district, or a political subdivision of the state, including port districts, counties, cities, towns, special purpose districts, and other municipal corporations or quasi-municipal corporations or a state institution of higher education;

(b) The project partially funds the purchase of or conversion of existing vehicles to plug-in hybrid electric vehicles or battery electric vehicles for use in the applicant's fleet or operations;

(c) The project partners with an electric utility and demonstrates technologies to allow controlled vehicle charging, including the use of power electronics or wireless technologies, to regulate time-of-day and duration of charging;

(d) The project provides matching resources; and

(e) The project provides evaluation of fuel savings, greenhouse gas reductions, battery capabilities, energy management system, charge controlling technologies, and other relevant information determined on the advice of the vehicle electrification work group.

(3) The director may approve an application for a vehicle electrification demonstration project if the project, in addition to meeting the requirements of subsection (2) of this section, also demonstrates charging using on-site renewable resources or vehicle-to-grid capabilities that enable the vehicle to discharge electricity into the grid.

## PART 5 MISCELLANEOUS

**NEW SECTION. Sec. 501.** Part headings used in this act are not any part of the law.

**NEW SECTION. Sec. 502.** The following sections are codified and recodified as a new chapter in Title 43 RCW entitled "Energy Freedom Program":

RCW 15.110.005;  
RCW 15.110.010;  
RCW 15.110.020;  
RCW 15.110.030;  
RCW 15.110.040;  
RCW 15.110.050;  
RCW 15.110.060;  
RCW 15.110.900;  
RCW 15.110.901;  
Section 204 of this act;  
Section 205 of this act;  
Section 304 of this act;  
Section 307 of this act; and  
Section 403 of this act.

**NEW SECTION. Sec. 503.** Sections 205 and 301 through 307 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2007."

On page 1, line 3 of the title, after "emissions;" strike the remainder of the title and insert "amending RCW 70.94.017, 53.08.040, 43.19.642, 15.110.010, 15.110.020, 15.110.040, 15.110.050, 15.110.060, 47.17.020, 47.17.135, and 47.17.140; adding a new section to chapter 28A.300 RCW; adding new sections to chapter 43.19 RCW; adding a new section to chapter 43.01 RCW; adding a new section to chapter 89.08 RCW; adding a new section to chapter 35.21 RCW; adding new sections to chapter 35.92 RCW; adding a new section to chapter 54.04 RCW; adding a new section to chapter 28B.30 RCW; adding a new chapter to Title 43 RCW; creating new sections; recodifying RCW 15.110.005, 15.110.010, 15.110.020, 15.110.030, 15.110.040, 15.110.050, 15.110.060, 15.110.900, and 15.110.901; providing an effective date; and declaring an emergency."

and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1303 and asked the Senate to recede therefrom.

### MESSAGE FROM THE SENATE

April 5, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1333, with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 13.34.138 and 2005 c 512 s 3 are each amended to read as follows:

(1) Except for children whose cases are reviewed by a citizen review board under chapter 13.70 RCW, the status of all children found to be dependent shall be reviewed by the court at least every six months from the beginning date of the placement episode or the date dependency is established, whichever is first, at a hearing in which it shall be determined whether court supervision should continue. The initial review hearing shall be an in-court review and shall be set six months from the beginning date of the placement episode or no more than ninety days from the entry of the disposition order, whichever comes first. The initial review hearing may be a permanency planning hearing when necessary to meet the time frames set forth in RCW 13.34.145(3) or 13.34.134. The review shall include findings regarding the agency and parental completion of disposition plan requirements, and if necessary, revised permanency time limits. This review shall consider both the agency's and parent's efforts that demonstrate consistent measurable progress over time in meeting the disposition plan requirements. The requirements for the initial review hearing, including the in-court requirement, shall be accomplished within existing resources. The supervising agency shall provide a foster parent, preadoptive parent, or relative with notice of, and their right to an opportunity to be heard in, a review hearing pertaining to the child, but only if that person is currently providing care to that child at the time of the hearing. This section shall not be construed to grant party status to any person who has been provided an opportunity to be heard.

(a) A child shall not be returned home at the review hearing unless the court finds that a reason for removal as set forth in RCW 13.34.130 no longer exists. The parents, guardian, or legal custodian shall report to the court the efforts they have made to correct the conditions which led to removal. If a child is returned, casework supervision shall continue for a period of six months, at which time there shall be a hearing on the need for continued intervention.

(b) Prior to the child returning home, the department must complete the following:

(i) Identify any persons who may act as a caregiver for the child in addition to the parent with whom the child is being placed and determine whether such persons are in need of any services in order to ensure the safety of the child, regardless of whether such persons are a party to the dependency. The department or supervising agency may recommend to the court and the court may order that placement of the child in the parent's home be contingent on or delayed based on the need for such persons to engage in or complete services to ensure the safety of the child prior to placement. If services are recommended for the caregiver, and the caregiver fails to engage in or follow through with the recommended services, the department or supervising agency must promptly notify the court; and

(ii) Notify the parent with whom the child is being placed that he or she has an ongoing duty to notify the department or supervising agency of all persons who reside in the home or who may act as a caregiver for the child both prior to the placement of the child in the home and subsequent to the placement of the child in the home as long as the court retains jurisdiction of the dependency proceeding or the department is providing or monitoring either remedial services to the parent or services to ensure the safety of the child to any caregivers.

Caregivers may be required to engage in services under this subsection solely for the purpose of ensuring the present and future safety of a child who is a ward of the court. This subsection does not grant party status to any individual not already a party to a dependency proceeding, create an entitlement to services or a duty on

the part of the department or supervising agency to provide services, or create judicial authority to order the provision of services to any person other than for the express purposes of this section or RCW 13.34.025 or if the services are unavailable or unsuitable or the person is not eligible for such services.

(c) If the child is not returned home, the court shall establish in writing:

(i) Whether reasonable services have been provided to or offered to the parties to facilitate reunion, specifying the services provided or offered;

(ii) Whether the child has been placed in the least-restrictive setting appropriate to the child's needs, including whether consideration and preference has been given to placement with the child's relatives;

(iii) Whether there is a continuing need for placement and whether the placement is appropriate;

(iv) Whether there has been compliance with the case plan by the child, the child's parents, and the agency supervising the placement;

(v) Whether progress has been made toward correcting the problems that necessitated the child's placement in out-of-home care;

(vi) Whether the parents have visited the child and any reasons why visitation has not occurred or has been infrequent;

(vii) Whether additional services, including housing assistance, are needed to facilitate the return of the child to the child's parents; if so, the court shall order that reasonable services be offered specifying such services; and

(viii) The projected date by which the child will be returned home or other permanent plan of care will be implemented.

((e)) (d) The court at the review hearing may order that a petition seeking termination of the parent and child relationship be filed.

(2)(a) In any case in which the court orders that a dependent child may be returned to or remain in the child's home, the in-home placement shall be contingent upon the following:

(i) The compliance of the parents with court orders related to the care and supervision of the child, including compliance with an agency case plan; and

(ii) The continued participation of the parents, if applicable, in available substance abuse or mental health treatment if substance abuse or mental illness was a contributing factor to the removal of the child.

(b) The following may be grounds for removal of the child from the home, subject to review by the court:

(i) Noncompliance by the parents with the agency case plan or court order;

(ii) The parent's inability, unwillingness, or failure to participate in available services or treatment for themselves or the child, including substance abuse treatment if a parent's substance abuse was a contributing factor to the abuse or neglect; or

(iii) The failure of the parents to successfully and substantially complete available services or treatment for themselves or the child, including substance abuse treatment if a parent's substance abuse was a contributing factor to the abuse or neglect.

(c) In a pending dependency case in which the court orders that a dependent child may be returned home and that child is later removed from the home, the court shall hold a review hearing within thirty days from the date of removal to determine whether the permanency plan should be changed, a termination petition should be filed, or other action is warranted. The best interests of the child shall be the court's primary consideration in the review hearing.

(3) The court's ability to order housing assistance under RCW 13.34.130 and this section is: (a) Limited to cases in which homelessness or the lack of adequate and safe housing is the primary reason for an out-of-home placement; and (b) subject to the availability of funds appropriated for this specific purpose.

(4) The court shall consider the child's relationship with siblings in accordance with RCW 13.34.130(3).

**Sec. 2.** RCW 13.34.025 and 2002 c 52 s 2 are each amended to read as follows:

(1) The department of social and health services shall develop methods for coordination of services to parents and children in child dependency cases. To the maximum extent possible under current funding levels, the department must:

((+)) (a) Coordinate and integrate services to children and families, using service plans and activities that address the children's and families' multiple needs, including ensuring that siblings have regular visits with each other, as appropriate. Assessment criteria should screen for multiple needs;

((+)) (b) Develop treatment plans for the individual needs of the client in a manner that minimizes the number of contacts the client is required to make; and

((+)) (c) Access training for department staff to increase skills across disciplines to assess needs for mental health, substance abuse, developmental disabilities, and other areas.

(2) The department shall coordinate within the administrations of the department, and with contracted service providers, to ensure that parents in dependency proceedings under this chapter receive priority access to remedial services recommended by the department in its social study or ordered by the court for the purpose of correcting any parental deficiencies identified in the dependency proceeding that are capable of being corrected in the foreseeable future. Services may also be provided to caregivers other than the parents as identified in RCW 13.34.138.

(a) For purposes of this chapter, remedial services are those services defined in the federal adoption and safe families act as time-limited family reunification services. Remedial services include individual, group, and family counseling; substance abuse treatment services; mental health services; assistance to address domestic violence; services designed to provide temporary child care and therapeutic services for families; and transportation to or from any of the above services and activities.

(b) The department shall provide funds for remedial services if the parent is unable to pay to the extent funding is appropriated in the operating budget or otherwise available to the department for such specific services. As a condition for receiving funded remedial services, the court may inquire into the parent's ability to pay for all or part of such services or may require that the parent make appropriate applications for funding to alternative funding sources for such services.

(c) If court-ordered remedial services are unavailable for any reason, including lack of funding, lack of services, or language barriers, the department shall promptly notify the court that the parent is unable to engage in the treatment due to the inability to access such services.

(d) This section does not create an entitlement to services and does not create judicial authority to order the provision of services except for the specific purpose of making reasonable efforts to remedy parental deficiencies identified in a dependency proceeding under this chapter.

**NEW SECTION. Sec. 3.** A new section is added to chapter 26.44 RCW to read as follows:

(1) Each county shall revise and expand its existing child sexual abuse investigation protocol to address investigations of child fatality, child physical abuse, and criminal child neglect cases and to incorporate the statewide guidelines for first responders to child fatalities developed by the criminal justice training commission. The protocols shall address the coordination of child fatality, child physical abuse, and criminal child neglect investigations between the county and city prosecutor's offices, law enforcement, children's protective services, local advocacy groups, emergency medical services, and any other local agency involved in the investigation of such cases. The protocol revision and expansion shall be developed by the prosecuting attorney in collaboration with the agencies referenced in this section.

(2) Revised and expanded protocols under this section shall be adopted and in place by July 1, 2008. Thereafter, the protocols shall be reviewed every two years to determine whether modifications are needed.

**NEW SECTION. Sec. 4.** A new section is added to chapter 43.101 RCW to read as follows:

(1) The commission, in consultation with the department of social and health services, the Washington association of sheriffs and police chiefs, and the Washington association of prosecuting attorneys, shall develop a curriculum related to child abuse and neglect to be included in the basic law enforcement training that must be successfully completed within the first fifteen months of employment of all law enforcement personnel.

(2) The curriculum must be incorporated into the basic law enforcement training program by July 1, 2008.

**NEW SECTION. Sec. 5.** (1) The joint legislative audit and review committee shall analyze gaps throughout the state in the availability and accessibility of services identified in the federal adoption and safe families act as it existed on the effective date of this section.

(2) The joint legislative audit and review committee shall submit to appropriate committees of the legislature a report and recommendations by December 1, 2007.

**NEW SECTION. Sec. 6.** A new section is added to chapter 13.34 RCW to read as follows:

(1) The administrative office of the courts, in consultation with the attorney general's office and the department of social and health services, shall compile an annual report, providing information about cases that fail to meet statutory guidelines to achieve permanency for dependent children.

(2) The administrative office of the courts shall submit the annual report required by this section to appropriate committees of the legislature by December 1st of each year, beginning on December 1, 2007.

**Sec. 7.** RCW 74.13.330 and 1990 c 284 s 23 are each amended to read as follows:

Foster parents are responsible for the protection, care, supervision, and nurturing of the child in placement. As an integral part of the foster care team, foster parents shall, if appropriate and they desire to: Participate in the development of the service plan for the child and the child's family; assist in family visitation, including monitoring; ((and)) model effective parenting behavior for the natural

family; and be available to help with the child's transition back to the natural family.

**Sec. 8.** RCW 71.24.035 and 2006 c 333 s 201 are each amended to read as follows:

(1) The department is designated as the state mental health authority.

(2) The secretary shall provide for public, client, and licensed service provider participation in developing the state mental health program, developing contracts with regional support networks, and any waiver request to the federal government under medicaid.

(3) The secretary shall provide for participation in developing the state mental health program for children and other underserved populations, by including representatives on any committee established to provide oversight to the state mental health program.

(4) The secretary shall be designated as the regional support network if the regional support network fails to meet state minimum standards or refuses to exercise responsibilities under RCW 71.24.045.

(5) The secretary shall:

(a) Develop a biennial state mental health program that incorporates regional biennial needs assessments and regional mental health service plans and state services for mentally ill adults and children. The secretary shall also develop a six-year state mental health plan;

(b) Assure that any regional or county community mental health program provides access to treatment for the region's residents, including parents who are defendants in dependency cases, in the following order of priority: (i) The acutely mentally ill; (ii) chronically mentally ill adults and severely emotionally disturbed children; and (iii) the seriously disturbed. Such programs shall provide:

(A) Outpatient services;

(B) Emergency care services for twenty-four hours per day;

(C) Day treatment for mentally ill persons which includes training in basic living and social skills, supported work, vocational rehabilitation, and day activities. Such services may include therapeutic treatment. In the case of a child, day treatment includes age-appropriate basic living and social skills, educational and prevocational services, day activities, and therapeutic treatment;

(D) Screening for patients being considered for admission to state mental health facilities to determine the appropriateness of admission;

(E) Employment services, which may include supported employment, transitional work, placement in competitive employment, and other work-related services, that result in mentally ill persons becoming engaged in meaningful and gainful full or part-time work. Other sources of funding such as the division of vocational rehabilitation may be utilized by the secretary to maximize federal funding and provide for integration of services;

(F) Consultation and education services; and

(G) Community support services;

(c) Develop and adopt rules establishing state minimum standards for the delivery of mental health services pursuant to RCW 71.24.037 including, but not limited to:

(i) Licensed service providers. These rules shall permit a county-operated mental health program to be licensed as a service provider subject to compliance with applicable statutes and rules. The secretary shall provide for deeming of compliance with state minimum standards for those entities accredited by recognized behavioral health accrediting bodies recognized and having a current agreement with the department;

(ii) Regional support networks; and

(iii) Inpatient services, evaluation and treatment services and facilities under chapter 71.05 RCW, resource management services, and community support services;

(d) Assure that the special needs of minorities, the elderly, disabled, children, ~~((and))~~ low-income persons, and parents who are defendants in dependency cases are met within the priorities established in this section;

(e) Establish a standard contract or contracts, consistent with state minimum standards and RCW 71.24.320, 71.24.330, and 71.24.3201, which shall be used in contracting with regional support networks. The standard contract shall include a maximum fund balance, which shall be consistent with that required by federal regulations or waiver stipulations;

(f) Establish, to the extent possible, a standardized auditing procedure which minimizes paperwork requirements of regional support networks and licensed service providers. The audit procedure shall focus on the outcomes of service and not the processes for accomplishing them;

(g) Develop and maintain an information system to be used by the state and regional support networks that includes a tracking method which allows the department and regional support networks to identify mental health clients' participation in any mental health service or public program on an immediate basis. The information system shall not include individual patient's case history files. Confidentiality of client information and records shall be maintained as provided in this chapter and in RCW 71.05.390, 71.05.420, and 71.05.440;

(h) License service providers who meet state minimum standards;

(i) Certify regional support networks that meet state minimum standards;

(j) Periodically monitor the compliance of certified regional support networks and their network of licensed service providers for compliance with the contract between the department, the regional support network, and federal and state rules at reasonable times and in a reasonable manner;

(k) Fix fees to be paid by evaluation and treatment centers to the secretary for the required inspections;

(l) Monitor and audit regional support networks and licensed service providers as needed to assure compliance with contractual agreements authorized by this chapter;

(m) Adopt such rules as are necessary to implement the department's responsibilities under this chapter; and

(n) Assure the availability of an appropriate amount, as determined by the legislature in the operating budget by amounts appropriated for this specific purpose, of community-based, geographically distributed residential services.

(6) The secretary shall use available resources only for regional support networks, except to the extent authorized, and in accordance with any priorities or conditions specified, in the biennial appropriations act.

(7) Each certified regional support network and licensed service provider shall file with the secretary, on request, such data, statistics, schedules, and information as the secretary reasonably requires. A certified regional support network or licensed service provider which, without good cause, fails to furnish any data, statistics, schedules, or information as requested, or files fraudulent reports thereof, may have its certification or license revoked or suspended.

(8) The secretary may suspend, revoke, limit, or restrict a certification or license, or refuse to grant a certification or license for

failure to conform to: (a) The law; (b) applicable rules and regulations; (c) applicable standards; or (d) state minimum standards.

(9) The superior court may restrain any regional support network or service provider from operating without certification or a license or any other violation of this section. The court may also review, pursuant to procedures contained in chapter 34.05 RCW, any denial, suspension, limitation, restriction, or revocation of certification or license, and grant other relief required to enforce the provisions of this chapter.

(10) Upon petition by the secretary, and after hearing held upon reasonable notice to the facility, the superior court may issue a warrant to an officer or employee of the secretary authorizing him or her to enter at reasonable times, and examine the records, books, and accounts of any regional support network or service provider refusing to consent to inspection or examination by the authority.

(11) Notwithstanding the existence or pursuit of any other remedy, the secretary may file an action for an injunction or other process against any person or governmental unit to restrain or prevent the establishment, conduct, or operation of a regional support network or service provider without certification or a license under this chapter.

(12) The standards for certification of evaluation and treatment facilities shall include standards relating to maintenance of good physical and mental health and other services to be afforded persons pursuant to this chapter and chapters 71.05 and 71.34 RCW, and shall otherwise assure the effectuation of the purposes of these chapters.

(13) The department shall distribute appropriated state and federal funds in accordance with any priorities, terms, or conditions specified in the appropriations act.

(14) The secretary shall assume all duties assigned to the nonparticipating regional support networks under chapters 71.05, 71.34, and 71.24 RCW. Such responsibilities shall include those which would have been assigned to the nonparticipating counties in regions where there are not participating regional support networks.

The regional support networks, or the secretary's assumption of all responsibilities under chapters 71.05, 71.34, and 71.24 RCW, shall be included in all state and federal plans affecting the state mental health program including at least those required by this chapter, the medicaid program, and P.L. 99-660. Nothing in these plans shall be inconsistent with the intent and requirements of this chapter.

(15) The secretary shall:

(a) Disburse funds for the regional support networks within sixty days of approval of the biennial contract. The department must either approve or reject the biennial contract within sixty days of receipt.

(b) Enter into biennial contracts with regional support networks. The contracts shall be consistent with available resources. No contract shall be approved that does not include progress toward meeting the goals of this chapter by taking responsibility for: (i) Short-term commitments; (ii) residential care; and (iii) emergency response systems.

(c) Notify regional support networks of their allocation of available resources at least sixty days prior to the start of a new biennial contract period.

(d) Deny all or part of the funding allocations to regional support networks based solely upon formal findings of noncompliance with the terms of the regional support network's contract with the department. Regional support networks disputing the decision of the secretary to withhold funding allocations are limited to the remedies provided in the department's contracts with the regional support networks.

(16) The department, in cooperation with the state congressional delegation, shall actively seek waivers of federal requirements and such modifications of federal regulations as are necessary to allow federal medicaid reimbursement for services provided by free-standing evaluation and treatment facilities certified under chapter 71.05 RCW. The department shall periodically report its efforts to the appropriate committees of the senate and the house of representatives.

**NEW SECTION. Sec. 9.** This act may be known and cited as Sirta's law."

On page 1, line 1 of the title, after "children;" strike the remainder of the title and insert "amending RCW 13.34.138, 13.34.025, 74.13.330, and 71.24.035; adding a new section to chapter 26.44 RCW; adding a new section to chapter 43.101 RCW; adding a new section to chapter 13.34 RCW; and creating new sections."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1333 and asked the Senate to recede therefrom.

#### MESSAGE FROM THE SENATE

April 5, 2007

Mr. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1334, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The legislature finds that in order to allow courts to make well-informed placement decisions for children in the care of the state, the courts must have accurate information, including documentation supporting assertions or recommendations made by social workers, when appropriate.

**NEW SECTION. Sec. 2.** A new section is added to chapter 13.34 RCW to read as follows:

In any proceeding under this chapter, if the department submits a report to the court in which the department is recommending a particular placement, the department shall include the documents listed in subsections (1) through (4) of this section to the report. The department shall include only these relevant documents and shall not attach the entire history of the subject of the report.

(1) If the report contains a recommendation, opinion, or assertion by the department relating to substance abuse treatment, mental health treatment, anger management classes, or domestic violence classes, the department shall attach the document upon which the recommendation, opinion, or assertion was based. The documentation may include the progress report or evaluation submitted by the provider, but may not include the entire history with the provider.

(2) If the report contains a recommendation, opinion, or assertion by the department relating to visitation with a child, the department shall attach the document upon which the recommendation, opinion, or assertion was based. The documentation may include the most recent visitation report, a visitation report referencing a specific incident alleged in the report, or summary of the visitation prepared by the person who supervised the visitation. The documentation attached to the report shall not include the entire visitation history.

(3) If the report contains a recommendation, opinion, or assertion by the department relating to the psychological status of a person, the department shall attach the document upon which the recommendation, opinion, or assertion was based. The documentation may include the progress report, evaluation, or summary submitted by the provider, but shall not include the entire history of the person.

(4) If the report contains a recommendation, opinion, or assertion by the department relating to injuries to a child, the department shall attach a summary of the physician's report relating to the recommendation, opinion, or assertion by the department.

(5) If the report contains a recommendation, opinion, or assertion by the department relating to the appropriateness or qualifications of a proposed placement, the department shall attach the document or documents upon which that recommendation, opinion, or assertion is based, including a home study or background check information, if applicable.

NEW SECTION. Sec. 3. This act shall be known and cited as the Rafael Gomez act.

NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void."

On page 1, line 1 of the title, after "proceedings;" strike the remainder of the title and insert "adding a new section to chapter 13.34 RCW; and creating new sections."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1334 and asked the Senate to recede therefrom.

### MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1368, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 35.61.150 and 2002 c 88 s 6 are each amended to read as follows:

Metropolitan park commissioners selected by election according to RCW 35.61.050(2) shall perform their duties and may provide, by resolution passed by the commissioners, for the payment of compensation to each of its commissioners at a rate of up to ~~((seventy))~~ ninety dollars for each day or portion of a day ~~((devoted to the business))~~ spent in actual attendance at official meetings or in performance of other official services or duties on behalf of the district. However, the compensation for each commissioner must not exceed ~~((six))~~ eight thousand ~~((seven))~~ six hundred ~~((twenty))~~ forty dollars per year.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the clerk of the board. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 2.** RCW 52.14.010 and 1998 c 121 s 2 are each amended to read as follows:

The affairs of the district shall be managed by a board of fire commissioners composed of three registered voters residing in the district except as provided in RCW 52.14.015 and 52.14.020. Each member shall each receive ~~((seventy))~~ ninety dollars per day or portion thereof, not to exceed ~~((six))~~ eight thousand ~~((seven))~~ six hundred ~~((twenty))~~ forty dollars per year, for time spent in actual attendance at official meetings of the board ~~((meetings and for))~~ or in performance of other services ~~((tm))~~ or duties on behalf of the district.

In addition, they shall receive necessary expenses incurred in attending meetings of the board or when otherwise engaged in district business, and shall be entitled to receive the same insurance available to all firefighters of the district: PROVIDED, That the premiums for such insurance, except liability insurance, shall be paid by the individual commissioners who elect to receive it.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective,

must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The board shall fix the compensation to be paid the secretary and all other agents and employees of the district. The board may, by resolution adopted by unanimous vote, authorize any of its members to serve as volunteer firefighters without compensation. A commissioner actually serving as a volunteer firefighter may enjoy the rights and benefits of a volunteer firefighter.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 3.** RCW 53.12.260 and 1998 c 121 s 3 are each amended to read as follows:

(1) Each commissioner of a port district shall receive ~~((seventy))~~ ninety dollars per day or portion thereof spent (a) in actual attendance at official meetings of the port district commission, or (b) in performance of other official services ~~((m))~~ or duties on behalf of the district. The total per diem compensation of a port commissioner shall not exceed ~~((six))~~ eight thousand ~~((seven))~~ six hundred ~~((twenty))~~ forty dollars in a year, or ~~((eight))~~ ten thousand ~~((four))~~ eight hundred dollars in any year for a port district with gross operating income of twenty-five million or more in the preceding calendar year.

(2) Port commissioners shall receive additional compensation as follows: (a) Each commissioner of a port district with gross operating revenues of twenty-five million dollars or more in the preceding calendar year shall receive a salary of five hundred dollars per month; and (b) each commissioner of a port district with gross operating revenues of from one million dollars to less than twenty-five million dollars in the preceding calendar year shall receive a salary of two hundred dollars per month.

(3) In lieu of the compensation specified in this section, a port commission may set compensation to be paid to commissioners.

(4) For any commissioner who has not elected to become a member of public employees retirement system before May 1, 1975, the compensation provided pursuant to this section shall not be considered salary for purposes of the provisions of any retirement system created pursuant to the general laws of this state nor shall

attendance at such meetings or other service on behalf of the district constitute service as defined in RCW 41.40.010(9): PROVIDED, That in the case of a port district when commissioners are receiving compensation and contributing to the public employees retirement system, these benefits shall continue in full force and effect notwithstanding the provisions of RCW 53.12.260 and 53.12.265.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 4.** RCW 54.12.080 and 1998 c 121 s 4 are each amended to read as follows:

(1) Commissioners of public utility districts are eligible to receive salaries as follows:

(a) Each public utility district commissioner of a district operating utility properties shall receive a salary of one thousand dollars per month during a calendar year if the district received total gross revenue of over fifteen million dollars during the fiscal year ending June 30th before the calendar year. However, the board of commissioners of such a public utility district may pass a resolution increasing the rate of salary up to thirteen hundred dollars per month.

(b) Each public utility district commissioner of a district operating utility properties shall receive a salary of seven hundred dollars per month during a calendar year if the district received total gross revenue of from two million dollars to fifteen million dollars during the fiscal year ending June 30th before the calendar year. However, the board of commissioners of such a public utility district may pass a resolution increasing the rate of salary up to nine hundred dollars per month.

(c) Commissioners of other districts shall serve without salary. However, the board of commissioners of such a public utility district may pass a resolution providing for salaries not exceeding four hundred dollars per month for each commissioner.

(2) In addition to salary, all districts may provide by resolution for the payment of per diem compensation to each commissioner at a rate not exceeding ~~((seventy))~~ ninety dollars for each day or ~~((major part thereof devoted to the business of the district, and days upon which he or she attends))~~ portion thereof spent in actual attendance at official meetings of the district commission or in performance of other official services or duties on behalf of the district, to include meetings of the commission of his or her district or meetings attended

by one or more commissioners of two or more districts called to consider business common to them, but such compensation paid during any one year to a commissioner shall not exceed (~~nine thousand eight~~) twelve thousand six hundred dollars. Per diem compensation shall not be paid for services of a ministerial or professional nature.

(3) Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the district as provided in this section. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

(4) Each district commissioner shall be reimbursed for reasonable expenses actually incurred in connection with such business and meetings, including his or her subsistence and lodging and travel while away from his or her place of residence.

(5) Any district providing group insurance for its employees, covering them, their immediate family, and dependents, may provide insurance for its commissioner with the same coverage.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 5.** RCW 57.12.010 and 2001 c 63 s 1 are each amended to read as follows:

The governing body of a district shall be a board of commissioners consisting of three members, or five or seven members as provided in RCW 57.12.015. The board shall annually elect one of its members as president and another as secretary.

The board shall by resolution adopt rules governing the transaction of its business and shall adopt an official seal. All proceedings shall be by resolution recorded in a book kept for that purpose which shall be a public record.

A district shall provide by resolution for the payment of compensation to each of its commissioners at a rate of (~~(seventy) ninety~~) ninety dollars for each day or portion thereof (~~(devoted to the business)~~) spent in actual attendance at official meetings of the district commission, or in performance of other official services or duties on behalf of the district. However the compensation for each

commissioner shall not exceed (~~(six) eight~~) eight thousand (~~(seven) six~~) six hundred (~~(twenty) forty~~) forty dollars per year. In addition, the secretary may be paid a reasonable sum for clerical services.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during the commissioner's term of office, by a written waiver filed with the district at any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

No commissioner shall be employed full time by the district. A commissioner shall be reimbursed for reasonable expenses actually incurred in connection with district business, including subsistence and lodging while away from the commissioner's place of residence and mileage for use of a privately-owned vehicle at the mileage rate authorized in RCW 43.03.060.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 6.** RCW 68.52.220 and 1998 c 121 s 6 are each amended to read as follows:

The affairs of the district shall be managed by a board of cemetery district commissioners composed of three members. (~~(Members of the board shall receive expenses necessarily incurred in attending meetings of the board or when otherwise engaged in district business.)~~) The board may provide, by resolution passed by the commissioners, for the payment of compensation to each of its commissioners at a rate of up to (~~(seventy) ninety~~) ninety dollars for each day or portion of a day (~~(devoted to the business)~~) spent in actual attendance at official meetings of the district commission, or in performance of other official services or duties on behalf of the district. However, the compensation for each commissioner must not exceed (~~(six) eight~~) eight thousand (~~(seven) six~~) six hundred (~~(twenty) forty~~) forty dollars per year.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the clerk of the board. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the

month or period of months for which it is made. The board shall fix the compensation to be paid the secretary and other employees of the district. Cemetery district commissioners and candidates for cemetery district commissioner are exempt from the requirements of chapter 42.17 RCW.

The initial cemetery district commissioners shall assume office immediately upon their election and qualification. Staggering of terms of office shall be accomplished as follows: (1) The person elected receiving the greatest number of votes shall be elected to a six-year term of office if the election is held in an odd-numbered year or a five-year term of office if the election is held in an even-numbered year; (2) the person who is elected receiving the next greatest number of votes shall be elected to a four-year term of office if the election is held in an odd-numbered year or a three-year term of office if the election is held in an even-numbered year; and (3) the other person who is elected shall be elected to a two-year term of office if the election is held in an odd-numbered year or a one-year term of office if the election is held in an even-numbered year. The initial commissioners shall assume office immediately after they are elected and qualified but their terms of office shall be calculated from the first day of January after the election.

Thereafter, commissioners shall be elected to six-year terms of office. Commissioners shall serve until their successors are elected and qualified and assume office as provided in RCW ~~((29.04.170))~~ 29A.20.040.

The polling places for a cemetery district election may be located inside or outside the boundaries of the district, as determined by the auditor of the county in which the cemetery district is located, and no such election shall be held irregular or void on that account.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 7.** RCW 70.44.050 and 1998 c 121 s 7 are each amended to read as follows:

A district shall provide by resolution for the payment of compensation to each of its commissioners at a rate of ~~((seventy))~~ ninety dollars for each day or portion thereof ~~((devoted to the business of the district, and days upon which he or she attends))~~ spent in actual attendance at official meetings of the district commission, or in performance of other official services or duties on behalf of the

district, to include meetings of the commission of his or her own district, or meetings attended by one or more commissioners of two or more districts called to consider business common to them, except that the total compensation paid to such commissioner during any one year shall not exceed ~~((six))~~ eight thousand ~~((seven))~~ six hundred ~~((twenty))~~ forty dollars. The commissioners may not be compensated for services performed of a ministerial or professional nature.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the district as provided in this section. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

Any district providing group insurance for its employees, covering them, their immediate family, and dependents, may provide insurance for its commissioners with the same coverage. Each commissioner shall be reimbursed for reasonable expenses actually incurred in connection with such business and meetings, including his or her subsistence and lodging and travel while away from his or her place of residence. No resolution shall be adopted without a majority vote of the whole commission. The commission shall organize by election of its own members of a president and secretary, shall by resolution adopt rules governing the transaction of its business and shall adopt an official seal. All proceedings of the commission shall be by motion or resolution recorded in a book or books kept for such purpose, which shall be public records.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 8.** RCW 85.05.410 and 1998 c 121 s 8 are each amended to read as follows:

Members of the board of diking commissioners of any diking district in this state may receive as compensation the sum of up to ~~((seventy))~~ ninety dollars for actual attendance at official meetings of the district and for each day or ~~((major))~~ part thereof ~~((for all necessary services actually performed in connection with their duties as commissioners)), or in performance of other official services or duties on behalf of the district and shall receive the same~~

compensation as other labor of a like character for all other necessary work or services performed in connection with their duties: PROVIDED, That such compensation shall not exceed ~~((six)) eight~~ thousand ~~((seven)) six~~ hundred ~~((twenty)) forty~~ dollars in one calendar year, except when the commissioners declare an emergency. Allowance of such compensation shall be established and approved at regular meetings of the board, and when a copy of the extracts of minutes of the board meeting relative thereto showing such approval is certified by the secretary of such board and filed with the county auditor, the allowance made shall be paid as are other claims against the district.

Each commissioner is entitled to reimbursement for reasonable expenses actually incurred in connection with such business, including subsistence and lodging, while away from the commissioner's place of residence, and mileage for use of a privately owned vehicle in accordance with chapter 42.24 RCW.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 9.** RCW 85.06.380 and 1998 c 121 s 9 are each amended to read as follows:

In performing their duties under the provisions of this title the board and members of the board of drainage commissioners may receive as compensation up to ~~((seventy)) ninety~~ dollars ~~((for)) per day or portion thereof spent in actual attendance at official meetings of the district ((and for each day or major part thereof for all necessary services actually performed in connection with their duties as commissioners)), or in performance of other official services or duties on behalf of the district: PROVIDED, That such compensation shall not exceed ~~((six)) eight~~ thousand ~~((seven)) six~~ hundred ~~((twenty)) forty~~ dollars in one calendar year. PROVIDED FURTHER, That such services and compensation are allowed and~~

approved at a regular meeting of the board. Upon the submission of a copy, certified by the secretary, of the extracts of the relevant minutes of the board showing such approval, to the county auditor, the same shall be paid as other claims against the district are paid. Each commissioner is entitled to reimbursement for reasonable expenses actually incurred in connection with such business, including subsistence and lodging, while away from the commissioner's place of residence and mileage for use of a privately-owned vehicle in accordance with chapter 42.24 RCW.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 10.** RCW 85.08.320 and 1998 c 121 s 10 are each amended to read as follows:

The compensation of the superintendent of construction, the board of appraisers hereinafter provided for, and any special engineer, attorney or agent employed by the district in connection with the improvement, the maximum wages to be paid, and the maximum price of materials to be used, shall be fixed by the district board of supervisors. Members of the board of supervisors may receive compensation up to ~~((seventy)) ninety~~ dollars ~~((for attending each official meeting of the district and for each day or major part thereof for all necessary services actually performed in connection with their duties as supervisors)) per day or portion thereof spent in actual attendance at official meetings of the district, or in performance of other official services or duties on behalf of the district: PROVIDED, That such compensation shall not exceed ~~((six)) eight~~ thousand ~~((seven)) six~~ hundred ~~((twenty)) forty~~ dollars in one calendar year. Each supervisor shall be entitled to reimbursement for reasonable expenses actually incurred in connection with business, including subsistence and lodging while away from the supervisor's place of residence and mileage for use of~~

a privately owned vehicle in accordance with chapter 42.24 RCW. All costs of construction or maintenance done under the direction of the board of supervisors shall be paid upon vouchers or payrolls verified by two of the said supervisors. All costs of construction and all other expenses, fees and charges on account of such improvement shall be paid by warrants drawn by the county auditor upon the county treasurer upon the proper fund, and shall draw interest at a rate determined by the county legislative authority until paid or called by the county treasurer as warrants of the county are called.

Any supervisor may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the supervisor's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 11.** RCW 85.24.080 and 1998 c 121 s 11 are each amended to read as follows:

The members of the board may receive as compensation up to ~~((seventy))~~ ninety dollars ~~((for attendance at official meetings of the district and for each day or major part thereof for all necessary services actually performed in connection with their duties as commissioners))~~ per day or portion thereof spent in actual attendance at official meetings of the district, or in performance of other official services or duties on behalf of the district: PROVIDED, That such compensation shall not exceed ((six)) eight thousand ((seven)) six hundred ((twenty)) forty dollars in one calendar year: PROVIDED FURTHER, That the board may fix a different salary for the secretary thereof in lieu of the per diem. Each commissioner is entitled to reimbursement for reasonable expenses actually incurred in connection with such business, including subsistence and lodging, while away from the commissioner's place of residence, and mileage for use of a privately owned vehicle in accordance with chapter 42.24 RCW. The salary and expenses shall be paid by the treasurer of the fund, upon orders made by the board. Each member of the board must before being paid for expenses, take vouchers therefore from the

person or persons to whom the particular amount was paid, and must also make affidavit that the amounts were necessarily incurred and expended in the performance of his or her duties.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 12.** RCW 86.09.283 and 1998 c 121 s 13 are each amended to read as follows:

The board of directors may each receive up to ~~((seventy))~~ ninety dollars ~~((for attendance at official meetings of the board and for each day or major part thereof for all necessary services actually performed in connection with their duties as director))~~ per day or portion thereof spent in actual attendance at official meetings of the board, or in performance of other official services or duties on behalf of the board. The board shall fix the compensation to be paid to the directors, secretary, and all other agents and employees of the district. Compensation for the directors shall not exceed ((six)) eight thousand ((seven)) six hundred ((twenty)) forty dollars in one calendar year. A director is entitled to reimbursement for reasonable expenses actually incurred in connection with such business, including subsistence and lodging, while away from the director's place of residence, and mileage for use of a privately owned vehicle in accordance with chapter 42.24 RCW.

Any director may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the director's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 13.** RCW 87.03.460 and 1998 c 121 s 14 are each amended to read as follows:

In addition to their reasonable expenses in accordance with chapter 42.24 RCW, the directors shall each receive an amount for attending meetings and while performing other services for the district. The amount shall be fixed by resolution and entered in the minutes of the proceedings of the board. It shall not exceed ~~((seventy))~~ ninety dollars for each day or portion thereof spent by a director for such actual attendance at official meetings of the district, or in performance of other official services or duties on behalf of the district. The total amount of such additional compensation received by a director may not exceed ~~((six))~~ eight thousand ~~((seven))~~ six hundred ~~((twenty))~~ forty dollars in a calendar year. The board shall fix the compensation of the secretary and all other employees.

Any director may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the director's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser

for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 14.** RCW 36.57A.050 and 1998 c 121 s 15 are each amended to read as follows:

Within sixty days of the establishment of the boundaries of the public transportation benefit area the members of the county legislative authority and the elected representative of each city within the area shall provide for the selection of the governing body of such area, the public transportation benefit area authority, which shall consist of elected officials selected by and serving at the pleasure of the governing bodies of component cities within the area and the county legislative authority of each county within the area. If at the time a public transportation benefit area authority assumes the public transportation functions previously provided under the Interlocal Cooperation Act (chapter 39.34 RCW) there are citizen positions on the governing board of the transit system, those positions may be retained as positions on the governing board of the public transportation benefit area authority.

Within such sixty-day period, any city may by resolution of its legislative body withdraw from participation in the public transportation benefit area. The county legislative authority and each city remaining in the public transportation benefit area may disapprove and prevent the establishment of any governing body of a public transportation benefit area if the composition thereof does not meet its approval.

In no case shall the governing body of a single county public transportation benefit area be greater than nine members and in the case of a multicounty area, fifteen members. Those cities within the transportation benefit area and excluded from direct membership on the authority are hereby authorized to designate a member of the authority who shall be entitled to represent the interests of such city which is excluded from direct membership on the authority. The legislative body of such city shall notify the authority as to the determination of its authorized representative on the authority.

Each member of the authority is eligible to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060 and to receive compensation, as set by the authority, in an amount not to exceed forty-four dollars for each day during which the member attends official meetings of the authority or performs prescribed duties approved by the chairman of the authority. Except that the authority may, by resolution, increase the payment of per diem compensation to each member from forty-four dollars up to ~~((seventy))~~ ninety dollars per day or portion of a day for actual attendance at board meetings ~~((and))~~ or for performance of other official services or duties on behalf of the authority. In no event may a member be compensated in any year for more than seventy-five days, except the chairman who may be paid compensation for not more than one hundred days: PROVIDED, That compensation shall not be paid to an elected official or employee of federal, state, or local government who is receiving regular full-time compensation from such government for attending meetings and performing prescribed duties of the authority.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

**Sec. 15.** RCW 85.38.075 and 1998 c 121 s 12 are each amended to read as follows:

The members of the governing body may each receive up to ~~((seventy))~~ ninety dollars ~~((for))~~ per day or portion thereof spent in actual attendance at official meetings of the governing body ~~((and for each day or major part thereof for all necessary services actually performed in connection with their duties as a member))~~ or in performance of other official services or duties on behalf of the district. The governing body shall fix the compensation to be paid to the members, secretary, and all other agents and employees of the district. Compensation for the members shall not exceed ~~((six))~~ eight thousand ~~((seven))~~ six hundred ~~((twenty))~~ forty dollars in one calendar year. A member is entitled to reimbursement for reasonable expenses actually incurred in connection with such business, including subsistence and lodging, while away from the member's place of residence, and mileage for use of a privately owned vehicle in accordance with chapter 42.24 RCW.

Any member may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the member's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in

this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions."

On page 1, line 2 of the title, after "compensation;" strike the remainder of the title and insert "and amending RCW 35.61.150, 52.14.010, 53.12.260, 54.12.080, 57.12.010, 68.52.220, 70.44.050, 85.05.410, 85.06.380, 85.08.320, 85.24.080, 86.09.283, 87.03.460, 36.57A.050, and 85.38.075."

and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1368 and asked the Senate to recede therefrom.

#### MESSAGE FROM THE SENATE

April 10, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1377, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 74.15.020 and 2006 c 265 s 401, 2006 c 90 s 1, and 2006 c 54 s 7 are each reenacted and amended to read as follows:

For the purpose of this chapter and RCW 74.13.031, and unless otherwise clearly indicated by the context thereof, the following terms shall mean:

(1) "Agency" means any person, firm, partnership, association, corporation, or facility which receives children, expectant mothers, or persons with developmental disabilities for control, care, or maintenance outside their own homes, or which places, arranges the placement of, or assists in the placement of children, expectant mothers, or persons with developmental disabilities for foster care or placement of children for adoption, and shall include the following irrespective of whether there is compensation to the agency or to the children, expectant mothers or persons with developmental disabilities for services rendered:

(a) "Child-placing agency" means an agency which places a child or children for temporary care, continued care, or for adoption;

(b) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county detention facility that houses juveniles

committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility;

(c) "Crisis residential center" means an agency which is a temporary protective residential facility operated to perform the duties specified in chapter 13.32A RCW, in the manner provided in RCW 74.13.032 through 74.13.036;

(d) "Emergency respite center" is an agency that may be commonly known as a crisis nursery, that provides emergency and crisis care for up to seventy-two hours to children who have been admitted by their parents or guardians to prevent abuse or neglect. Emergency respite centers may operate for up to twenty-four hours a day, and for up to seven days a week. Emergency respite centers may provide care for children ages birth through seventeen, and for persons eighteen through twenty with developmental disabilities who are admitted with a sibling or siblings through age seventeen. Emergency respite centers may not substitute for crisis residential centers or HOPE centers, or any other services defined under this section, and may not substitute for services which are required under chapter 13.32A or 13.34 RCW;

(e) "Foster-family home" means an agency which regularly provides care on a twenty-four hour basis to one or more children, expectant mothers, or persons with developmental disabilities in the family abode of the person or persons under whose direct care and supervision the child, expectant mother, or person with a developmental disability is placed;

(f) "Group-care facility" means an agency, other than a foster-family home, which is maintained and operated for the care of a group of children on a twenty-four hour basis;

(g) "HOPE center" means an agency licensed by the secretary to provide temporary residential placement and other services to street youth. A street youth may remain in a HOPE center for thirty days while services are arranged and permanent placement is coordinated. No street youth may stay longer than thirty days unless approved by the department and any additional days approved by the department must be based on the unavailability of a long-term placement option. A street youth whose parent wants him or her returned to home may remain in a HOPE center until his or her parent arranges return of the youth, not longer. All other street youth must have court approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center up to thirty days;

(h) "Maternity service" means an agency which provides or arranges for care or services to expectant mothers, before or during confinement, or which provides care as needed to mothers and their infants after confinement;

(i) "Responsible living skills program" means an agency licensed by the secretary that provides residential and transitional living services to persons ages sixteen to eighteen who are dependent under chapter 13.34 RCW and who have been unable to live in his or her legally authorized residence and, as a result, the minor lived outdoors or in another unsafe location not intended for occupancy by the minor. Dependent minors ages fourteen and fifteen may be eligible if no other placement alternative is available and the department approves the placement;

(j) "Service provider" means the entity that operates a community facility.

(2) "Agency" shall not include the following:

(a) Persons related to the child, expectant mother, or person with developmental disability in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law;

(iv) Spouses of any persons named in (i), (ii), or (iii) of this subsection (2)(a), even after the marriage is terminated; ~~((or))~~

(v) Relatives, as named in (i), (ii), (iii), or (iv) of this subsection (2)(a), of any half sibling of the child; or

(vi) Extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(b) Persons who are legal guardians of the child, expectant mother, or persons with developmental disabilities;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the parent and person providing care on a twenty-four-hour basis have agreed to the placement in writing and the state is not providing any payment for the care;

(d) A person, partnership, corporation, or other entity that provides placement or similar services to exchange students or international student exchange visitors or persons who have the care of an exchange student in their home;

(e) A person, partnership, corporation, or other entity that provides placement or similar services to international children who have entered the country by obtaining visas that meet the criteria for medical care as established by the United States immigration and naturalization service, or persons who have the care of such an international child in their home;

(f) Schools, including boarding schools, which are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children and do not accept custody of children;

(g) Hospitals licensed pursuant to chapter 70.41 RCW when performing functions defined in chapter 70.41 RCW, nursing homes licensed under chapter 18.51 RCW and boarding homes licensed under chapter 18.20 RCW;

(h) Licensed physicians or lawyers;

(i) Facilities approved and certified under chapter 71A.22 RCW;

(j) Any agency having been in operation in this state ten years prior to June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;

(k) Persons who have a child in their home for purposes of adoption, if the child was placed in such home by a licensed child-placing agency, an authorized public or tribal agency or court or if a replacement report has been filed under chapter 26.33 RCW and the placement has been approved by the court;

(l) An agency operated by any unit of local, state, or federal government or an agency licensed by an Indian tribe pursuant to RCW 74.15.190;

(m) A maximum or medium security program for juvenile offenders operated by or under contract with the department;

(n) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter.

(3) "Department" means the state department of social and health services.

(4) "Family child care licensee" means a person who: (a) Provides regularly scheduled care for a child or children in the home of the provider for periods of less than twenty-four hours or, if necessary due to the nature of the parent's work, for periods equal to or greater than twenty-four hours; (b) does not receive child care subsidies; and (c) is licensed by the state under RCW 74.15.030.

(5) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(6) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(7) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(8) "Secretary" means the secretary of social and health services.

(9) "Street youth" means a person under the age of eighteen who lives outdoors or in another unsafe location not intended for occupancy by the minor and who is not residing with his or her parent or at his or her legally authorized residence.

(10) "Transitional living services" means at a minimum, to the extent funds are available, the following:

(a) Educational services, including basic literacy and computational skills training, either in local alternative or public high schools or in a high school equivalency program that leads to obtaining a high school equivalency degree;

(b) Assistance and counseling related to obtaining vocational training or higher education, job readiness, job search assistance, and placement programs;

(c) Counseling and instruction in life skills such as money management, home management, consumer skills, parenting, health care, access to community resources, and transportation and housing options;

(d) Individual and group counseling; and

(e) Establishing networks with federal agencies and state and local organizations such as the United States department of labor, employment and training administration programs including the job training partnership act which administers private industry councils and the job corps; vocational rehabilitation; and volunteer programs.

**Sec. 2.** RCW 13.34.130 and 2003 c 227 s 3 are each amended to read as follows:

If, after a fact-finding hearing pursuant to RCW 13.34.110, it has been proven by a preponderance of the evidence that the child is dependent within the meaning of RCW 13.34.030 after consideration of the social study prepared pursuant to RCW 13.34.110 and after a disposition hearing has been held pursuant to RCW 13.34.110, the court shall enter an order of disposition pursuant to this section.

(1) The court shall order one of the following dispositions of the case:

(a) Order a disposition other than removal of the child from his or her home, which shall provide a program designed to alleviate the immediate danger to the child, to mitigate or cure any damage the child has already suffered, and to aid the parents so that the child will not be endangered in the future. In determining the disposition, the court should choose those services, including housing assistance, that least interfere with family autonomy and are adequate to protect the child.

(b) Order the child to be removed from his or her home and into the custody, control, and care of a relative or the department or a licensed child placing agency for ~~((placement))~~ supervision of the child's placement. The department or agency supervising the child's placement has the authority to place the child, subject to review and

approval by the court (i) with a relative as defined in RCW 74.15.020(2)(a), (ii) in a foster family home or group care facility licensed pursuant to chapter 74.15 RCW, or ~~((in a home not required to be licensed pursuant to chapter 74.15 RCW))~~ (iii) in the home of another suitable person if the child or family has a preexisting relationship with that person, and the person has completed all required criminal history background checks and otherwise appears to the department or supervising agency to be suitable and competent to provide care for the child. Absent good cause, the department or supervising agency shall follow the wishes of the natural parent regarding the placement of the child in accordance with RCW 13.34.260. The department or supervising agency may only place a child with a person not related to the child as defined in RCW 74.15.020(2)(a) when the court finds that such placement is in the best interest of the child. Unless there is reasonable cause to believe that the health, safety, or welfare of the child would be jeopardized or that efforts to reunite the parent and child will be hindered, such child shall be placed with a person who is: ~~((A))~~ (A) Related to the child as defined in RCW 74.15.020(2)(a) with whom the child has a relationship and is comfortable; and ~~((B))~~ (B) willing and available to care for the child.

~~((2))~~ ~~((Placement of the child with a relative under this subsection shall be given preference by the court.))~~ An order for out-of-home placement may be made only if the court finds that reasonable efforts have been made to prevent or eliminate the need for removal of the child from the child's home and to make it possible for the child to return home, specifying the services that have been provided to the child and the child's parent, guardian, or legal custodian, and that preventive services have been offered or provided and have failed to prevent the need for out-of-home placement, unless the health, safety, and welfare of the child cannot be protected adequately in the home, and that:

(a) There is no parent or guardian available to care for such child;

(b) The parent, guardian, or legal custodian is not willing to take custody of the child; or

(c) The court finds, by clear, cogent, and convincing evidence, a manifest danger exists that the child will suffer serious abuse or neglect if the child is not removed from the home and an order under RCW 26.44.063 would not protect the child from danger.

(3) If the court has ordered a child removed from his or her home pursuant to subsection (1)(b) of this section, the court shall consider whether it is in a child's best interest to be placed with, have contact with, or have visits with siblings.

(a) There shall be a presumption that such placement, contact, or visits are in the best interests of the child provided that:

(i) The court has jurisdiction over all siblings subject to the order of placement, contact, or visitation pursuant to petitions filed under this chapter or the parents of a child for whom there is no jurisdiction are willing to agree; and

(ii) There is no reasonable cause to believe that the health, safety, or welfare of any child subject to the order of placement, contact, or visitation would be jeopardized or that efforts to reunite the parent and child would be hindered by such placement, contact, or visitation. In no event shall parental visitation time be reduced in order to provide sibling visitation.

(b) The court may also order placement, contact, or visitation of a child with a step-brother or step-sister provided that in addition to the factors in (a) of this subsection, the child has a relationship and is comfortable with the step-sibling.

(4) If the court has ordered a child removed from his or her home pursuant to subsection (1)(b) of this section, the court may

order that a petition seeking termination of the parent and child relationship be filed if the requirements of RCW 13.34.132 are met.

(5) If there is insufficient information at the time of the disposition hearing upon which to base a determination regarding the suitability of a proposed placement with a relative, the child shall remain in foster care and the court shall direct the supervising agency to conduct necessary background investigations as provided in chapter 74.15 RCW and report the results of such investigation to the court within thirty days. However, if such relative appears otherwise suitable and competent to provide care and treatment, the criminal history background check need not be completed before placement, but as soon as possible after placement. Any placements with relatives, pursuant to this section, shall be contingent upon cooperation by the relative with the agency case plan and compliance with court orders related to the care and supervision of the child including, but not limited to, court orders regarding parent-child contacts, sibling contacts, and any other conditions imposed by the court. Noncompliance with the case plan or court order shall be grounds for removal of the child from the relative's home, subject to review by the court."

On page 1, line 1 of the title, after "children;" strike the remainder of the title and insert "amending RCW 13.34.130; and reenacting and amending RCW 74.15.020."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to HOUSE BILL NO. 1377 and asked the Senate to recede therefrom.

#### MESSAGE FROM THE SENATE

April 11, 2007

Mr. Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1432, with the following amendment:

On page 2, line 16, strike "five" and insert "two"

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1432 and asked the Senate to recede therefrom.

#### MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 2220, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** A new section is added to chapter 28B.20 RCW to read as follows:

(1) The sea grant program at the University of Washington shall, consistent with this section, commission a series of scientific research studies that examines the possible effects, including the cumulative effects, of the current prevalent geoduck aquaculture techniques and practices on the natural environment in and around Puget Sound, including the Strait of Juan de Fuca. The sea grant program shall use funding provided from the geoduck aquaculture research account created in section 2 of this act to review existing literature, directly perform research identified as needed, or to enter into and manage contracts with scientific organizations or institutions to accomplish these results.

(2) Prior to entering into a contract with a scientific organization or institution, the sea grant program must:

(a) Analyze, through peer review, the credibility of the proposed party to the contract, including whether the party has credible experience and knowledge and has access to the facilities necessary to fully execute the research required by the contract; and

(b) Require that all proposed parties to a contract fully disclose any past, present, or planned future personal or professional connections with the shellfish industry or public interest groups.

(3) All research commissioned under this section must be subjected to a rigorous peer review process prior to being accepted and reported by the sea grant program.

(4) In prioritizing and directing research under this section, the sea grant program shall meet with the department of ecology at least annually and rely on guidance submitted by the department of ecology. The department of ecology shall convene the shellfish aquaculture regulatory committee created in section 4 of this act as necessary to serve as an oversight committee to formulate the guidance provided to the sea grant program. The objective of the oversight committee, and the resulting guidance provided to the sea grant program, is to ensure that the research required under this section satisfies the planning, permitting, and data management needs of the state, to assist in the prioritization of research given limited funding, and to help identify any research that is beneficial to complete other than what is listed in subsection (5) of this section.

(5) To satisfy the minimum requirements of subsection (1) of this section, the sea grant program shall review all scientific research that is existing or in progress that examines the possible effect of currently prevalent geoduck practices, on the natural environment, and prioritize and conduct new studies as needed, to measure and assess the following:

(a) The environmental effects of structures commonly used in the aquaculture industry to protect juvenile geoducks from predation;

(b) The environmental effects of commercial harvesting of geoducks from intertidal geoduck beds, focusing on current prevalent harvesting techniques, including a review of the recovery rates for benthic communities after harvest;

(c) The extent to which geoducks in standard aquaculture tracts alter the ecological characteristics of overlying waters while the tracts are submerged, including impacts on species diversity, and the abundance of other benthic organisms;

(d) Baseline information regarding naturally existing parasites and diseases in wild and cultured geoducks, including whether and

to what extent commercial intertidal geoduck aquaculture practices impact the baseline;

(e) Genetic interactions between cultured and wild geoduck, including measurements of differences between cultured geoducks and wild geoducks in terms of genetics and reproductive status; and

(f) The impact of the use of sterile triploid geoducks and whether triploid animals diminish the genetic interactions between wild and cultured geoducks.

(6) If adequate funding is not made available for the completion of all research required under this section, the sea grant program shall consult with the shellfish aquaculture regulatory committee, via the department of ecology, to prioritize which of the enumerated research projects have the greatest cost/benefit ratio in terms of providing information important for regulatory decisions. The prioritization process may include the addition of any new studies that may be appropriate in addition to, or in place of, studies listed in this section.

(7) When appropriate, all research commissioned under this section must address localized and cumulative effects of geoduck aquaculture.

(8) The sea grant program and the University of Washington are prohibited from retaining greater than fifteen percent of any funding provided to implement this section for administrative overhead or other deductions not directly associated with conducting the research required by this section.

(9) Individual commissioned contracts under this section may address single or multiple components listed for study under this section.

(10) All research commissioned under this section must be completed and the results reported to the appropriate committees of the legislature by December 1, 2013. In addition, the sea grant program shall provide the appropriate committees of the legislature with annual reports updating the status and progress of the ongoing studies that are completed in advance of the 2013 deadline.

**NEW SECTION. Sec. 2.** A new section is added to chapter 28B.20 RCW to read as follows:

The geoduck aquaculture research account is created in the custody of the state treasurer. All receipts from any legislative appropriations, the industry, or any other private or public source directed to the account must be deposited in the account. Expenditures from the account may only be used by the sea grant program for the geoduck research projects identified by section 1 of this act. Only the president of the University of Washington or the president's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

**Sec. 3.** RCW 79.135.100 and 1984 c 221 s 10 are each amended to read as follows:

(1) If state-owned aquatic lands are used for aquaculture production or harvesting, rents and fees shall be established through competitive bidding or negotiation.

(2) The department is prohibited from offering leases that would permit the intertidal commercial aquaculture of geoducks on more than a total of twenty-three acres of state-owned aquatic lands until: (a) The department of ecology and the shellfish aquaculture regulatory committee have submitted a final report containing recommendations as required under section 4 of this act; and (b) the legislature has had at least one full legislative session to consider and act upon the recommendations. If the legislature does not take action limiting the department's authority to lease state-owned aquatic lands for geoduck aquaculture under (b) of this subsection, then the

department may resume leasing property consistent with any applicable federal, state, and local guidelines or regulations.

(3) All rents and fees collected from leases of state-owned aquatic lands for purposes of geoduck aquaculture must be deposited into the geoduck aquaculture research account created under section 2 of this act.

(4) Any intertidal leases entered into by the department for geoduck aquaculture must be conditioned in such a way that: (a) The department can engage in monitoring of the environmental impacts of the lease's execution, without unreasonably diminishing the economic viability of the lease, and that the lease tracts are eligible to be made part of the studies conducted under section 1 of this act; and (b) any aquaculture equipment and materials used in the cultivation, protection, or harvest of geoducks be marked with the registration number of the aquatic farmer as required under RCW 77.115.040. The department must notify all abutting landowners of the intent of the department to lease the tidal and subtidal lands for the purposes of geoduck aquaculture. An intertidal lease entered into by the department for the purpose of geoduck aquaculture may not contain an automatic right of renewal.

**NEW SECTION. Sec. 4.** (1) The shellfish aquaculture regulatory committee is established to, consistent with this section, serve as an advisory body to the department of ecology on regulatory processes and approvals for all current and new shellfish aquaculture activities, and the activities conducted pursuant to RCW 90.58.060, as the activities relate to shellfish. The shellfish aquaculture regulatory committee is advisory in nature, and no vote or action of the committee may overrule existing statutes, regulations, or local ordinances.

(2) The shellfish aquaculture regulatory committee shall develop recommendations as to:

(a) A regulatory system or permit process for all current and new shellfish aquaculture projects and activities that integrates all applicable existing local, state, and federal regulations and is efficient both for the regulators and the regulated; and

(b) Appropriate guidelines for geoduck aquaculture operations to be included in shoreline master programs under section 5 of this act.

(3)(a) The members of the shellfish aquaculture regulatory committee shall be appointed by the director of the department of ecology as follows:

(i) Two representatives of county government, one from a county located on the Puget Sound, and one from a county located on the Pacific Ocean;

(ii) Two individuals who are professionally engaged in the commercial aquaculture of shellfish, one who owns or operates an aquatic farm in Puget Sound, and one who owns or operates an aquatic farm in state waters other than the Puget Sound;

(iii) Two representatives of organizations representing the environmental community;

(iv) Two individuals who own shoreline property, one of which does not have a commercial geoduck operation on his or her property and one of which who does have a commercial geoduck operation on his or her property; and

(v) One representative each from the following state agencies: The department of ecology, the department of fish and wildlife, the department of agriculture, and the department of natural resources.

(b) In addition to the other participants listed in this subsection, the governor shall invite the full participation of two tribal governments, at least one of which is located within the drainage of the Puget Sound.

(4) The department of ecology shall provide administrative and clerical assistance to the shellfish aquaculture regulatory committee and all agencies listed in subsection (3) of this section shall provide technical assistance.

(5) Nonagency members of the shellfish aquaculture regulatory committee will not be compensated, but are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(6) Any participation by a Native American tribe on the shellfish aquaculture regulatory committee shall not, under any circumstances, be viewed as an admission by the tribe that any of its activities, or those of its members, are subject to any of the statutes, regulations, ordinances, standards, or permit systems reviewed, considered, or proposed by the committee.

(7) The shellfish aquaculture regulatory committee is authorized to form technical advisory panels as needed and appoint to them members not on the shellfish aquaculture regulatory committee.

(8) The department of ecology shall report the recommendations and findings of the shellfish aquaculture regulatory committee to the appropriate committees of the legislature by December 1, 2007, with a further report, if necessary, by December 1, 2008.

**NEW SECTION. Sec. 5.** (1) The department of ecology shall develop, by rule, guidelines for the appropriate siting and operation of geoduck aquaculture operations to be included in any master program under this section. The guidelines adopted under this section must be prepared with the advice of the shellfish aquaculture regulatory committee created in section 4 of this act, which shall serve as the advisory committee for the development of the guidelines. The guidelines must include abutting landowner notification of proposed tidal and subtidal aquaculture activities.

(2) The guidelines required under this section must be filed for public review and comment no later than six months after the delivery of the final report by the shellfish aquaculture regulatory committee created in section 4 of this act.

(3) The department of ecology shall update the guidelines required under this section, as necessary, after the completion of the geoduck research by the sea grant program at the University of Washington required under section 1 of this act.

**Sec. 6.** RCW 77.115.040 and 1993 sp.s. c 2 s 58 are each amended to read as follows:

(1) All aquatic farmers as defined in RCW 15.85.020 shall register with the department. The director shall develop and maintain a registration list of all aquaculture farms and assign each farm a registration number. The department shall periodically update the list to ensure accuracy. The department shall coordinate with the department of health using shellfish growing area certification data when updating the registration list.

(2) Registered aquaculture farms shall provide the department ((production statistical data)) with the following information: (a) The name of the aquatic farmer; (b) the address of the aquatic farmer; (c) contact information such as telephone, fax, web site, and email address, if available; (d) the number of acres under cultivation; (e) the name of the landowner of the property being cultivated or otherwise used in the aquatic farming operation; (f) the private sector cultured aquatic product being propagated, farmed, or cultivated; and (g) production statistical data. As a condition of registration, all aquatic farmers shall provide the department with proof of abutting landowner notification of geoduck farming activities.

(3) The department shall require a registered aquatic farmer who commercially farms and manages the cultivation of geoduck to mark

any aquaculture equipment and materials used in the cultivation, protection, or harvest of geoducks with the registration number.

(4) The department must publish the contact information of a staff person responsible for managing the registration list who is available to answer questions from the public regarding aquatic farms that cultivate geoducks.

(5) The state veterinarian shall be provided with registration and statistical data by the department.

**NEW SECTION. Sec. 7.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void."

On page 1, line 1 of the title, after "shellfish;" strike the remainder of the title and insert "amending RCW 79.135.100 and 77.115.040; adding new sections to chapter 28B.20 RCW; and creating new sections."

and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 2220 and asked the Senate to recede therefrom.

#### MESSAGE FROM THE SENATE

April 4, 2007

Mr. Speaker:

The Senate has passed ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1001, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) The legislature finds that:

(a) Automobiles are an essential part of our everyday lives. The west coast is the only region of the United States with an increase of over three percent in motor vehicle thefts over the last several years. The family car is a priority of most individuals and families. The family car is typically the second largest investment a person has next to the home, so when a car is stolen, it causes a significant loss and inconvenience to people, imposes financial hardship, and negatively impacts their work, school, and personal activities. Appropriate and meaningful penalties that are proportionate to the crime committed must be imposed on those who steal motor vehicles;

(b) In Washington, more than one car is stolen every eleven minutes, one hundred thirty-eight cars are stolen every day, someone's car has a one in one hundred seventy-nine chance of being stolen, and more vehicles were stolen in 2005 than in any other previous year. Since 1994, auto theft has increased over fifty-five percent, while other property crimes like burglary are on the decline or holding steady. The national crime insurance bureau reports that Seattle and Tacoma ranked in the top ten places for the most auto thefts, ninth and tenth respectively, in 2004. In 2005, over fifty thousand auto thefts were reported costing Washington citizens more

than three hundred twenty-five million dollars in higher insurance rates and lost vehicles. Nearly eighty percent of these crimes occurred in the central Puget Sound region consisting of the heavily populated areas of King, Pierce, and Snohomish counties;

(c) Law enforcement has determined that auto theft, along with all the grief it causes the immediate victims, is linked more and more to offenders engaged in other crimes. Many stolen vehicles are used by criminals involved in such crimes as robbery, burglary, and assault. In addition, many people who are stopped in stolen vehicles are found to possess the personal identification of other persons, or to possess methamphetamine, precursors to methamphetamine, or equipment used to cook methamphetamine;

(d) Juveniles account for over half of the reported auto thefts with many of these thefts being their first criminal offense. It is critical that they, along with first time adult offenders, are appropriately punished for their crimes. However, it is also important that first time offenders who qualify receive appropriate counseling treatment for associated problems that may have contributed to the commission of the crime, such as drugs, alcohol, and anger management; and

(e) A coordinated and concentrated enforcement mechanism is critical to an effective statewide offensive against motor vehicle theft. Such a system provides for better communications between and among law enforcement agencies, more efficient implementation of efforts to discover, track, and arrest auto thieves, quicker recovery, and the return of stolen vehicles, saving millions of dollars in potential loss to victims and their insurers.

(2) It is the intent of this act to deter motor vehicle theft through a statewide cooperative effort by combating motor vehicle theft through tough laws, supporting law enforcement activities, improving enforcement and administration, effective prosecution, public awareness, and meaningful treatment for first time offenders where appropriate. It is also the intent of the legislature to ensure that adequate funding is provided to implement this act in order for real, observable reductions in the number of auto thefts in Washington state.

**NEW SECTION. Sec. 2.** A new section is added to chapter 9A.56 RCW to read as follows:

(1) A person is guilty of theft of a motor vehicle if he or she commits theft of a motor vehicle.

(2) Theft of a motor vehicle is a class B felony.

**Sec. 3.** RCW 9A.56.030 and 2005 c 212 s 2 are each amended to read as follows:

(1) A person is guilty of theft in the first degree if he or she commits theft of:

(a) Property or services which exceed(s) one thousand five hundred dollars in value other than a firearm as defined in RCW 9.41.010;

(b) Property of any value, other than a firearm as defined in RCW 9.41.010 or a motor vehicle, taken from the person of another; or

(c) A search and rescue dog, as defined in RCW 9.91.175, while the search and rescue dog is on duty.

(2) Theft in the first degree is a class B felony.

**Sec. 4.** RCW 9A.56.040 and 1995 c 129 s 12 are each amended to read as follows:

(1) A person is guilty of theft in the second degree if he or she commits theft of:

(a) Property or services which exceed(s) two hundred ((~~and~~) fifty dollars in value (~~other than a firearm as defined in RCW 9.41.010~~)) but does not exceed one thousand five hundred dollars in value, other than a firearm as defined in RCW 9.41.010 or a motor vehicle; or

(b) A public record, writing, or instrument kept, filed, or deposited according to law with or in the keeping of any public office or public servant; or

(c) An access device(~~or~~

~~(d) A motor vehicle, of a value less than one thousand five hundred dollars)).~~

(2) Theft in the second degree is a class C felony.

**NEW SECTION. Sec. 5.** A new section is added to chapter 9A.56 RCW to read as follows:

(1) A person is guilty of possession of a stolen vehicle if he or she possess a stolen motor vehicle.

(2) Possession of a stolen motor vehicle is a class B felony.

**Sec. 6.** RCW 9A.56.150 and 1995 c 129 s 14 are each amended to read as follows:

(1) A person is guilty of possessing stolen property in the first degree if he or she possesses stolen property, other than a firearm as defined in RCW 9.41.010 or a motor vehicle, which exceeds one thousand five hundred dollars in value.

(2) Possessing stolen property in the first degree is a class B felony.

**Sec. 7.** RCW 9A.56.160 and 1995 c 129 s 15 are each amended to read as follows:

(1) A person is guilty of possessing stolen property in the second degree if:

(a) He or she possesses stolen property, other than a firearm as defined in RCW 9.41.010 or a motor vehicle, which exceeds two hundred fifty dollars in value but does not exceed one thousand five hundred dollars in value; or

(b) He or she possesses a stolen public record, writing or instrument kept, filed, or deposited according to law; or

(c) He or she possesses a stolen access device(~~or~~

~~(d) He or she possesses a stolen motor vehicle of a value less than one thousand five hundred dollars)).~~

(2) Possessing stolen property in the second degree is a class C felony.

**Sec. 8.** RCW 9.94A.525 and 2006 c 128 s 6 and 2006 c 73 s 7 are each reenacted and amended to read as follows:

The offender score is measured on the horizontal axis of the sentencing grid. The offender score rules are as follows:

The offender score is the sum of points accrued under this section rounded down to the nearest whole number.

(1) A prior conviction is a conviction which exists before the date of sentencing for the offense for which the offender score is being computed. Convictions entered or sentenced on the same date as the conviction for which the offender score is being computed shall be deemed "other current offenses" within the meaning of RCW 9.94A.589.

(2)(a) Class A and sex prior felony convictions shall always be included in the offender score.

(b) Class B prior felony convictions other than sex offenses shall not be included in the offender score, if since the last date of release from confinement (including full-time residential treatment) pursuant to a felony conviction, if any, or entry of judgment and sentence, the

offender had spent ten consecutive years in the community without committing any crime that subsequently results in a conviction.

(c) Except as provided in (e) of this subsection, class C prior felony convictions other than sex offenses shall not be included in the offender score if, since the last date of release from confinement (including full-time residential treatment) pursuant to a felony conviction, if any, or entry of judgment and sentence, the offender had spent five consecutive years in the community without committing any crime that subsequently results in a conviction.

(d) Except as provided in (e) of this subsection, serious traffic convictions shall not be included in the offender score if, since the last date of release from confinement (including full-time residential treatment) pursuant to a felony conviction, if any, or entry of judgment and sentence, the offender spent five years in the community without committing any crime that subsequently results in a conviction.

(e) If the present conviction is felony driving while under the influence of intoxicating liquor or any drug (RCW 46.61.502(6)) or felony physical control of a vehicle while under the influence of intoxicating liquor or any drug (RCW 46.61.504(6)), prior convictions of felony driving while under the influence of intoxicating liquor or any drug, felony physical control of a vehicle while under the influence of intoxicating liquor or any drug, and serious traffic offenses shall be included in the offender score if: (i) The prior convictions were committed within five years since the last date of release from confinement (including full-time residential treatment) or entry of judgment and sentence; or (ii) the prior convictions would be considered "prior offenses within ten years" as defined in RCW 46.61.5055.

(f) This subsection applies to both adult and juvenile prior convictions.

(3) Out-of-state convictions for offenses shall be classified according to the comparable offense definitions and sentences provided by Washington law. Federal convictions for offenses shall be classified according to the comparable offense definitions and sentences provided by Washington law. If there is no clearly comparable offense under Washington law or the offense is one that is usually considered subject to exclusive federal jurisdiction, the offense shall be scored as a class C felony equivalent if it was a felony under the relevant federal statute.

(4) Score prior convictions for felony anticipatory offenses (attempts, criminal solicitations, and criminal conspiracies) the same as if they were convictions for completed offenses.

(5)(a) In the case of multiple prior convictions, for the purpose of computing the offender score, count all convictions separately, except:

(i) Prior offenses which were found, under RCW 9.94A.589(1)(a), to encompass the same criminal conduct, shall be counted as one offense, the offense that yields the highest offender score. The current sentencing court shall determine with respect to other prior adult offenses for which sentences were served concurrently or prior juvenile offenses for which sentences were served consecutively, whether those offenses shall be counted as one offense or as separate offenses using the "same criminal conduct" analysis found in RCW 9.94A.589(1)(a), and if the court finds that they shall be counted as one offense, then the offense that yields the highest offender score shall be used. The current sentencing court may presume that such other prior offenses were not the same criminal conduct from sentences imposed on separate dates, or in separate counties or jurisdictions, or in separate complaints, indictments, or informations;

(ii) In the case of multiple prior convictions for offenses committed before July 1, 1986, for the purpose of computing the offender score, count all adult convictions served concurrently as one offense, and count all juvenile convictions entered on the same date as one offense. Use the conviction for the offense that yields the highest offender score.

(b) As used in this subsection (5), "served concurrently" means that: (i) The latter sentence was imposed with specific reference to the former; (ii) the concurrent relationship of the sentences was judicially imposed; and (iii) the concurrent timing of the sentences was not the result of a probation or parole revocation on the former offense.

(6) If the present conviction is one of the anticipatory offenses of criminal attempt, solicitation, or conspiracy, count each prior conviction as if the present conviction were for a completed offense. When these convictions are used as criminal history, score them the same as a completed crime.

(7) If the present conviction is for a nonviolent offense and not covered by subsection (11) or (12) of this section, count one point for each adult prior felony conviction and one point for each juvenile prior violent felony conviction and 1/2 point for each juvenile prior nonviolent felony conviction.

(8) If the present conviction is for a violent offense and not covered in subsection (9), (10), (11), or (12) of this section, count two points for each prior adult and juvenile violent felony conviction, one point for each prior adult nonviolent felony conviction, and 1/2 point for each prior juvenile nonviolent felony conviction.

(9) If the present conviction is for a serious violent offense, count three points for prior adult and juvenile convictions for crimes in this category, two points for each prior adult and juvenile violent conviction (not already counted), one point for each prior adult nonviolent felony conviction, and 1/2 point for each prior juvenile nonviolent felony conviction.

(10) If the present conviction is for Burglary 1, count prior convictions as in subsection (8) of this section; however count two points for each prior adult Burglary 2 or residential burglary conviction, and one point for each prior juvenile Burglary 2 or residential burglary conviction.

(11) If the present conviction is for a felony traffic offense count two points for each adult or juvenile prior conviction for Vehicular Homicide or Vehicular Assault; for each felony offense count one point for each adult and 1/2 point for each juvenile prior conviction; for each serious traffic offense, other than those used for an enhancement pursuant to RCW 46.61.520(2), count one point for each adult and 1/2 point for each juvenile prior conviction.

(12) If the present conviction is for manufacture of methamphetamine count three points for each adult prior manufacture of methamphetamine conviction and two points for each juvenile manufacture of methamphetamine offense. If the present conviction is for a drug offense and the offender has a criminal history that includes a sex offense or serious violent offense, count three points for each adult prior felony drug offense conviction and two points for each juvenile drug offense. All other adult and juvenile felonies are scored as in subsection (8) of this section if the current drug offense is violent, or as in subsection (7) of this section if the current drug offense is nonviolent.

(13) If the present conviction is for Escape from Community Custody, RCW 72.09.310, count only prior escape convictions in the offender score. Count adult prior escape convictions as one point and juvenile prior escape convictions as 1/2 point.

(14) If the present conviction is for Escape 1, RCW 9A.76.110, or Escape 2, RCW 9A.76.120, count adult prior convictions as one point and juvenile prior convictions as 1/2 point.

(15) If the present conviction is for Burglary 2 or residential burglary, count priors as in subsection (7) of this section; however, count two points for each adult and juvenile prior Burglary 1 conviction, two points for each adult prior Burglary 2 or residential burglary conviction, and one point for each juvenile prior Burglary 2 or residential burglary conviction.

(16) If the present conviction is for a sex offense, count priors as in subsections (7) through (15) of this section; however count three points for each adult and juvenile prior sex offense conviction.

(17) If the present conviction is for failure to register as a sex offender under RCW 9A.44.130(10), count priors as in subsections (7) through (15) of this section; however count three points for each adult and juvenile prior sex offense conviction, excluding prior convictions for failure to register as a sex offender under RCW 9A.44.130(10), which shall count as one point.

(18) If the present conviction is for an offense committed while the offender was under community placement, add one point.

(19) If the present conviction is for Theft of a Motor Vehicle, Possession of a Stolen Vehicle, Taking a Motor Vehicle Without Permission 1, or Taking a Motor Vehicle Without Permission 2, count priors as in subsections (7) through (18) of this section; however count one point for prior convictions of Vehicle Prowling 2, and three points for each adult and juvenile prior Theft 1 (of a motor vehicle), Theft 2 (of a motor vehicle), Possession of Stolen Property 1 (of a motor vehicle), Possession of Stolen Property 2 (of a motor vehicle), Theft of a Motor Vehicle, Possession of a Stolen Vehicle, Taking a Motor Vehicle Without Permission 1, or Taking a Motor Vehicle Without Permission 2 conviction.

(20) The fact that a prior conviction was not included in an offender's offender score or criminal history at a previous sentencing shall have no bearing on whether it is included in the criminal history or offender score for the current offense. Accordingly, prior convictions that were not counted in the offender score or included in criminal history under repealed or previous versions of the sentencing reform act shall be included in criminal history and shall count in the offender score if the current version of the sentencing reform act requires including or counting those convictions.

**Sec. 9.** RCW 9.94A.734 and 2003 c 53 s 62 are each amended to read as follows:

(1) Home detention may not be imposed for offenders convicted of:

- (a) A violent offense;
- (b) Any sex offense;
- (c) Any drug offense;
- (d) Reckless burning in the first or second degree as defined in RCW 9A.48.040 or 9A.48.050;
- (e) Assault in the third degree as defined in RCW 9A.36.031;
- (f) Assault of a child in the third degree;
- (g) Unlawful imprisonment as defined in RCW 9A.40.040; or
- (h) Harassment as defined in RCW 9A.46.020.

Home detention may be imposed for offenders convicted of possession of a controlled substance under RCW 69.50.4013 or forged prescription for a controlled substance under RCW 69.50.403 if the offender fulfills the participation conditions set forth in this section and is monitored for drug use by a treatment alternatives to street crime program or a comparable court or agency-referred program.

(2) Home detention may be imposed for offenders convicted of burglary in the second degree as defined in RCW 9A.52.030 or residential burglary conditioned upon the offender:

(a) Successfully completing twenty-one days in a work release program;

(b) Having no convictions for burglary in the second degree or residential burglary during the preceding two years and not more than two prior convictions for burglary or residential burglary;

(c) Having no convictions for a violent felony offense during the preceding two years and not more than two prior convictions for a violent felony offense;

(d) Having no prior charges of escape; and

(e) Fulfilling the other conditions of the home detention program.

(3) Home detention may be imposed for offenders convicted of taking a motor vehicle without permission in the second degree as defined in RCW 9A.56.075, theft of a motor vehicle as defined under section 2 of this act, or possession of a stolen motor vehicle as defined under section 5 of this act conditioned upon the offender:

(a) Having no convictions for taking a motor vehicle without permission, theft of a motor vehicle or possession of a stolen motor vehicle during the preceding five years and not more than two prior convictions for taking a motor vehicle without permission, theft of a motor vehicle or possession of a stolen motor vehicle;

(b) Having no convictions for a violent felony offense during the preceding two years and not more than two prior convictions for a violent felony offense;

(c) Having no prior charges of escape; and

(d) Fulfilling the other conditions of the home detention program.

(4) Participation in a home detention program shall be conditioned upon:

(a) The offender obtaining or maintaining current employment or attending a regular course of school study at regularly defined hours, or the offender performing parental duties to offspring or minors normally in the custody of the offender;

(b) Abiding by the rules of the home detention program; and

(c) Compliance with court-ordered legal financial obligations.

The home detention program may also be made available to offenders whose charges and convictions do not otherwise disqualify them if medical or health-related conditions, concerns or treatment would be better addressed under the home detention program, or where the health and welfare of the offender, other inmates, or staff would be jeopardized by the offender's incarceration. Participation in the home detention program for medical or health-related reasons is conditioned on the offender abiding by the rules of the home detention program and complying with court-ordered restitution.

**Sec. 10.** RCW 9.94A.515 and 2006 c 277 s 6, 2006 c 228 s 9, 2006 c 191 s 2, 2006 c 139 s 2, 2006 c 128 s 3, and 2006 c 73 s 12 are each reenacted and amended to read as follows:

TABLE 2

CRIMES INCLUDED WITHIN  
EACH SERIOUSNESS LEVEL

XVI	Aggravated Murder 1 (RCW 10.95.020)
XV	Homicide by abuse (RCW 9A.32.055)
	Malicious explosion 1 (RCW 70.74.280(1))
	Murder 1 (RCW 9A.32.030)

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|---|---|
| <p>XIV Murder 2 (RCW 9A.32.050)<br/>Trafficking 1 (RCW 9A.40.100(1))</p> <p>XIII Malicious explosion 2 (RCW 70.74.280(2))<br/>Malicious placement of an explosive 1 (RCW 70.74.270(1))</p> <p>XII Assault 1 (RCW 9A.36.011)<br/>Assault of a Child 1 (RCW 9A.36.120)<br/>Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a))<br/>Rape 1 (RCW 9A.44.040)<br/>Rape of a Child 1 (RCW 9A.44.073)<br/>Trafficking 2 (RCW 9A.40.100(2))</p> <p>XI Manslaughter 1 (RCW 9A.32.060)<br/>Rape 2 (RCW 9A.44.050)<br/>Rape of a Child 2 (RCW 9A.44.076)</p> <p>X Child Molestation 1 (RCW 9A.44.083)<br/>Indecent Liberties (with forcible compulsion) (RCW 9A.44.100(1)(a))<br/>Kidnapping 1 (RCW 9A.40.020)<br/>Leading Organized Crime (RCW 9A.82.060(1)(a))<br/>Malicious explosion 3 (RCW 70.74.280(3))<br/>Sexually Violent Predator Escape (RCW 9A.76.115)</p> <p>IX Abandonment of Dependent Person 1 (RCW 9A.42.060)<br/>Assault of a Child 2 (RCW 9A.36.130)<br/>Criminal Mistreatment 1 (RCW 9A.42.020)<br/>Explosive devices prohibited (RCW 70.74.180)<br/>Hit and Run--Death (RCW 46.52.020(4)(a))<br/>Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050)<br/>Inciting Criminal Profiteering (RCW 9A.82.060(1)(b))<br/>Malicious placement of an explosive 2 (RCW 70.74.270(2))<br/>Robbery 1 (RCW 9A.56.200)<br/>Sexual Exploitation (RCW 9.68A.040)<br/>Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520)</p> | <p>VIII Arson 1 (RCW 9A.48.020)<br/>Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050)<br/>Manslaughter 2 (RCW 9A.32.070)<br/>Promoting Prostitution 1 (RCW 9A.88.070)<br/>Theft of Ammonia (RCW 69.55.010)<br/>Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520)</p> <p>VII Burglary 1 (RCW 9A.52.020)<br/>Child Molestation 2 (RCW 9A.44.086)<br/>Civil Disorder Training (RCW 9A.48.120)<br/>Dealing in depictions of minor engaged in sexually explicit conduct (RCW 9.68A.050)<br/>Drive-by Shooting (RCW 9A.36.045)<br/>Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050)<br/>Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c))<br/>Introducing Contraband 1 (RCW 9A.76.140)<br/>Malicious placement of an explosive 3 (RCW 70.74.270(3))<br/>Negligently Causing Death By Use of a Signal Preemption Device (RCW 46.37.675)<br/>Sending, bringing into state depictions of minor engaged in sexually explicit conduct (RCW 9.68A.060)<br/>Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(1))<br/>Use of a Machine Gun in Commission of a Felony (RCW 9.41.225)<br/>Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520)</p> <p>VI Bail Jumping with Murder 1 (RCW 9A.76.170(3)(a))<br/>Bribery (RCW 9A.68.010)<br/>Incest 1 (RCW 9A.64.020(1))<br/>Intimidating a Judge (RCW 9A.72.160)<br/>Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130)</p> |
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- Malicious placement of an imitation device  
2 (RCW 70.74.272(1)(b))
- Possession of Depictions of a Minor  
Engaged in Sexually Explicit Conduct  
(RCW 9.68A.070)
- Rape of a Child 3 (RCW 9A.44.079)
- Theft of a Firearm (RCW 9A.56.300)
- Unlawful Storage of Ammonia (RCW  
69.55.020)
- V Abandonment of Dependent Person 2  
(RCW 9A.42.070)
- Advancing money or property for  
extortionate extension of credit (RCW  
9A.82.030)
- Bail Jumping with class A Felony (RCW  
9A.76.170(3)(b))
- Child Molestation 3 (RCW 9A.44.089)
- Criminal Mistreatment 2 (RCW 9A.42.030)
- Custodial Sexual Misconduct 1 (RCW  
9A.44.160)
- Domestic Violence Court Order Violation  
(RCW 10.99.040, 10.99.050,  
26.09.300, 26.10.220, 26.26.138,  
26.50.110, 26.52.070, or 74.34.145)
- Driving While Under the Influence (RCW  
46.61.502(6))
- Extortion 1 (RCW 9A.56.120)
- Extortionate Extension of Credit (RCW  
9A.82.020)
- Extortionate Means to Collect Extensions  
of Credit (RCW 9A.82.040)
- Incest 2 (RCW 9A.64.020(2))
- Kidnapping 2 (RCW 9A.40.030)
- Perjury 1 (RCW 9A.72.020)
- Persistent prison misbehavior (RCW  
9.94.070)
- Physical Control of a Vehicle While Under  
the Influence (RCW 46.61.504(6))
- Possession of a Stolen Firearm (RCW  
9A.56.310)
- Rape 3 (RCW 9A.44.060)
- Rendering Criminal Assistance 1 (RCW  
9A.76.070)
- Sexual Misconduct with a Minor 1 (RCW  
9A.44.093)
- Sexually Violating Human Remains (RCW  
9A.44.105)
- Stalking (RCW 9A.46.110)
- Taking Motor Vehicle Without Permission  
1 (RCW 9A.56.070)
- IV Arson 2 (RCW 9A.48.030)
- Assault 2 (RCW 9A.36.021)
- Assault 3 (of a Peace Officer with a  
Projectile Stun Gun) (RCW  
9A.36.031(1)(h))
- Assault by Watercraft (RCW 79A.60.060)
- Bribing a Witness/Bribe Received by  
Witness (RCW 9A.72.090, 9A.72.100)
- Cheating 1 (RCW 9.46.1961)
- Commercial Bribery (RCW 9A.68.060)
- Counterfeiting (RCW 9.16.035(4))
- Endangerment with a Controlled Substance  
(RCW 9A.42.100)
- Escape 1 (RCW 9A.76.110)
- Hit and Run--Injury (RCW  
46.52.020(4)(b))
- Hit and Run with Vessel--Injury Accident  
(RCW 79A.60.200(3))
- Identity Theft 1 (RCW 9.35.020(2))
- Indecent Exposure to Person Under Age  
Fourteen (subsequent sex offense)  
(RCW 9A.88.010)
- Influencing Outcome of Sporting Event  
(RCW 9A.82.070)
- Malicious Harassment (RCW 9A.36.080)
- Residential Burglary (RCW 9A.52.025)
- Robbery 2 (RCW 9A.56.210)
- Theft of Livestock 1 (RCW 9A.56.080)
- Threats to Bomb (RCW 9.61.160)
- Trafficking in Stolen Property 1 (RCW  
9A.82.050)
- Unlawful factoring of a credit card or  
payment card transaction (RCW  
9A.56.290(4)(b))
- Unlawful transaction of health coverage as  
a health care service contractor (RCW  
48.44.016(3))
- Unlawful transaction of health coverage as  
a health maintenance organization  
(RCW 48.46.033(3))
- Unlawful transaction of insurance business  
(RCW 48.15.023(3))

- Unlicensed practice as an insurance professional (RCW 48.17.063(3))
- Use of Proceeds of Criminal Profiteering (RCW 9A.82.080 (1) and (2))
- Vehicular Assault, by being under the influence of intoxicating liquor or any drug, or by the operation or driving of a vehicle in a reckless manner (RCW 46.61.522)
- Willful Failure to Return from Furlough (RCW 72.66.060)
- III Animal Cruelty 1 (Sexual Conduct or Contact) (RCW 16.52.205(3))
- Assault 3 (Except Assault 3 of a Peace Officer With a Projectile Stun Gun) (RCW 9A.36.031 except subsection (1)(h))
- Assault of a Child 3 (RCW 9A.36.140)
- Bail Jumping with class B or C Felony (RCW 9A.76.170(3)(c))
- Burglary 2 (RCW 9A.52.030)
- Communication with a Minor for Immoral Purposes (RCW 9.68A.090)
- Criminal Gang Intimidation (RCW 9A.46.120)
- Custodial Assault (RCW 9A.36.100)
- Cyberstalking (subsequent conviction or threat of death) (RCW 9.61.260(3))
- Escape 2 (RCW 9A.76.120)
- Extortion 2 (RCW 9A.56.130)
- Harassment (RCW 9A.46.020)
- Intimidating a Public Servant (RCW 9A.76.180)
- Introducing Contraband 2 (RCW 9A.76.150)
- Malicious Injury to Railroad Property (RCW 81.60.070)
- Negligently Causing Substantial Bodily Harm By Use of a Signal Preemption Device (RCW 46.37.674)
- Organized Retail Theft 1 (RCW 9A.56.350(2))
- Patronizing a Juvenile Prostitute (RCW 9.68A.100)
- Perjury 2 (RCW 9A.72.030)
- Possession of Incendiary Device (RCW 9.40.120)
- Possession of Machine Gun or Short-Barreled Shotgun or Rifle (RCW 9.41.190)
- Promoting Prostitution 2 (RCW 9A.88.080)
- ~~((Retail))~~ Retail Theft with Extenuating Circumstances 1 (RCW 9A.56.360(2))
- Securities Act violation (RCW 21.20.400)
- Tampering with a Witness (RCW 9A.72.120)
- Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230(2))
- Theft of Livestock 2 (RCW 9A.56.083)
- Theft with the Intent to Resell 1 (RCW 9A.56.340(2))
- Trafficking in Stolen Property 2 (RCW 9A.82.055)
- Unlawful Imprisonment (RCW 9A.40.040)
- Unlawful possession of firearm in the second degree (RCW 9.41.040(2))
- Vehicular Assault, by the operation or driving of a vehicle with disregard for the safety of others (RCW 46.61.522)
- Willful Failure to Return from Work Release (RCW 72.65.070)
- II Computer Trespass 1 (RCW 9A.52.110)
- Counterfeiting (RCW 9.16.035(3))
- Escape from Community Custody (RCW 72.09.310)
- Failure to Register as a Sex Offender (second or subsequent offense) (RCW 9A.44.130(10)(a))
- Health Care False Claims (RCW 48.80.030)
- Identity Theft 2 (RCW 9.35.020(3))
- Improperly Obtaining Financial Information (RCW 9.35.010)
- Malicious Mischief 1 (RCW 9A.48.070)
- Organized Retail Theft 2 (RCW 9A.56.350(3))
- Possession of Stolen Property 1 (RCW 9A.56.150)
- Possession of a Stolen Vehicle (section 5 of this act)
- ~~((Retail))~~ Retail Theft with Extenuating Circumstances 2 (RCW 9A.56.360(3))
- Theft 1 (RCW 9A.56.030)

Theft of a Motor Vehicle (section 2 of this act)

Theft of Rental, Leased, or Lease-purchased Property (valued at one thousand five hundred dollars or more) (RCW 9A.56.096(5)(a))

Theft with the Intent to Resell 2 (RCW 9A.56.340(3))

Trafficking in Insurance Claims (RCW 48.30A.015)

Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(a))

Unlawful Practice of Law (RCW 2.48.180)

Unlicensed Practice of a Profession or Business (RCW 18.130.190(7))

Voyeurism (RCW 9A.44.115)

I Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024)

False Verification for Welfare (RCW 74.08.055)

Forgery (RCW 9A.60.020)

Fraudulent Creation or Revocation of a Mental Health Advance Directive (RCW 9A.60.060)

Malicious Mischief 2 (RCW 9A.48.080)

Mineral Trespass (RCW 78.44.330)

Possession of Stolen Property 2 (RCW 9A.56.160)

Reckless Burning 1 (RCW 9A.48.040)

Taking Motor Vehicle Without Permission 2 (RCW 9A.56.075)

Theft 2 (RCW 9A.56.040)

Theft of Rental, Leased, or Lease-purchased Property (valued at two hundred fifty dollars or more but less than one thousand five hundred dollars) (RCW 9A.56.096(5)(b))

Transaction of insurance business beyond the scope of licensure (RCW 48.17.063(4))

Unlawful Issuance of Checks or Drafts (RCW 9A.56.060)

Unlawful Possession of Fictitious Identification (RCW 9A.56.320)

Unlawful Possession of Instruments of Financial Fraud (RCW 9A.56.320)

Unlawful Possession of Payment Instruments (RCW 9A.56.320)

Unlawful Possession of a Personal Identification Device (RCW 9A.56.320)

Unlawful Production of Payment Instruments (RCW 9A.56.320)

Unlawful Trafficking in Food Stamps (RCW 9.91.142)

Unlawful Use of Food Stamps (RCW 9.91.144)

Vehicle Prowl 1 (RCW 9A.52.095)

**Sec. 11.** RCW 13.40.0357 and 2006 c 73 s 14 are each amended to read as follows:

**DESCRIPTION AND OFFENSE CATEGORY**

JUVENILE DISPOSITION OFFENSE CATEGORY	DESCRIPTION (RCW CITATION)	JUVENILE DISPOSITION CATEGORY FOR ATTEMPT, BAILJUMP, CONSPIRACY, OR SOLICITATION
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**Arson and Malicious Mischief**

A	Arson 1 (9A.48.020)	B +
B	Arson 2 (9A.48.030)	C
C	Reckless Burning 1 (9A.48.040)	D
D	Reckless Burning 2 (9A.48.050)	E
B	Malicious Mischief 1 (9A.48.070)	C
C	Malicious Mischief 2 (9A.48.080)	D
D	Malicious Mischief 3 (9A.48.090(2) (a) and (c))	E
E	Malicious Mischief 3 (9A.48.090(2)(b))	E
E	Tampering with Fire Alarm Apparatus (9.40.100)	E
E	Tampering with Fire Alarm Apparatus with Intent to Commit Arson (9.40.105)	E
A	Possession of Incendiary Device (9.40.120)	B +

**Assault and Other Crimes Involving Physical Harm**

A	Assault 1 (9A.36.011)	B +
B +	Assault 2 (9A.36.021)	C +
C +	Assault 3 (9A.36.031)	D +
D +	Assault 4 (9A.36.041)	E
B +	Drive-By Shooting (9A.36.045)	C +

D +	Reckless Endangerment (9A.36.050)	E	C	Violation of Uniform Controlled Substances Act - Possession of a Controlled Substance (69.50.4013)	C
C +	Promoting Suicide Attempt (9A.36.060)	D +			
D +	Coercion (9A.36.070)	E	C	Violation of Uniform Controlled Substances Act - Possession of a Controlled Substance (69.50.4012)	C
C +	Custodial Assault (9A.36.100)	D +			

**Burglary and Trespass**

B +	Burglary 1 (9A.52.020)	C +
B	Residential Burglary (9A.52.025)	C
B	Burglary 2 (9A.52.030)	C
D	Burglary Tools (Possession of) (9A.52.060)	E
D	Criminal Trespass 1 (9A.52.070)	E
E	Criminal Trespass 2 (9A.52.080)	E
C	Mineral Trespass (78.44.330)	C
C	Vehicle Prowling 1 (9A.52.095)	D
D	Vehicle Prowling 2 (9A.52.100)	E

**Drugs**

E	Possession/Consumption of Alcohol (66.44.270)	E
C	Illegally Obtaining Legend Drug (69.41.020)	D
C +	Sale, Delivery, Possession of Legend Drug with Intent to Sell (69.41.030(2)(a))	D +
E	Possession of Legend Drug (69.41.030(2)(b))	E
B +	Violation of Uniform Controlled Substances Act - Narcotic, Methamphetamine, or Flunitrazepam Sale (69.50.401(2) (a) or (b))	B +
C	Violation of Uniform Controlled Substances Act - Nonnarcotic Sale (69.50.401(2)(c))	C
E	Possession of Marihuana <40 grams (69.50.4014)	E
C	Fraudulently Obtaining Controlled Substance (69.50.403)	C
C +	Sale of Controlled Substance for Profit (69.50.410)	C +
E	Unlawful Inhalation (9.47A.020)	E
B	Violation of Uniform Controlled Substances Act - Narcotic, Methamphetamine, or Flunitrazepam Counterfeit Substances (69.50.4011(2) (a) or (b))	B
C	Violation of Uniform Controlled Substances Act - Nonnarcotic Counterfeit Substances (69.50.4011(2) (c), (d), or (e))	C

**Firearms and Weapons**

B	Theft of Firearm (9A.56.300)	C
B	Possession of Stolen Firearm (9A.56.310)	C
E	Carrying Loaded Pistol Without Permit (9.41.050)	E
C	Possession of Firearms by Minor (<18) (9.41.040(2)(a)(iii))	C
D +	Possession of Dangerous Weapon (9.41.250)	E
D	Intimidating Another Person by use of Weapon (9.41.270)	E

**Homicide**

A +	Murder 1 (9A.32.030)	A
A +	Murder 2 (9A.32.050)	B +
B +	Manslaughter 1 (9A.32.060)	C +
C +	Manslaughter 2 (9A.32.070)	D +
B +	Vehicular Homicide (46.61.520)	C +

**Kidnapping**

A	Kidnap 1 (9A.40.020)	B +
B +	Kidnap 2 (9A.40.030)	C +
C +	Unlawful Imprisonment (9A.40.040)	D +

**Obstructing Governmental Operation**

D	Obstructing a Law Enforcement Officer (9A.76.020)	E
E	Resisting Arrest (9A.76.040)	E
B	Introducing Contraband 1 (9A.76.140)	C
C	Introducing Contraband 2 (9A.76.150)	D
E	Introducing Contraband 3 (9A.76.160)	E
B +	Intimidating a Public Servant (9A.76.180)	C +
B +	Intimidating a Witness (9A.72.110)	C +

**Public Disturbance**

C +	Riot with Weapon (9A.84.010(2)(b))	D +
D +	Riot Without Weapon (9A.84.010(2)(a))	E

E	Failure to Disperse (9A.84.020)	E	D	Possession of Stolen Property 3 (9A.56.170)	E
E	Disorderly Conduct (9A.84.030)	E			
	<b>Sex Crimes</b>				
A	Rape 1 (9A.44.040)	B +	<del>(E)</del>	Taking Motor Vehicle Without Permission 1 <del>(and 2)</del> (9A.56.070 <del>(and 9A.56.075)</del> )	<del>(D)</del>
A-	Rape 2 (9A.44.050)	B +	<u>B</u>		<u>C</u>
C +	Rape 3 (9A.44.060)	D +	<u>C</u>	<u>Taking Motor Vehicle Without Permission 2 (9A.56.075)</u>	<u>D</u>
A-	Rape of a Child 1 (9A.44.073)	B +		<u>Theft of a Motor Vehicle (section 2 of this act)</u>	<u>C</u>
B +	Rape of a Child 2 (9A.44.076)	C +		<b>Motor Vehicle Related Crimes</b>	
B	Incest 1 (9A.64.020(1))	C	E	Driving Without a License (46.20.005)	E
C	Incest 2 (9A.64.020(2))	D	B +	Hit and Run - Death (46.52.020(4)(a))	C +
D +	Indecent Exposure (Victim <14) (9A.88.010)	E	C	Hit and Run - Injury (46.52.020(4)(b))	D
E	Indecent Exposure (Victim 14 or over) (9A.88.010)	E	D	Hit and Run-Attended (46.52.020(5))	E
B +	Promoting Prostitution 1 (9A.88.070)	C +	E	Hit and Run-Unattended (46.52.010)	E
C +	Promoting Prostitution 2 (9A.88.080)	D +	C	Vehicular Assault (46.61.522)	D
E	O & A (Prostitution) (9A.88.030)	E	C	Attempting to Elude Pursuing Police Vehicle (46.61.024)	D
B +	Indecent Liberties (9A.44.100)	C +	E	Reckless Driving (46.61.500)	E
A-	Child Molestation 1 (9A.44.083)	B +	D	Driving While Under the Influence (46.61.502 and 46.61.504)	E
B	Child Molestation 2 (9A.44.086)	C +	B +	Felony Driving While Under the Influence (46.61.502(6))	B
	<b>Theft, Robbery, Extortion, and Forgery</b>		B +	Felony Physical Control of a Vehicle While Under the Influence (46.61.504(6))	B
B	Theft 1 (9A.56.030)	C		<b>Other</b>	
C	Theft 2 (9A.56.040)	D	B	Animal Cruelty 1 (16.52.205)	C
D	Theft 3 (9A.56.050)	E	B	Bomb Threat (9.61.160)	C
B	Theft of Livestock 1 and 2 (9A.56.080 and 9A.56.083)	C	C	Escape 1 <sup>1</sup> (9A.76.110)	C
C	Forgery (9A.60.020)	D	C	Escape 2 <sup>1</sup> (9A.76.120)	C
A	Robbery 1 (9A.56.200)	B +	D	Escape 3 (9A.76.130)	E
B +	Robbery 2 (9A.56.210)	C +	E	Obscene, Harassing, Etc., Phone Calls (9.61.230)	E
B +	Extortion 1 (9A.56.120)	C +	A	Other Offense Equivalent to an Adult Class A Felony	B +
C +	Extortion 2 (9A.56.130)	D +	B	Other Offense Equivalent to an Adult Class B Felony	C
C	Identity Theft 1 (9.35.020(2))	D	C	Other Offense Equivalent to an Adult Class C Felony	D
D	Identity Theft 2 (9.35.020(3))	E	D	Other Offense Equivalent to an Adult Gross Misdemeanor	E
D	Improperly Obtaining Financial Information (9.35.010)	E	E	Other Offense Equivalent to an Adult Misdemeanor	E
<u>B</u>	<u>Possession of a Stolen Vehicle (section 5 of this act)</u>	<u>C</u>	V	Violation of Order of Restitution, Community Supervision, or Confinement (13.40.200) <sup>2</sup>	V
B	Possession of Stolen Property 1 (9A.56.150)	C			
C	Possession of Stolen Property 2 (9A.56.160)	D			

<sup>1</sup>Escape 1 and 2 and Attempted Escape 1 and 2 are classed as C offenses and the standard range is established as follows:

- 1st escape or attempted escape during 12-month period - 4 weeks confinement
- 2nd escape or attempted escape during 12-month period - 8 weeks confinement
- 3rd and subsequent escape or attempted escape during 12-month period - 12 weeks confinement

<sup>2</sup>If the court finds that a respondent has violated terms of an order, it may impose a penalty of up to 30 days of confinement.

**JUVENILE SENTENCING STANDARDS**

This schedule must be used for juvenile offenders. The court may select sentencing option A, B, C, D, or RCW 13.40.167.

**OPTION A  
JUVENILE OFFENDER SENTENCING GRID  
STANDARD RANGE**

A+	180 WEEKS TO AGE 21 YEARS			
A	103 WEEKS TO 129 WEEKS			
A-	15-36 WEEKS	52-65 WEEKS	80-100 WEEKS	103-129 WEEKS
	EXCEPT 30-40 WEEKS FOR 15-17 YEAR OLDS			
Current Offense Category	B+ 15-36 WEEKS	52-65 WEEKS	80-100 WEEKS	103-129 WEEKS
B	LOCAL SANCTIONS (LS)	15-36 WEEKS		52-65 WEEKS
C+	LS		15-36 WEEKS	
C	LS		15-36 WEEKS	
D+	LS	0 to 12 Months Community Supervision 0 to 150 Hours Community Restitution		

D LS \$0 to \$500 Fine

E LS

0 1 2 3 4  
or more  
PRIOR ADJUDICATIONS

NOTE: References in the grid to days or weeks mean periods of confinement.

- (1) The vertical axis of the grid is the current offense category. The current offense category is determined by the offense of adjudication.
- (2) The horizontal axis of the grid is the number of prior adjudications included in the juvenile's criminal history. Each prior felony adjudication shall count as one point. Each prior violation, misdemeanor, and gross misdemeanor adjudication shall count as 1/4 point. Fractional points shall be rounded down.
- (3) The standard range disposition for each offense is determined by the intersection of the column defined by the prior adjudications and the row defined by the current offense category.
- (4) RCW 13.40.180 applies if the offender is being sentenced for more than one offense.
- (5) A current offense that is a violation is equivalent to an offense category of E. However, a disposition for a violation shall not include confinement.

**OR  
OPTION B  
SUSPENDED DISPOSITION ALTERNATIVE**

- (1) If the offender is subject to a standard range disposition involving confinement by the department, the court may impose the standard range and suspend the disposition on condition that the offender comply with one or more local sanctions and any educational or treatment requirement. The treatment programs provided to the offender must be research-based best practice programs as identified by the Washington state institute for public policy or the joint legislative audit and review committee.
- (2) If the offender fails to comply with the suspended disposition, the court may impose sanctions pursuant to RCW 13.40.200 or may revoke the suspended disposition and order the disposition's execution.
- (3) An offender is ineligible for the suspended disposition option under this section if the offender is:
  - (a) Adjudicated of an A + offense;
  - (b) Fourteen years of age or older and is adjudicated of one or more of the following offenses:
    - (i) A class A offense, or an attempt, conspiracy, or solicitation to commit a class A offense;
    - (ii) Manslaughter in the first degree (RCW 9A.32.060); or
    - (iii) Assault in the second degree (RCW 9A.36.021), extortion in the first degree (RCW 9A.56.120), kidnapping in the second degree (RCW 9A.40.030), robbery in the second degree (RCW 9A.56.210), residential burglary (RCW 9A.52.025), burglary in the second degree (RCW 9A.52.030), drive-by shooting (RCW 9A.36.045), vehicular homicide (RCW 46.61.520), hit and run death (RCW 46.52.020(4)(a)), intimidating a witness (RCW 9A.72.110), violation of the uniform controlled substances act (RCW 69.50.401 (2)(a) and (b)), or manslaughter 2 (RCW 9A.32.070), when the offense includes infliction of bodily harm upon

another or when during the commission or immediate withdrawal from the offense the respondent was armed with a deadly weapon;

(c) Ordered to serve a disposition for a firearm violation under RCW 13.40.193; or

(d) Adjudicated of a sex offense as defined in RCW 9.94A.030.

**OR**

**OPTION C**

**CHEMICAL DEPENDENCY DISPOSITION ALTERNATIVE**

If the juvenile offender is subject to a standard range disposition of local sanctions or 15 to 36 weeks of confinement and has not committed an A- or B+ offense, the court may impose a disposition under RCW 13.40.160(4) and 13.40.165.

**OR**

**OPTION D**

**MANIFEST INJUSTICE**

If the court determines that a disposition under option A, B, or C would effectuate a manifest injustice, the court shall impose a disposition outside the standard range under RCW 13.40.160(2).

**NEW SECTION. Sec. 12.** A new section is added to chapter 13.40 RCW to read as follows:

If a juvenile is adjudicated of theft of a motor vehicle under section 2 of this act, possession of a stolen vehicle under section 5 of this act, taking a motor vehicle without permission in the first degree as defined in RCW 9A.56.070(1), or taking a motor vehicle without permission in the second degree as defined in RCW 9A.56.075(1) and is sentenced to local sanctions, the juvenile's disposition shall include an evaluation to determine whether the juvenile is in need of community-based rehabilitation services and to complete any treatment recommended by the evaluation.

**Sec. 13.** RCW 13.40.210 and 2002 c 175 s 27 are each amended to read as follows:

(1) The secretary shall set a release date for each juvenile committed to its custody. The release date shall be within the prescribed range to which a juvenile has been committed under RCW 13.40.0357 or 13.40.030 except as provided in RCW 13.40.320 concerning offenders the department determines are eligible for the juvenile offender basic training camp program. Such dates shall be determined prior to the expiration of sixty percent of a juvenile's minimum term of confinement included within the prescribed range to which the juvenile has been committed. The secretary shall release any juvenile committed to the custody of the department within four calendar days prior to the juvenile's release date or on the release date set under this chapter. Days spent in the custody of the department shall be tolled by any period of time during which a juvenile has absented himself or herself from the department's supervision without the prior approval of the secretary or the secretary's designee.

(2) The secretary shall monitor the average daily population of the state's juvenile residential facilities. When the secretary concludes that in-residence population of residential facilities exceeds one hundred five percent of the rated bed capacity specified in statute, or in absence of such specification, as specified by the department in rule, the secretary may recommend reductions to the governor. On certification by the governor that the recommended reductions are necessary, the secretary has authority to administratively release a sufficient number of offenders to reduce in-residence population to one hundred percent of rated bed capacity. The secretary shall release those offenders who have served the greatest proportion of their sentence. However, the secretary may deny release in

a particular case at the request of an offender, or if the secretary finds that there is no responsible custodian, as determined by the department, to whom to release the offender, or if the release of the offender would pose a clear danger to society. The department shall notify the committing court of the release at the time of release if any such early releases have occurred as a result of excessive in-residence population. In no event shall an offender adjudicated of a violent offense be granted release under the provisions of this subsection.

(3)(a) Following the release of any juvenile under subsection (1) of this section, the secretary may require the juvenile to comply with a program of parole to be administered by the department in his or her community which shall last no longer than eighteen months, except that in the case of a juvenile sentenced for rape in the first or second degree, rape of a child in the first or second degree, child molestation in the first degree, or indecent liberties with forcible compulsion, the period of parole shall be twenty-four months and, in the discretion of the secretary, may be up to thirty-six months when the secretary finds that an additional period of parole is necessary and appropriate in the interests of public safety or to meet the ongoing needs of the juvenile. A parole program is mandatory for offenders released under subsection (2) of this section and for offenders who receive a juvenile residential commitment sentence of theft of a motor vehicle 1, possession of a stolen motor vehicle, or taking a motor vehicle without permission 1. The decision to place an offender on parole shall be based on an assessment by the department of the offender's risk for reoffending upon release. The department shall prioritize available parole resources to provide supervision and services to offenders at moderate to high risk for reoffending.

(b) The secretary shall, for the period of parole, facilitate the juvenile's reintegration into his or her community and to further this goal shall require the juvenile to refrain from possessing a firearm or using a deadly weapon and refrain from committing new offenses and may require the juvenile to: (i) Undergo available medical, psychiatric, drug and alcohol, sex offender, mental health, and other offense-related treatment services; (ii) report as directed to a parole officer and/or designee; (iii) pursue a course of study, vocational training, or employment; (iv) notify the parole officer of the current address where he or she resides; (v) be present at a particular address during specified hours; (vi) remain within prescribed geographical boundaries; (vii) submit to electronic monitoring; (viii) refrain from using illegal drugs and alcohol, and submit to random urinalysis when requested by the assigned parole officer; (ix) refrain from contact with specific individuals or a specified class of individuals; (x) meet other conditions determined by the parole officer to further enhance the juvenile's reintegration into the community; (xi) pay any court-ordered fines or restitution; and (xii) perform community restitution. Community restitution for the purpose of this section means compulsory service, without compensation, performed for the benefit of the community by the offender. Community restitution may be performed through public or private organizations or through work crews.

(c) The secretary may further require up to twenty-five percent of the highest risk juvenile offenders who are placed on parole to participate in an intensive supervision program. Offenders participating in an intensive supervision program shall be required to comply with all terms and conditions listed in (b) of this subsection and shall also be required to comply with the following additional terms and conditions: (i) Obey all laws and refrain from any conduct that threatens public safety; (ii) report at least once a week to an assigned community case manager; and (iii) meet all other requirements imposed by the community case manager related to participating in the intensive supervision program. As a part of the intensive supervision program, the secretary may require day reporting.

(d) After termination of the parole period, the juvenile shall be discharged from the department's supervision.

(4)(a) The department may also modify parole for violation thereof. If, after affording a juvenile all of the due process rights to which he or she would be entitled if the juvenile were an adult, the secretary finds that a juvenile has violated a condition of his or her parole, the secretary shall order one of the following which is reasonably likely to effectuate the purpose of the parole and to protect the public: (i) Continued supervision under the same conditions previously imposed; (ii) intensified supervision with increased reporting requirements; (iii) additional conditions of supervision authorized by this chapter; (iv) except as provided in (a)(v) and (vi) of this subsection, imposition of a period of confinement not to exceed thirty days in a facility operated by or pursuant to a contract with the state of Washington or any city or county for a portion of each day or for a certain number of days each week with the balance of the days or weeks spent under supervision; (v) the secretary may order any of the conditions or may return the offender to confinement for the remainder of the sentence range if the offense for which the offender was sentenced is rape in the first or second degree, rape of a child in the first or second degree, child molestation in the first degree, indecent liberties with forcible compulsion, or a sex offense that is also a serious violent offense as defined by RCW 9.94A.030; and (vi) the secretary may order any of the conditions or may return the offender to confinement for the remainder of the sentence range if the youth has completed the basic training camp program as described in RCW 13.40.320.

(b) If the department finds that any juvenile in a program of parole has possessed a firearm or used a deadly weapon during the program of parole, the department shall modify the parole under (a) of this subsection and confine the juvenile for at least thirty days. Confinement shall be in a facility operated by or pursuant to a contract with the state or any county.

(5) A parole officer of the department of social and health services shall have the power to arrest a juvenile under his or her supervision on the same grounds as a law enforcement officer would be authorized to arrest the person.

(6) If so requested and approved under chapter 13.06 RCW, the secretary shall permit a county or group of counties to perform functions under subsections (3) through (5) of this section.

**Sec. 14.** RCW 13.40.160 and 2004 c 120 s 4 and 2004 c 38 s 11 are each reenacted and amended to read as follows:

(1) The standard range disposition for a juvenile adjudicated of an offense is determined according to RCW 13.40.0357.

(a) When the court sentences an offender to a local sanction as provided in RCW 13.40.0357 option A, the court shall impose a determinate disposition within the standard ranges, except as provided in subsection (2), (3), (4), (5), or (6) of this section. The disposition may be comprised of one or more local sanctions.

(b) When the court sentences an offender to a standard range as provided in RCW 13.40.0357 option A that includes a term of confinement exceeding thirty days, commitment shall be to the department for the standard range of confinement, except as provided in subsection (2), (3), (4), (5), or (6) of this section.

(2) If the court concludes, and enters reasons for its conclusion, that disposition within the standard range would effectuate a manifest injustice the court shall impose a disposition outside the standard range, as indicated in option D of RCW 13.40.0357. The court's finding of manifest injustice shall be supported by clear and convincing evidence.

A disposition outside the standard range shall be determinate and shall be comprised of confinement or community supervision, or a combination thereof. When a judge finds a manifest injustice and imposes a sentence of confinement exceeding thirty days, the court shall sentence the juvenile to a maximum term, and the provisions of RCW 13.40.030(2) shall be used to determine the range. A disposition outside the standard range is appealable under RCW 13.40.230 by the state or the respondent.

A disposition within the standard range is not appealable under RCW 13.40.230.

(3) When a juvenile offender is found to have committed a sex offense, other than a sex offense that is also a serious violent offense as defined by RCW 9.94A.030, and has no history of a prior sex offense, the court, on its own motion or the motion of the state or the respondent, may order an examination to determine whether the respondent is amenable to treatment.

The report of the examination shall include at a minimum the following: The respondent's version of the facts and the official version of the facts, the respondent's offense history, an assessment of problems in addition to alleged deviant behaviors, the respondent's social, educational, and employment situation, and other evaluation measures used. The report shall set forth the sources of the evaluator's information.

The examiner shall assess and report regarding the respondent's amenability to treatment and relative risk to the community. A proposed treatment plan shall be provided and shall include, at a minimum:

(a)(i) Frequency and type of contact between the offender and therapist;

(ii) Specific issues to be addressed in the treatment and description of planned treatment modalities;

(iii) Monitoring plans, including any requirements regarding living conditions, lifestyle requirements, and monitoring by family members, legal guardians, or others;

(iv) Anticipated length of treatment; and

(v) Recommended crime-related prohibitions.

The court on its own motion may order, or on a motion by the state shall order, a second examination regarding the offender's amenability to treatment. The evaluator shall be selected by the party making the motion. The defendant shall pay the cost of any second examination ordered unless the court finds the defendant to be indigent in which case the state shall pay the cost.

After receipt of reports of the examination, the court shall then consider whether the offender and the community will benefit from use of this special sex offender disposition alternative and consider the victim's opinion whether the offender should receive a treatment disposition under this section. If the court determines that this special sex offender disposition alternative is appropriate, then the court shall impose a determinate disposition within the standard range for the offense, or if the court concludes, and enters reasons for its conclusions, that such disposition would cause a manifest injustice, the court shall impose a disposition under option D, and the court may suspend the execution of the disposition and place the offender on community supervision for at least two years. As a condition of the suspended disposition, the court may impose the conditions of community supervision and other conditions, including up to thirty days of confinement and requirements that the offender do any one or more of the following:

(b)(i) Devote time to a specific education, employment, or occupation;

(ii) Undergo available outpatient sex offender treatment for up to two years, or inpatient sex offender treatment not to exceed the standard range of confinement for that offense. A community mental health center may not be used for such treatment unless it has an appropriate program designed for sex offender treatment. The respondent shall not change sex offender treatment providers or treatment conditions without first notifying the prosecutor, the probation counselor, and the court, and shall not change providers without court approval after a hearing if the prosecutor or probation counselor object to the change;

(iii) Remain within prescribed geographical boundaries and notify the court or the probation counselor prior to any change in the offender's address, educational program, or employment;

(iv) Report to the prosecutor and the probation counselor prior to any change in a sex offender treatment provider. This change shall have prior approval by the court;

(v) Report as directed to the court and a probation counselor;

(vi) Pay all court-ordered legal financial obligations, perform community restitution, or any combination thereof;

(vii) Make restitution to the victim for the cost of any counseling reasonably related to the offense;

(viii) Comply with the conditions of any court-ordered probation bond; or

(ix) The court shall order that the offender shall not attend the public or approved private elementary, middle, or high school attended by the victim or the victim's siblings. The parents or legal guardians of the offender are responsible for transportation or other costs associated with the offender's change of school that would otherwise be paid by the school district. The court shall send notice of the disposition and restriction on attending the same school as the victim or victim's siblings to the public or approved private school the juvenile will attend, if known, or if unknown, to the approved private schools and the public school district board of directors of the district in which the juvenile resides or intends to reside. This notice must be sent at the earliest possible date but not later than ten calendar days after entry of the disposition.

The sex offender treatment provider shall submit quarterly reports on the respondent's progress in treatment to the court and the parties. The reports shall reference the treatment plan and include at a minimum the following: Dates of attendance, respondent's compliance with requirements, treatment activities, the respondent's relative progress in treatment, and any other material specified by the court at the time of the disposition.

At the time of the disposition, the court may set treatment review hearings as the court considers appropriate.

Except as provided in this subsection (3), after July 1, 1991, examinations and treatment ordered pursuant to this subsection shall only be conducted by certified sex offender treatment providers or certified affiliate sex offender treatment providers under chapter 18.155 RCW. A sex offender therapist who examines or treats a juvenile sex offender pursuant to this subsection does not have to be certified by the department of health pursuant to chapter 18.155 RCW if the court finds that: (A) The offender has already moved to another state or plans to move to another state for reasons other than circumventing the certification requirements; (B) no certified sex offender treatment providers or certified affiliate sex offender treatment providers are available for treatment within a reasonable geographical distance of the offender's home; and (C) the evaluation and treatment plan comply with this subsection (3) and the rules adopted by the department of health.

If the offender violates any condition of the disposition or the court finds that the respondent is failing to make satisfactory progress in treatment, the court may revoke the suspension and order execution of the disposition or the court may impose a penalty of up to thirty days' confinement for violating conditions of the disposition. The court may order both execution of the disposition and up to thirty days' confinement for the violation of the conditions of the disposition. The court shall give credit for any confinement time previously served if that confinement was for the offense for which the suspension is being revoked.

For purposes of this section, "victim" means any person who has sustained emotional, psychological, physical, or financial injury to person or property as a direct result of the crime charged. "Victim" may also include a known parent or guardian of a victim who is a minor child unless the parent or guardian is the perpetrator of the offense.

A disposition entered under this subsection (3) is not appealable under RCW 13.40.230.

(4) If the juvenile offender is subject to a standard range disposition of local sanctions or 15 to 36 weeks of confinement and has not committed an A- or B+ offense, the court may impose the disposition alternative under RCW 13.40.165.

(5) If a juvenile is subject to a commitment of 15 to 65 weeks of confinement, the court may impose the disposition alternative under RCW 13.40.167.

(6) When the offender is subject to a standard range commitment of 15 to 36 weeks and is ineligible for a suspended disposition alternative, a manifest injustice disposition below the standard range, special sex offender disposition alternative, chemical dependency disposition alternative, or mental health disposition alternative, the court in a county with a pilot program under RCW 13.40.169 may impose the disposition alternative under RCW 13.40.169.

(7) RCW 13.40.193 shall govern the disposition of any juvenile adjudicated of possessing a firearm in violation of RCW 9A.41.040(2)(a)(iii) or any crime in which a special finding is entered that the juvenile was armed with a firearm.

(8) Section 15 of this act shall govern the disposition of any juvenile adjudicated of theft of a motor vehicle as defined under section 2 of this act, possession of a stolen motor vehicle as defined under section 5 of this act, taking a motor vehicle without permission in the first degree under RCW 9A.56.070, and taking a motor vehicle without permission in the second degree under RCW 9A.56.075.

(9) Whenever a juvenile offender is entitled to credit for time spent in detention prior to a dispositional order, the dispositional order shall specifically state the number of days of credit for time served.

((9)) (10) Except as provided under subsection (3), (4), (5), or (6) of this section, or option B of RCW 13.40.0357, or RCW 13.40.127, the court shall not suspend or defer the imposition or the execution of the disposition.

((10)) (11) In no case shall the term of confinement imposed by the court at disposition exceed that to which an adult could be subjected for the same offense.

**NEW SECTION. Sec. 15.** A new section is added to chapter 13.40 RCW to read as follows:

(1) If a respondent is adjudicated of taking a motor vehicle without permission in the first degree as defined in RCW 9A.56.070, the court shall impose the following minimum sentence, in addition to any restitution the court may order payable to the victim:

(a) Juveniles with a prior criminal history score of zero to one-half points shall be sentenced to a standard range sentence that includes no less than five days of home detention, forty-five hours of community restitution, and a two hundred dollar fine;

(b) Juveniles with a prior criminal history score of three-quarters to one and one-half points shall be sentenced to standard range sentence that includes no less than ten days of detention, ninety hours of community restitution, and a four hundred dollar fine; and

(c) Juveniles with a prior criminal history score of two or more points shall be sentenced to no less than fifteen to thirty-six weeks of confinement, seven days of home detention, four months of supervision, ninety hours of community restitution, and a four hundred dollar fine.

(2) If a respondent is adjudicated of theft of a motor vehicle as defined under section 2 of this act, or possession of a stolen vehicle as defined under section 5 of this act, the court shall impose the following minimum sentence, in addition to any restitution the court may order payable to the victim:

(a) Juveniles with a prior criminal history score of zero to one-half points shall be sentenced to a standard range sentence that includes either: (i) No less than five days of home detention and forty-five hours of

community restitution; or (ii) no home detention and ninety hours of community restitution;

(b) Juveniles with a prior criminal history score of three-quarters to one and one-half points shall be sentenced to standard range sentence that includes no less than ten days of detention, ninety hours of community restitution, and a four hundred dollar fine; and

(c) Juveniles with a prior criminal history score of two or more points shall be sentenced to no less than fifteen to thirty-six weeks of confinement, seven days of home detention, four months of supervision, ninety hours of community restitution, and a four hundred dollar fine.

(3) If a respondent is adjudicated of taking a motor vehicle without permission in the second degree as defined in RCW 9A.56.075, the court shall impose a standard range as follows:

(a) Juveniles with a prior criminal history score of zero to one-half points shall be sentenced to a standard range sentence that includes either: (i) No less than one day of home detention, one month of supervision, and fifteen hours of community restitution; or (ii) no home detention, one month of supervision, and thirty hours of community restitution;

(b) Juveniles with a prior criminal history score of three-quarters to one and one-half points shall be sentenced to a standard range sentence that includes no less than one day of detention, two days of home detention, two months of supervision, thirty hours of community restitution, and a one hundred fifty dollar fine; and

(c) Juveniles with a prior criminal history score of two or more points shall be sentenced to no less than three days of detention, seven days of home detention, three months of supervision, forty-five hours of community restitution, and a one hundred fifty dollar fine.

**Sec. 16.** RCW 9A.56.070 and 2003 c 53 s 72 are each amended to read as follows:

(1) A person is guilty of taking a motor vehicle without permission in the first degree if he or she, without the permission of the owner or person entitled to possession, intentionally takes or drives away an automobile or motor vehicle, whether propelled by steam, electricity, or internal combustion engine, that is the property of another, and he or she:

(a) Alters the motor vehicle for the purpose of changing its appearance or primary identification, including obscuring, removing, or changing the manufacturer's serial number or the vehicle identification number plates;

(b) Removes, or participates in the removal of, parts from the motor vehicle with the intent to sell the parts;

(c) Exports, or attempts to export, the motor vehicle across state lines or out of the United States for profit;

(d) Intends to sell the motor vehicle; or

(e) Is engaged in a conspiracy and the central object of the conspiratorial agreement is the theft of motor vehicles for sale to others for profit or is engaged in a conspiracy and has solicited a juvenile to participate in the theft of a motor vehicle.

(2) Taking a motor vehicle without permission in the first degree is a class B felony.

**Sec. 17.** RCW 9A.56.096 and 2003 c 53 s 77 are each amended to read as follows:

(1) A person who, with intent to deprive the owner or owner's agent, wrongfully obtains, or exerts unauthorized control over, or by color or aid of deception gains control of personal property that is rented ((~~or~~))<sub>2</sub> leased, or loaned by written agreement to the person, is guilty of theft of rental, leased, ((~~or~~)) lease-purchased, or loaned property.

(2) The finder of fact may presume intent to deprive if the finder of fact finds either of the following:

(a) That the person who rented or leased the property failed to return or make arrangements acceptable to the owner of the property or the

owner's agent to return the property to the owner or the owner's agent within seventy-two hours after receipt of proper notice following the due date of the rental, lease, ((~~or~~)) lease-purchase, or loan agreement; or

(b) That the renter ((~~or~~))<sub>2</sub> lessee, or borrower presented identification to the owner or the owner's agent that was materially false, fictitious, or not current with respect to name, address, place of employment, or other appropriate items.

(3) As used in subsection (2) of this section, "proper notice" consists of a written demand by the owner or the owner's agent made after the due date of the rental, lease, ((~~or~~)) lease-purchase, or loan period, mailed by certified or registered mail to the renter ((~~or~~))<sub>2</sub> lessee, or borrower at: (a) The address the renter ((~~or~~))<sub>2</sub> lessee, or borrower gave when the contract was made; or (b) the renter ((~~or~~))<sub>2</sub> lessee, or borrower's last known address if later furnished in writing by the renter, lessee, or borrower, or the agent of the renter ((~~or~~))<sub>2</sub> lessee, or borrower.

(4) The replacement value of the property obtained must be utilized in determining the amount involved in the theft of rental, leased, ((~~or~~)) lease-purchased, or loaned property.

(5)(a) Theft of rental, leased, ((~~or~~)) lease-purchased, or loaned property is a class B felony if the rental, leased, ((~~or~~)) lease-purchased, or loaned property is valued at one thousand five hundred dollars or more.

(b) Theft of rental, leased, ((~~or~~)) lease-purchased, or loaned property is a class C felony if the rental, leased, ((~~or~~)) lease-purchased, or loaned property is valued at two hundred fifty dollars or more but less than one thousand five hundred dollars.

(c) Theft of rental, leased, ((~~or~~)) lease-purchased, or loaned property is a gross misdemeanor if the rental, leased, ((~~or~~)) lease-purchased, or loaned property is valued at less than two hundred fifty dollars.

(6) This section applies to rental agreements that provide that the renter may return the property any time within the rental period and pay only for the time the renter actually retained the property, in addition to any minimum rental fee, to lease agreements, ((~~and~~)) to lease-purchase agreements as defined under RCW 63.19.010, and to vehicles loaned to prospective purchasers borrowing a vehicle by written agreement from a motor vehicle dealer licensed under chapter 46.70 RCW. This section does not apply to rental or leasing of real property under the residential landlord-tenant act, chapter 59.18 RCW.

**NEW SECTION. Sec. 18.** A new section is added to chapter 9A.56 RCW to read as follows:

(1) Any person who makes or mends, or causes to be made or mended, uses, or has in his or her possession any motor vehicle theft tool, that is adapted, designed, or commonly used for the commission of motor vehicle related theft, under circumstances evincing an intent to use or employ, or allow the same to be used or employed, in the commission of motor vehicle theft, or knowing that the same is intended to be so used, is guilty of making or having motor vehicle theft tools.

(2) For the purpose of this section, motor vehicle theft tool includes, but is not limited to, the following: Slim jim, false master key, master purpose key, altered or shaved key, trial or jiggler key, slide hammer, lock puller, picklock, bit, nipper, any other implement shown by facts and circumstances that is intended to be used in the commission of a motor vehicle related theft, or knowing that the same is intended to be so used.

(3) For the purposes of this section, the following definitions apply:

(a) "False master" or "master key" is any key or other device made or altered to fit locks or ignitions of multiple vehicles, or vehicles other than that for which the key was originally manufactured.

(b) "Altered or shaved key" is any key so altered, by cutting, filing, or other means, to fit multiple vehicles or vehicles other than the vehicles for which the key was originally manufactured.

(c) "Trial keys" or "jiggler keys" are keys or sets designed or altered to manipulate a vehicle locking mechanism other than the lock for which the key was originally manufactured.

(4) Making or having motor vehicle theft tools is a gross misdemeanor.

**NEW SECTION. Sec. 19.** A new section is added to chapter 36.28A RCW to read as follows:

There is hereby created in the Washington association of sheriffs and police chiefs the Washington auto theft prevention authority which shall be under the direction of the executive director of the Washington association of sheriffs and police chiefs.

**NEW SECTION. Sec. 20.** (1) The Washington auto theft prevention authority is established. The authority shall consist of the following members, appointed by the governor:

- (a) The executive director of the Washington association of sheriffs and police chiefs, or the executive director's designee;
- (b) The chief of the Washington state patrol, or the chief's designee;
- (c) Two police chiefs;
- (d) Two sheriffs;
- (e) One prosecuting attorney;
- (f) A representative from the insurance industry who is responsible for writing property and casualty liability insurance in the state of Washington;
- (g) A representative from the automobile industry; and
- (h) One member of the general public.

(2) In addition, the authority may, where feasible, consult with other governmental entities or individuals from the public and private sector in carrying out its duties under this section.

**NEW SECTION. Sec. 21.** (1) The Washington auto theft prevention authority shall initially convene at the call of the executive director of the Washington association of sheriffs and police chiefs, or the executive director's designee, no later than the third Monday in January 2008. Subsequent meetings of the authority shall be at the call of the chair or seven members.

(2) The authority shall annually elect a chairperson and other such officers as it deems appropriate from its membership.

(3) Members of the authority shall serve terms of four years each on a staggered schedule to be established by the first authority. For purposes of initiating a staggered schedule of terms, some members of the first authority may initially serve two years and some members may initially serve four years.

**NEW SECTION. Sec. 22.** (1) The Washington auto theft prevention authority may obtain or contract for staff services, including an executive director, and any facilities and equipment as the authority requires to carry out its duties.

(2) The director may enter into contracts with any public or private organization to carry out the purposes of this section and sections 20, 21, and 23 through 27 of this act.

(3) The authority shall review and make recommendations to the legislature and the governor regarding motor vehicle theft in Washington state. In preparing the recommendations, the authority shall, at a minimum, review the following issues:

(a) Determine the scope of the problem of motor vehicle theft, including:

- (i) Particular areas of the state where the problem is the greatest;
- (ii) Annual data reported by local law enforcement regarding the number of reported thefts, investigations, recovered vehicles, arrests, and convictions; and

(iii) An assessment of estimated funds needed to hire sufficient investigators to respond to all reported thefts.

(b) Analyze the various methods of combating the problem of motor vehicle theft;

(c) Develop and implement a plan of operation; and

(d) Develop and implement a financial plan.

(4) The authority is not a law enforcement agency and may not gather, collect, or disseminate intelligence information for the purpose of investigating specific crimes or pursuing or capturing specific perpetrators. Members of the authority may not exercise general authority peace officer powers while acting in their capacity as members of the authority, unless the exercise of peace officer powers is necessary to prevent an imminent threat to persons or property.

(5) The authority shall annually report its activities, findings, and recommendations during the preceding year to the legislature by December 31st.

**NEW SECTION. Sec. 23.** The Washington auto theft prevention authority may solicit and accept gifts, grants, bequests, devises, or other funds from public and private sources to support its activities.

**NEW SECTION. Sec. 24.** The governor may remove any member of the Washington auto theft prevention authority for cause including but not limited to neglect of duty, misconduct, malfeasance or misfeasance in office, or upon written request of two-thirds of the members of the authority under this chapter. Upon the death, resignation, or removal of a member, the governor shall appoint a replacement to fill the remainder of the unexpired term.

**NEW SECTION. Sec. 25.** Members of the Washington auto theft prevention authority who are not public employees shall be compensated in accordance with RCW 43.03.250 and shall be reimbursed for travel expenses incurred in carrying out the duties of the authority in accordance with RCW 43.03.050 and 43.03.060.

**NEW SECTION. Sec. 26.** Any member serving in their official capacity on the Washington auto theft prevention authority, or either their employer or employers, or other entity that selected the members to serve, are immune from a civil action based upon an act performed in good faith.

**NEW SECTION. Sec. 27.** (1) The Washington auto theft prevention authority account is created in the state treasury, subject to appropriation. All revenues from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all receipts from gifts, grants, bequests, devises, or other funds from public and private sources to support the activities of the auto theft prevention authority must be deposited into the account. Expenditures from the account may be used only for activities relating to motor vehicle theft, including education, prevention, law enforcement, investigation, prosecution, and confinement.

(2) The authority shall allocate moneys appropriated from the account to public agencies for the purpose of establishing, maintaining, and supporting programs that are designed to prevent motor vehicle theft, including:

(a) Financial support to prosecution agencies to increase the effectiveness of motor vehicle theft prosecution;

(b) Financial support to a unit of local government or a team consisting of units of local governments to increase the effectiveness of motor vehicle theft enforcement;

(c) Financial support for the procurement of equipment and technologies for use by law enforcement agencies for the purpose of enforcing motor vehicle theft laws; and

(d) Financial support for programs that are designed to educate and assist the public in the prevention of motor vehicle theft.

(3) The costs of administration shall not exceed ten percent of the moneys in the account in any one year so that the greatest possible portion of the moneys available to the authority is expended on combating motor vehicle theft.

(4) Prior to awarding any moneys from the Washington auto theft prevention authority account for motor vehicle theft enforcement, the auto theft prevention authority must verify that the financial award includes sufficient funding to cover proposed activities, which include, but are not limited to: (a) State, municipal, and county offender and juvenile confinement costs; (b) administration costs; (c) law enforcement costs; (d) prosecutor costs; and (e) court costs, with a priority being given to ensuring that sufficient funding is available to cover state, municipal, and county offender and juvenile confinement costs.

(5) Moneys expended from the Washington auto theft prevention authority account under subsection (2) of this section shall be used to supplement, not supplant, other moneys that are available for motor vehicle theft prevention.

(6) Grants provided under subsection (2) of this section constitute reimbursement for purposes of RCW 43.135.060(1).

**Sec. 28.** RCW 46.63.110 and 2005 c 413 s 2, 2005 c 320 s 2, and 2005 c 288 s 8 are each reenacted and amended to read as follows:

(1) A person found to have committed a traffic infraction shall be assessed a monetary penalty. No penalty may exceed two hundred and fifty dollars for each offense unless authorized by this chapter or title.

(2) The monetary penalty for a violation of (a) RCW 46.55.105(2) is two hundred fifty dollars for each offense; (b) RCW 46.61.210(1) is five hundred dollars for each offense. No penalty assessed under this subsection (2) may be reduced.

(3) The supreme court shall prescribe by rule a schedule of monetary penalties for designated traffic infractions. This rule shall also specify the conditions under which local courts may exercise discretion in assessing fines and penalties for traffic infractions. The legislature respectfully requests the supreme court to adjust this schedule every two years for inflation.

(4) There shall be a penalty of twenty-five dollars for failure to respond to a notice of traffic infraction except where the infraction relates to parking as defined by local law, ordinance, regulation, or resolution or failure to pay a monetary penalty imposed pursuant to this chapter. A local legislative body may set a monetary penalty not to exceed twenty-five dollars for failure to respond to a notice of traffic infraction relating to parking as defined by local law, ordinance, regulation, or resolution. The local court, whether a municipal, police, or district court, shall impose the monetary penalty set by the local legislative body.

(5) Monetary penalties provided for in chapter 46.70 RCW which are civil in nature and penalties which may be assessed for violations of chapter 46.44 RCW relating to size, weight, and load of motor vehicles are not subject to the limitation on the amount of monetary penalties which may be imposed pursuant to this chapter.

(6) Whenever a monetary penalty, fee, cost, assessment, or other monetary obligation is imposed by a court under this chapter it is immediately payable. If the court determines, in its discretion, that a person is not able to pay a monetary obligation in full, and not more than one year has passed since the later of July 1, 2005, or the date the monetary obligation initially became due and payable, the court shall enter into a payment plan with the person, unless the person has previously been granted a payment plan with respect to the same monetary obligation, or unless the person is in noncompliance of any existing or prior payment plan, in which case the court may, at its discretion, implement a payment plan. If the court has notified the department that the person has failed to

pay or comply and the person has subsequently entered into a payment plan and made an initial payment, the court shall notify the department that the infraction has been adjudicated, and the department shall rescind any suspension of the person's driver's license or driver's privilege based on failure to respond to that infraction. "Payment plan," as used in this section, means a plan that requires reasonable payments based on the financial ability of the person to pay. The person may voluntarily pay an amount at any time in addition to the payments required under the payment plan.

(a) If a payment required to be made under the payment plan is delinquent or the person fails to complete a community restitution program on or before the time established under the payment plan, unless the court determines good cause therefor and adjusts the payment plan or the community restitution plan accordingly, the court shall notify the department of the person's failure to meet the conditions of the plan, and the department shall suspend the person's driver's license or driving privilege until all monetary obligations, including those imposed under subsections (3) and (4) of this section, have been paid, and court authorized community restitution has been completed, or until the department has been notified that the court has entered into a new time payment or community restitution agreement with the person.

(b) If a person has not entered into a payment plan with the court and has not paid the monetary obligation in full on or before the time established for payment, the court shall notify the department of the delinquency. The department shall suspend the person's driver's license or driving privilege until all monetary obligations have been paid, including those imposed under subsections (3) and (4) of this section, or until the person has entered into a payment plan under this section.

(c) If the payment plan is to be administered by the court, the court may assess the person a reasonable administrative fee to be wholly retained by the city or county with jurisdiction. The administrative fee shall not exceed ten dollars per infraction or twenty-five dollars per payment plan, whichever is less.

(d) Nothing in this section precludes a court from contracting with outside entities to administer its payment plan system. When outside entities are used for the administration of a payment plan, the court may assess the person a reasonable fee for such administrative services, which fee may be calculated on a periodic, percentage, or other basis.

(e) If a court authorized community restitution program for offenders is available in the jurisdiction, the court may allow conversion of all or part of the monetary obligations due under this section to court authorized community restitution in lieu of time payments if the person is unable to make reasonable time payments.

(7) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction shall be assessed:

(a) A fee of five dollars per infraction. Under no circumstances shall this fee be reduced or waived. Revenue from this fee shall be forwarded to the state treasurer for deposit in the emergency medical services and trauma care system trust account under RCW 70.168.040; and

(b) A fee of ten dollars per infraction. Under no circumstances shall this fee be reduced or waived. Revenue from this fee shall be forwarded to the state treasurer for deposit in the Washington auto theft prevention authority account.

(8)(a) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction other than of RCW 46.61.527 shall be assessed an additional penalty of twenty dollars. The court may not reduce, waive, or suspend the additional penalty unless the court finds the offender to be indigent. If a court authorized community restitution program for offenders is available in the jurisdiction, the court shall allow

offenders to offset all or a part of the penalty due under this subsection (8) by participation in the court authorized community restitution program.

(b) Eight dollars and fifty cents of the additional penalty under (a) of this subsection shall be remitted to the state treasurer. The remaining revenue from the additional penalty must be remitted under chapters 2.08, 3.46, 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this subsection to the state treasurer must be deposited as provided in RCW 43.08.250. The balance of the revenue received by the county or city treasurer under this subsection must be deposited into the county or city current expense fund. Moneys retained by the city or county under this subsection shall constitute reimbursement for any liabilities under RCW 43.135.060.

(9) If a legal proceeding, such as garnishment, has commenced to collect any delinquent amount owed by the person for any penalty imposed by the court under this section, the court may, at its discretion, enter into a payment plan.

(10) The monetary penalty for violating RCW 46.37.395 is: (a) Two hundred fifty dollars for the first violation; (b) five hundred dollars for the second violation; and (c) seven hundred fifty dollars for each violation thereafter.

NEW SECTION. Sec. 29. This act shall be known as the Elizabeth Nowak-Washington auto theft prevention act.

NEW SECTION. Sec. 30. Sections 20 through 27 of this act constitute a new chapter in Title 46 RCW."

On page 1, line 1 of the title, after "theft;" strike the remainder of the title and insert "amending RCW 9A.56.030, 9A.56.040, 9A.56.150, 9A.56.160, 9.94A.734, 13.40.0357, 13.40.210, 9A.56.070, and 9A.56.096; reenacting and amending RCW 9.94A.525, 9.94A.515, 13.40.160, and 46.63.110; adding new sections to chapter 9A.56 RCW; adding new sections to chapter 13.40 RCW; adding a new section to chapter 36.28A RCW; adding a new chapter to Title 46 RCW; creating new sections; and prescribing penalties."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1001 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representatives Lovick, Pearson, Chandler, Ahern and Priest spoke in favor the passage of the bill.

Representatives Dickerson, Appleton, Kagi and Eickmeyer spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be final passage of Engrossed Third Substitute House Bill No. 1001, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Third Substitute House Bill No. 1001, as amended by the Senate and the bill passed the House by the following vote: Yeas - 83, Nays - 15, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, DeBolt, Dunn, Dunshee, Eddy, Ericks, Ericksen, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kelley, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCune, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Pearson, Pettigrew, Priest, Quall, Roach, Rodne, Rolfes, Ross, Santos, Schindler, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, and Mr. Speaker - 83.

Voting nay: Representatives Appleton, Darneille, Dickerson, Eickmeyer, Flannigan, Hasegawa, Kagi, Kenney, McCoy, McDermott, Ormsby, Pedersen, Roberts, Schual-Berke, and Wood - 15.

ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1001, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGES FROM THE SENATE**

April 17, 2007

Mr. Speaker:

The Senate receded from its amendment to HOUSE BILL NO. 1073, and passed the bill without said amendments, and the same is herewith transmitted.

Thomas Hoemann, Secretary

April 17, 2007

Mr. Speaker:

The Senate concurred in the House amendments to the following bills and passed the bills as amended by the House:

- ENGROSSED SENATE BILL NO. 5063,
- SUBSTITUTE SENATE BILL NO. 5074,
- SENATE BILL NO. 5202,
- SUBSTITUTE SENATE BILL NO. 5227,
- SUBSTITUTE SENATE BILL NO. 5320,
- SUBSTITUTE SENATE BILL NO. 5435,
- SENATE BILL NO. 5572,
- SUBSTITUTE SENATE BILL NO. 5647,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5788,
- SUBSTITUTE SENATE BILL NO. 5881,
- SUBSTITUTE SENATE BILL NO. 5937,
- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5958,
- SUBSTITUTE SENATE BILL NO. 5987,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6099,
- SUBSTITUTE SENATE BILL NO. 6100,
- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6117,
- ENGROSSED SENATE BILL NO. 6128,

and the same are herewith transmitted.

Thomas Hoemann, Secretary

April 17, 2007

Mr. Speaker:

The President has signed:

SUBSTITUTE SENATE BILL NO. 5002,  
SENATE BILL NO. 5014,  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5037,  
SUBSTITUTE SENATE BILL NO. 5053,  
SENATE BILL NO. 5084,  
SENATE BILL NO. 5088,  
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5098,  
SUBSTITUTE SENATE BILL NO. 5101,  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5112,  
SECOND SUBSTITUTE SENATE BILL NO. 5188,  
SUBSTITUTE SENATE BILL NO. 5243,  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5290,  
SUBSTITUTE SENATE BILL NO. 5321,  
SENATE BILL NO. 5332,  
SENATE BILL NO. 5402,  
SENATE BILL NO. 5429,  
SUBSTITUTE SENATE BILL NO. 5503,  
ENGROSSED SENATE BILL NO. 5508,  
SENATE BILL NO. 5512,  
SUBSTITUTE SENATE BILL NO. 5533,  
SUBSTITUTE SENATE BILL NO. 5534,

and the same are herewith transmitted.

Thomas Hoemann, Secretary

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

## REPORTS OF STANDING COMMITTEES

April 16, 2007

HB 2398 Prime Sponsor, Representative Cody: Rebasng direct care, therapy care, support services, and operations component rate allocations under the nursing facility medicaid payment system based upon calendar year 2005 cost report data, excluding costs related to the quality maintenance fee repealed by chapter 241, Laws of 2006. Reported by Committee on Appropriations

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Sommers, Chairman; Dunshee, Vice Chairman; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Anderson; Buri; Chandler; Cody; Darneille; Dunn; Ericks; Fromhold; Grant; Haigh; Haler; Hunt; Hunter; Kagi; Kenney; Kessler; Kretz; Linville; McDermott; McDonald; McIntire; Morrell; Pettigrew; Schual-Berke; Seaquist and Walsh.

MINORITY recommendation: Do not pass. Signed by Representatives Conway; Priest and P. Sullivan.

Passed to Committee on Rules for second reading.

April 16, 2007

SSB 5085 Prime Sponsor, Senate Committee On Transportation: Providing that transportation accounts receive one hundred percent of their proportionate share of earnings. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 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 aeronautics account, the aircraft search and rescue account, 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 Columbia river basin water supply development account, the common school construction fund, the county arterial preservation account, 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 licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance 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 energy freedom account,

the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the health services account, the public health services account, the health system capacity account, the personal health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety 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 motor vehicle fund, the motorcycle safety education account, 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 pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage 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 transportation systems account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural Washington loan fund, the safety and education account, the site closure account, the small city pavement and sidewalk account, the special category C 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 state patrol highway account, 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 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement 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 urban arterial trust account the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, 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. 2. This act takes effect July 1, 2009."

Correct the title.

Signed by Representatives Sommers, Chairman; Dunshee, Vice Chairman; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Buri; Chandler; Cody; Conway; Darneille; Dunn; Ericks; Fromhold; Grant; Haigh; Haler; Hunt; Hunter; Kagi; Kenney; Kessler; Kretz; Linville; McDermott; McDonald; Morrell; Pettigrew; Priest; Schual-Berke; Seaquist; P. Sullivan and Walsh.

MINORITY recommendation: Do not pass. Signed by Representatives Anderson and McIntire.

Passed to Committee on Rules for second reading.

April 16, 2007

2SSB 5164 Prime Sponsor, Senate Committee On Ways & Means: Expanding the veterans conservation corps program. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass. Signed by Representatives Sommers, Chairman; Dunshee, Vice Chairman; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Anderson; Buri; Chandler; Cody; Conway; Darneille; Dunn; Ericks; Fromhold; Grant; Haigh; Haler; Hunt; Hunter; Kagi; Kenney; Kessler; Kretz; Linville; McDermott; McDonald; McIntire; Morrell; Pettigrew; Priest; Schual-Berke; Seaquist; P. Sullivan and Walsh.

April 16, 2007

ESSB 5311 Prime Sponsor, Senate Committee On Ways & Means: Creating the budget stabilization account. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass. Signed by Representatives Dunshee, Vice Chairman; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Anderson; Buri; Chandler; Conway; Ericks; Fromhold; Grant; Haler; Hunter; Kenney; Kessler; Kretz; Linville; McDonald; McIntire; Morrell; Priest; Seaquist; P. Sullivan and Walsh.

MINORITY recommendation: Do not pass. Signed by Representatives Sommers, Chairman; Cody; Darneille; Dunn; Haigh; Hunt; Kagi; McDermott; Pettigrew and Schual-Berke.

April 16, 2007

SB 6167 Prime Sponsor, Senator Pridemore: Clarifying the director's authority to determine interest in certain public retirement systems. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass. Signed by Representatives Sommers, Chairman; Dunshee, Vice Chairman; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Anderson; Buri; Chandler; Cody; Conway; Darneille; Dunn; Ericks; Fromhold; Grant; Haigh; Haler; Hunt; Hunter; Kagi; Kenney; Kretz; Linville; McDermott; McDonald; McIntire; Morrell; Pettigrew; Priest; Schual-Berke; P. Sullivan and Walsh.

Passed to Committee on Rules for second reading.

April 16, 2007

ESSJR 8206 Prime Sponsor, Senate Committee On Ways & Means: Creating the budget stabilization account in the state Constitution. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass. Signed by Representatives Dunshee, Vice Chairman; Alexander, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Buri; Chandler; Conway; Ericks; Fromhold; Grant; Hunter; Kenney; Kessler; Kretz; Linville; McDonald; McIntire; Morrell; Priest; Seaquist; P. Sullivan and Walsh.

MINORITY recommendation: Without recommendation. Signed by Representatives Sommers, Chairman; Anderson; Cody; Darneille; Dunn; Haigh; Hunt; Kagi; McDermott; Pettigrew and Schual-Berke.

There being no objection, the bills and resolution listed on the day's committee reports sheet under the fifth order of business were referred to the committees so designated with the exception of the following bills and resolution which were placed on the Second Reading calendar:

SECOND SUBSTITUTE SENATE BILL NO. 5164,  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5311,  
ENGROSSED SUBSTITUTE SENATE JOINT RESOLUTION NO. 8206,

### MESSAGE FROM THE SENATE

April 11, 2007

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1008, with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 74.34.020 and 2006 c 339 s 109 are each amended to read as follows:

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

(1) "Abandonment" means action or inaction by a person or entity with a duty of care for a vulnerable adult that leaves the vulnerable person without the means or ability to obtain necessary food, clothing, shelter, or health care.

(2) "Abuse" means the willful action or inaction that inflicts injury, unreasonable confinement, intimidation, or punishment on a vulnerable adult. In instances of abuse of a vulnerable adult who is unable to express or demonstrate physical harm, pain, or mental anguish, the abuse is presumed to cause physical harm, pain, or mental anguish. Abuse includes sexual abuse, mental abuse, physical abuse, and exploitation of a vulnerable adult, which have the following meanings:

(a) "Sexual abuse" means any form of nonconsensual sexual contact, including but not limited to unwanted or inappropriate touching, rape, sodomy, sexual coercion, sexually explicit photographing, and sexual harassment. Sexual abuse includes any sexual contact between a staff person, who is not also a resident or client, of a facility or a staff person of a program authorized under chapter 71A.12 RCW, and a vulnerable adult living in that facility or receiving service from a program authorized under chapter 71A.12 RCW, whether or not it is consensual.

(b) "Physical abuse" means the willful action of inflicting bodily injury or physical mistreatment. Physical abuse includes, but is not limited to, striking with or without an object, slapping, pinching, choking, kicking, shoving, prodding, or the use of chemical restraints or physical restraints unless the restraints are consistent with licensing requirements, and includes restraints that are otherwise being used inappropriately.

(c) "Mental abuse" means any willful action or inaction of mental or verbal abuse. Mental abuse includes, but is not limited to, coercion, harassment, inappropriately isolating a vulnerable adult from family, friends, or regular activity, and verbal assault that includes ridiculing, intimidating, yelling, or swearing.

(d) "Exploitation" means an act of forcing, compelling, or exerting undue influence over a vulnerable adult causing the vulnerable adult to act in a way that is inconsistent with relevant past behavior, or causing the vulnerable adult to perform services for the benefit of another.

(3) "Consent" means express written consent granted after the vulnerable adult or his or her legal representative has been fully informed of the nature of the services to be offered and that the receipt of services is voluntary.

(4) "Department" means the department of social and health services.

(5) "Facility" means a residence licensed or required to be licensed under chapter 18.20 RCW, boarding homes; chapter 18.51 RCW, nursing homes; chapter 70.128 RCW, adult family homes; chapter 72.36 RCW, soldiers' homes; or chapter 71A.20 RCW, residential habilitation centers; or any other facility licensed by the department.

(6) "Financial exploitation" means the illegal or improper use of the property, income, resources, or trust funds of the vulnerable adult by any person for any person's profit or advantage other than for the vulnerable adult's profit or advantage.

(7) "Incapacitated person" means a person who is at a significant risk of personal or financial harm under RCW 11.88.010(1) (a), (b), (c), or (d).

(8) "Individual provider" means a person under contract with the department to provide services in the home under chapter 74.09 or 74.39A RCW.

~~((8))~~ (9) "Interested person" means a person who demonstrates to the court's satisfaction that the person is interested in the welfare of the vulnerable adult, that the person has a good faith belief that the court's intervention is necessary, and that the vulnerable adult is unable, due to incapacity, undue influence, or duress at the time the petition is filed, to protect his or her own interests.

(10) "Mandated reporter" is an employee of the department; law enforcement officer; social worker; professional school personnel; individual provider; an employee of a facility; an operator of a facility; an employee of a social service, welfare, mental health, adult day health, adult day care, home health, home care, or hospice agency; county coroner or medical examiner; Christian Science practitioner; or health care provider subject to chapter 18.130 RCW.

~~((9))~~ (11) "Neglect" means (a) a pattern of conduct or inaction by a person or entity with a duty of care that fails to provide the goods and services that maintain physical or mental health of a vulnerable adult, or that fails to avoid or prevent physical or mental harm or pain to a vulnerable adult; or (b) an act or omission that demonstrates a serious disregard of consequences of such a magnitude as to constitute a clear and present danger to the vulnerable adult's health, welfare, or safety, including but not limited to conduct prohibited under RCW 9A.42.100.

~~((10))~~ (12) "Permissive reporter" means any person, including, but not limited to, an employee of a financial institution, attorney, or volunteer in a facility or program providing services for vulnerable adults.

~~((11))~~ (13) "Protective services" means any services provided by the department to a vulnerable adult with the consent of the vulnerable adult, or the legal representative of the vulnerable adult, who has been abandoned, abused, financially exploited, neglected, or in a state of self-neglect. These services may include, but are not limited to case management, social casework, home care, placement, arranging for medical evaluations, psychological evaluations, day care, or referral for legal assistance.

~~((12))~~ (14) "Self-neglect" means the failure of a vulnerable adult, not living in a facility, to provide for himself or herself the goods and services necessary for the vulnerable adult's physical or mental health, and the absence of which impairs or threatens the vulnerable adult's well-being. This definition may include a vulnerable adult who is receiving services through home health, hospice, or a home care agency, or an individual provider when the neglect is not a result of inaction by that agency or individual provider.

~~((13))~~ (15) "Vulnerable adult" includes a person:

(a) Sixty years of age or older who has the functional, mental, or physical inability to care for himself or herself; or

(b) Found incapacitated under chapter 11.88 RCW; or

(c) Who has a developmental disability as defined under RCW 71A.10.020; or

(d) Admitted to any facility; or

(e) Receiving services from home health, hospice, or home care agencies licensed or required to be licensed under chapter 70.127 RCW; or

(f) Receiving services from an individual provider.

**Sec. 2.** RCW 74.34.067 and 1999 c 176 s 9 are each amended to read as follows:

(1) Where appropriate, an investigation by the department may include a private interview with the vulnerable adult regarding the alleged abandonment, abuse, financial exploitation, neglect, or self-neglect.

(2) In conducting the investigation, the department shall interview the complainant, unless anonymous, and shall use its best efforts to interview the vulnerable adult or adults harmed, and, consistent with the protection of the vulnerable adult shall interview facility staff, any available independent sources of relevant information, including if appropriate the family members of the vulnerable adult.

(3) The department may conduct ongoing case planning and consultation with: (a) Those persons or agencies required to report under this chapter or submit a report under this chapter; (b) consultants designated by the department; and (c) designated representatives of Washington Indian tribes if client information exchanged is pertinent to cases under investigation or the provision of protective services. Information considered privileged by statute and not directly related to reports required by this chapter must not be divulged without a valid written waiver of the privilege.

(4) The department shall prepare and keep on file a report of each investigation conducted by the department for a period of time in accordance with policies established by the department.

(5) If the department ~~((determines))~~ has reason to believe that the vulnerable adult has suffered from abuse, neglect, self-neglect, abandonment, or financial exploitation, and lacks the ability or capacity to consent, and needs the protection of a guardian, the department may bring a guardianship action under chapter 11.88RCW ~~((as an interested person))~~.

(6) When the investigation is completed and the department determines that an incident of abandonment, abuse, financial exploitation, neglect, or self-neglect has occurred, the department shall inform the vulnerable adult of their right to refuse protective services, and ensure that, if necessary, appropriate protective services are provided to the vulnerable adult, with the consent of the vulnerable adult. The vulnerable adult has the right to withdraw or refuse protective services.

(7) The department may photograph a vulnerable adult or their environment for the purpose of providing documentary evidence of the physical condition of the vulnerable adult or his or her environment. When photographing the vulnerable adult, the department shall obtain permission from the vulnerable adult or his or her legal representative unless immediate photographing is necessary to preserve evidence. However, if the legal representative is alleged to have abused, neglected, abandoned, or exploited the vulnerable adult, consent from the legal representative is not necessary. No such consent is necessary when photographing the physical environment.

(8) When the investigation is complete and the department determines that the incident of abandonment, abuse, financial exploitation, or neglect has occurred, the department shall inform the facility in which the incident occurred, consistent with confidentiality requirements concerning the vulnerable adult, witnesses, and complainants.

**Sec. 3.** RCW 74.34.110 and 1999 c 176 s 12 are each amended to read as follows:

An action known as a petition for an order for protection of a vulnerable adult in cases of abandonment, abuse, financial exploitation, or neglect is created.

(1) A vulnerable adult, or interested person on behalf of the vulnerable adult, may seek relief from abandonment, abuse, financial exploitation, or neglect, or the threat thereof, by filing a petition for an order for protection in superior court.

(2) A petition shall allege that the petitioner, or person on whose behalf the petition is brought, is a vulnerable adult and that the petitioner,

or person on whose behalf the petition is brought, has been abandoned, abused, financially exploited, or neglected, or is threatened with abandonment, abuse, financial exploitation, or neglect by respondent.

(3) A petition shall be accompanied by affidavit made under oath, or a declaration signed under penalty of perjury, stating the specific facts and circumstances which demonstrate the need for the relief sought. If the petition is filed by an interested person, the affidavit or declaration must also include a statement of why the petitioner qualifies as an interested person.

(4) A petition for an order may be made whether or not there is a pending lawsuit, complaint, petition, or other action ~~((between the parties))~~ pending that relates to the issues presented in the petition for an order for protection.

(5) Within ninety days of receipt of the master copy from the administrative office of the courts, all court clerk's offices shall make available the standardized forms and instructions required by section 4 of this act.

(6) Any assistance or information provided by any person, including, but not limited to, court clerks, employees of the department, and other court facilitators, to another to complete the forms provided by the court in subsection (5) of this section does not constitute the practice of law.

(7) A petitioner is not required to post bond to obtain relief in any proceeding under this section.

~~((6))~~ (8) An action under this section shall be filed in the county where the ~~((petitioner))~~ vulnerable adult resides; except that if the ~~((petitioner))~~ vulnerable adult has left or been removed from the residence as a result of abandonment, abuse, financial exploitation, or neglect, or in order to avoid abandonment, abuse, financial exploitation, or neglect, the petitioner may bring an action in the county of either the vulnerable adult's previous or new residence.

~~((7))~~ The filing fee for the petition may be waived at the discretion of the court.

(9) No filing fee may be charged to the petitioner for proceedings under this section. Standard forms and written instructions shall be provided free of charge.

**NEW SECTION. Sec. 4.** A new section is added to chapter 74.34 RCW to read as follows:

(1) The administrative office of the courts shall develop and prepare standard petition, temporary order for protection, and permanent order for protection forms, a standard notice form to provide notice to the vulnerable adult if the vulnerable adult is not the petitioner, instructions, and a court staff handbook on the protection order process. The standard petition and order for protection forms must be used after October 1, 2007, for all petitions filed and orders issued under this chapter. The administrative office of the courts, in preparing the instructions, forms, notice, and handbook, may consult with attorneys from the elder law section of the Washington state bar association, judges, the department, the Washington protection and advocacy system, and law enforcement personnel.

(a) The instructions shall be designed to assist petitioners in completing the petition, and shall include a sample of the standard petition and order for protection forms.

(b) The order for protection form shall include, in a conspicuous location, notice of criminal penalties resulting from violation of the order.

(c) The standard notice form shall be designed to explain to the vulnerable adult in clear, plain language the purpose and nature of the petition and that the vulnerable adult has the right to participate in the hearing and to either support or object to the petition.

(2) The administrative office of the courts shall distribute a master copy of the standard forms, instructions, and court staff handbook to all

court clerks and shall distribute a master copy of the standard forms to all superior, district, and municipal courts.

(3) The administrative office of the courts shall determine the significant non-English-speaking or limited-English-speaking populations in the state. The administrator shall then arrange for translation of the instructions required by this section, which shall contain a sample of the standard forms, into the languages spoken by those significant non-English-speaking populations, and shall distribute a master copy of the translated instructions to all court clerks by December 31, 2007.

(4) The administrative office of the courts shall update the instructions, standard forms, and court staff handbook when changes in the law make an update necessary. The updates may be made in consultation with the persons and entities specified in subsection (1) of this section.

(5) For purposes of this section, "court clerks" means court administrators in courts of limited jurisdiction and elected court clerks.

**Sec. 5.** RCW 74.34.120 and 1986 c 187 s 6 are each amended to read as follows:

(1) The court shall order a hearing on a petition under RCW 74.34.110 not later than fourteen days from the date of filing the petition.

(2) Personal service shall be made upon the respondent not less than ~~((five))~~ six court days before the hearing. When good faith attempts to personally serve the respondent have been unsuccessful, the court shall permit service by mail or by publication.

(3) When a petition under RCW 74.34.110 is filed by someone other than the vulnerable adult, notice of the petition and hearing must be personally served upon the vulnerable adult not less than six court days before the hearing. In addition to copies of all pleadings filed by the petitioner, the petitioner shall provide a written notice to the vulnerable adult using the standard notice form developed under section 4 of this act. When good faith attempts to personally serve the vulnerable adult have been unsuccessful, the court shall permit service by mail, or by publication if the court determines that personal service and service by mail cannot be obtained.

(4) If timely service under subsections (2) and (3) of this section cannot be made, the court ~~((may set a new hearing date))~~ shall continue the hearing date until the substitute service approved by the court has been satisfied.

(5)(a) A petitioner may move for temporary relief under chapter 7.40 RCW. The court may continue any temporary order for protection granted under chapter 7.40 RCW until the hearing on a petition under RCW 74.34.110 is held.

(b) Written notice of the request for temporary relief must be provided to the respondent, and to the vulnerable adult if someone other than the vulnerable adult filed the petition. A temporary protection order may be granted without written notice to the respondent and vulnerable adult if it clearly appears from specific facts shown by affidavit or declaration that immediate and irreparable injury, loss, or damage would result to the vulnerable adult before the respondent and vulnerable adult can be served and heard, or that show the respondent and vulnerable adult cannot be served with notice, the efforts made to serve them, and the reasons why prior notice should not be required.

**Sec. 6.** RCW 74.34.130 and 2000 c 119 s 27 and 2000 c 51 s 2 are each reenacted and amended to read as follows:

The court may order relief as it deems necessary for the protection of the ~~((petitioner))~~ vulnerable adult, including, but not limited to the following:

(1) Restraining respondent from committing acts of abandonment, abuse, neglect, or financial exploitation against the vulnerable adult;

(2) Excluding the respondent from ~~((petitioner's))~~ the vulnerable adult's residence for a specified period or until further order of the court;

(3) Prohibiting contact with the vulnerable adult by respondent for a specified period or until further order of the court;

(4) Prohibiting the respondent from knowingly coming within, or knowingly remaining within, a specified distance from a specified location;

(5) Requiring an accounting by respondent of the disposition of ~~((petitioner's))~~ the vulnerable adult's income or other resources;

(6) Restraining the transfer of the respondent's and/or vulnerable adult's property for a specified period not exceeding ninety days; and

(7) Requiring the respondent to pay ~~((the))~~ a filing fee and court costs, including service fees, and to reimburse the petitioner for costs incurred in bringing the action, including a reasonable attorney's fee.

Any relief granted by an order for protection, other than a judgment for costs, shall be for a fixed period not to exceed ~~((one year))~~ five years. The clerk of the court shall enter any order for protection issued under this section into the judicial information system.

**Sec. 7.** RCW 74.34.145 and 2000 c 119 s 2 are each amended to read as follows:

(1) An order for protection of a vulnerable adult issued under this chapter which restrains the respondent or another person from committing acts of abuse, prohibits contact with the ~~((petitioner))~~ vulnerable adult, excludes the person from any specified location, or prohibits the person from coming within a specified distance from a location, shall prominently bear on the front page of the order the legend: VIOLATION OF THIS ORDER WITH ACTUAL NOTICE OF ITS TERMS IS A CRIMINAL OFFENSE UNDER CHAPTER 26.50 RCW AND WILL SUBJECT A VIOLATOR TO ARREST.

(2) Whenever an order for protection of a vulnerable adult is issued under this chapter, and the respondent or person to be restrained knows of the order, a violation of a provision restraining the person from committing acts of abuse, prohibiting contact with the ~~((petitioner))~~ vulnerable adult, excluding the person from any specified location, or prohibiting the person from coming within a specified distance of a location, shall be punishable under RCW 26.50.110, regardless of whether the person is a family or household member as defined in RCW 26.50.010.

**Sec. 8.** RCW 74.34.150 and 1986 c 187 s 9 are each amended to read as follows:

The department of social and health services, in its discretion, may seek relief under RCW 74.34.110 through 74.34.140 on behalf of and with the consent of any vulnerable adult. When the department has reason to believe a vulnerable adult lacks the ability or capacity to consent, the department, in its discretion, may seek relief under RCW 74.34.110 through 74.34.140 on behalf of the vulnerable adult. Neither the department of social and health services nor the state of Washington shall be liable for ~~((failure))~~ seeking or failing to seek relief on behalf of any persons under this section.

**NEW SECTION. Sec. 9.** A new section is added to chapter 74.34 RCW to read as follows:

(1) When a petition for protection under RCW 74.34.110 is filed by someone other than the vulnerable adult or the vulnerable adult's full guardian over either the person or the estate, or both, and the vulnerable adult for whom protection is sought advises the court at the hearing that he or she does not want all or part of the protection sought in the petition, then the court may dismiss the petition or the provisions that the vulnerable adult objects to and any protection order issued under RCW 74.34.120 or 74.34.130, or the court may take additional testimony or evidence, or order additional evidentiary hearings to determine whether the vulnerable adult is unable, due to incapacity, undue influence, or duress, to protect his or her person or estate in connection with the issues

raised in the petition or order. If an additional evidentiary hearing is ordered and the court determines that there is reason to believe that there is a genuine issue about whether the vulnerable adult is unable to protect his or her person or estate in connection with the issues raised in the petition or order, the court may issue a temporary order for protection of the vulnerable adult pending a decision after the evidentiary hearing.

(2) An evidentiary hearing on the issue of whether the vulnerable adult is unable, due to incapacity, undue influence, or duress, to protect his or her person or estate in connection with the issues raised in the petition or order, shall be held within fourteen days of entry of the temporary order for protection under subsection (1) of this section. If the court did not enter a temporary order for protection, the evidentiary hearing shall be held within fourteen days of the prior hearing on the petition. Notice of the time and place of the evidentiary hearing shall be personally served upon the vulnerable adult and the respondent not less than six court days before the hearing. When good faith attempts to personally serve the vulnerable adult and the respondent have been unsuccessful, the court shall permit service by mail, or by publication if the court determines that personal service and service by mail cannot be obtained. If timely service cannot be made, the court may set a new hearing date. A hearing under this subsection is not necessary if the vulnerable adult has been determined to be fully incapacitated over either the person or the estate, or both, under the guardianship laws, chapter 11.88 RCW. If a hearing is scheduled under this subsection, the protection order shall remain in effect pending the court's decision at the subsequent hearing.

(3) At the hearing scheduled by the court, the court shall give the vulnerable adult, the respondent, the petitioner, and in the court's discretion other interested persons, the opportunity to testify and submit relevant evidence.

(4) If the court determines that the vulnerable adult is capable of protecting his or her person or estate in connection with the issues raised in the petition, and the individual continues to object to the protection order, the court shall dismiss the order or may modify the order if agreed to by the vulnerable adult. If the court determines that the vulnerable adult is not capable of protecting his or her person or estate in connection with the issues raised in the petition or order, and that the individual continues to need protection, the court shall order relief consistent with RCW 74.34.130 as it deems necessary for the protection of the vulnerable adult. In the entry of any order that is inconsistent with the expressed wishes of the vulnerable adult, the court's order shall be governed by the legislative findings contained in RCW 74.34.005.

**NEW SECTION. Sec. 10.** A new section is added to chapter 74.34 RCW to read as follows:

Any vulnerable adult who has not been adjudicated fully incapacitated under chapter 11.88 RCW, or the vulnerable adult's guardian, at any time subsequent to entry of a permanent protection order under this chapter, may apply to the court for an order to modify or vacate the order. In a hearing on an application to dismiss or modify the protection order, the court shall grant such relief consistent with RCW 74.34.110 as it deems necessary for the protection of the vulnerable adult, including dismissal or modification of the protection order.

**Sec. 11.** RCW 74.34.210 and 1995 1st sp.s. c 18 s 86 are each amended to read as follows:

A petition for an order for protection ~~((or))~~ may be brought by the vulnerable adult, the vulnerable adult's guardian or legal fiduciary, the department, or any interested person as defined in RCW 74.34.020. An action for damages under this chapter may be brought by the ~~((plaintiff))~~ vulnerable adult, or where necessary, by his or her family members and/or guardian or legal fiduciary ~~((or as otherwise provided under this chapter))~~. The death of the ~~((plaintiff))~~ vulnerable adult shall not deprive the court of

jurisdiction over a petition or claim brought under this chapter. Upon petition, after the death of the vulnerable ~~((person))~~ adult, the right to initiate or maintain the action shall be transferred to the executor or administrator of the deceased, for recovery of all damages for the benefit of the ~~((surviving spouse, child or children, or other heirs))~~ deceased person's beneficiaries set forth in chapter 4.20 RCW or if there are no beneficiaries, then for recovery of all economic losses sustained by the deceased person's estate."

On page 1, line 1 of the title, after "adults;" strike the remainder of the title and insert "amending RCW 74.34.020, 74.34.067, 74.34.110, 74.34.120, 74.34.145, 74.34.150, and 74.34.210; reenacting and amending RCW 74.34.130; and adding new sections to chapter 74.34 RCW."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1008 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Moeller spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed Substitute House Bill No. 1008, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1008, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1008, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1037, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 80.50.020 and 2006 c 205 s 1 and 2006 c 196 s 1 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Applicant" means any person who makes application for a site certification pursuant to the provisions of this chapter.

(2) "Application" means any request for approval of a particular site or sites filed in accordance with the procedures established pursuant to this chapter, unless the context otherwise requires.

(3) "Person" means an individual, partnership, joint venture, private or public corporation, association, firm, public service company, political subdivision, municipal corporation, government agency, public utility district, or any other entity, public or private, however organized.

(4) "Site" means any proposed or approved location of an energy facility, alternative energy resource, or electrical transmission facility.

(5) "Certification" means a binding agreement between an applicant and the state which shall embody compliance to the siting guidelines, in effect as of the date of certification, which have been adopted pursuant to RCW 80.50.040 as now or hereafter amended as conditions to be met prior to or concurrent with the construction or operation of any energy facility.

(6) "Associated facilities" means storage, transmission, handling, or other related and supporting facilities connecting an energy plant with the existing energy supply, processing, or distribution system, including, but not limited to, communications, controls, mobilizing or maintenance equipment, instrumentation, and other types of ancillary transmission equipment, off-line storage or venting required for efficient operation or safety of the transmission system and overhead, and surface or subsurface lines of physical access for the inspection, maintenance, and safe operations of the transmission facility and new transmission lines constructed to operate at nominal voltages ~~((in excess))~~ of at least 115,000 volts to connect a thermal power plant or alternative energy facilities to the northwest power grid. However, common carrier railroads or motor vehicles shall not be included.

(7) "Transmission facility" means any of the following together with their associated facilities:

(a) Crude or refined petroleum or liquid petroleum product transmission pipeline of the following dimensions: A pipeline larger than six inches minimum inside diameter between valves for the transmission of these products with a total length of at least fifteen miles;

(b) Natural gas, synthetic fuel gas, or liquefied petroleum gas transmission pipeline of the following dimensions: A pipeline larger than fourteen inches minimum inside diameter between valves, for the transmission of these products, with a total length of at least fifteen miles for the purpose of delivering gas to a distribution facility, except an interstate natural gas pipeline regulated by the United States federal power commission~~((:))~~.

~~((:))~~ (8) "Electrical transmission facilities" ~~((in excess of 115,000 volts in national interest electric transmission corridors as designated by~~

~~the United States secretary of the department of energy or the federal energy regulatory commission pursuant to section 1221 of the national energy policy act, and such rules and regulations as the secretary or the federal energy regulatory commission adopts to implement the act))~~ means electrical power lines and related equipment.

~~((8))~~ (9) "Independent consultants" means those persons who have no financial interest in the applicant's proposals and who are retained by the council to evaluate the applicant's proposals, supporting studies, or to conduct additional studies.

~~((9))~~ (10) "Thermal power plant" means, for the purpose of certification, any electrical generating facility using any fuel, including nuclear materials, for distribution of electricity by electric utilities.

~~((10))~~ (11) "Energy facility" means an energy plant or transmission facilities: PROVIDED, That the following are excluded from the provisions of this chapter:

(a) Facilities for the extraction, conversion, transmission or storage of water, other than water specifically consumed or discharged by energy production or conversion for energy purposes; and

(b) Facilities operated by and for the armed services for military purposes or by other federal authority for the national defense.

~~((11))~~ (12) "Council" means the energy facility site evaluation council created by RCW 80.50.030.

~~((12))~~ (13) "Counsel for the environment" means an assistant attorney general or a special assistant attorney general who shall represent the public in accordance with RCW 80.50.080.

~~((13))~~ (14) "Construction" means on-site improvements, excluding exploratory work, which cost in excess of two hundred fifty thousand dollars.

~~((14))~~ (15) "Energy plant" means the following facilities together with their associated facilities:

(a) Any stationary thermal power plant with generating capacity of three hundred fifty thousand kilowatts or more, measured using maximum continuous electric generating capacity, less minimum auxiliary load, at average ambient temperature and pressure, and floating thermal power plants of one hundred thousand kilowatts or more, including associated facilities. For the purposes of this subsection, "floating thermal power plants" means a thermal power plant that is suspended on the surface of water by means of a barge, vessel, or other floating platform;

(b) Facilities which will have the capacity to receive liquefied natural gas in the equivalent of more than one hundred million standard cubic feet of natural gas per day, which has been transported over marine waters;

(c) Facilities which will have the capacity to receive more than an average of fifty thousand barrels per day of crude or refined petroleum or liquefied petroleum gas which has been or will be transported over marine waters, except that the provisions of this chapter shall not apply to storage facilities unless occasioned by such new facility construction;

(d) Any underground reservoir for receipt and storage of natural gas as defined in RCW 80.40.010 capable of delivering an average of more than one hundred million standard cubic feet of natural gas per day; and

(e) Facilities capable of processing more than twenty-five thousand barrels per day of petroleum into refined products.

~~((15))~~ (16) "Land use plan" means a comprehensive plan or land use element thereof adopted by a unit of local government pursuant to chapter 35.63, 35A.63, 36.70, or 36.70A RCW, or as otherwise designated by this act.

~~((16))~~ (17) "Zoning ordinance" means an ordinance of a unit of local government regulating the use of land and adopted pursuant to chapter 35.63, 35A.63, 36.70, or 36.70A RCW or Article XI of the state Constitution, or as otherwise designated by this act.

~~((17))~~ (18) "Alternative energy resource" means: (a) Wind; (b) solar energy; (c) geothermal energy; (d) landfill gas; (e) wave or tidal action; or (f) biomass energy based on solid organic fuels from wood,

forest, or field residues, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.

~~((18))~~ (19) "Secretary" means the secretary of the United States department of energy.

(20) "Preapplication process" means the process which is initiated by written correspondence from the preapplicant to the council, and includes the process adopted by the council for consulting with the preapplicant and with cities, towns, and counties prior to accepting applications for all transmission facilities.

(21) "Preapplicant" means a person considering applying for a site certificate agreement for any transmission facility.

**Sec. 2.** RCW 80.50.060 and 2006 c 196 s 4 are each amended to read as follows:

(1) The provisions of this chapter ~~((shall))~~ apply to the construction of energy facilities which includes the new construction of energy facilities and the reconstruction or enlargement of existing energy facilities where the net increase in physical capacity or dimensions resulting from such reconstruction or enlargement meets or exceeds those capacities or dimensions set forth in RCW 80.50.020 (7) and ~~((14))~~ (15). No construction of such energy facilities may be undertaken, except as otherwise provided in this chapter, after July 15, 1977, without first obtaining certification in the manner provided in this chapter.

(2) The provisions of this chapter apply to the construction, reconstruction, or enlargement of a new or existing energy facility that exclusively uses alternative energy resources and chooses to receive certification under this chapter, regardless of the generating capacity of the project.

(3)(a) The provisions of this chapter apply to the construction ~~((of new)), reconstruction, or modification of electrical transmission facilities ((or the modification of existing electrical transmission facilities in a national interest electric transmission corridor designated by the secretary))~~ when:

(i) The facilities are located in a national interest electric transmission corridor as specified in RCW 80.50.045;

(ii) An applicant chooses to receive certification under this chapter, and the facilities are: (A) Of a nominal voltage of at least one hundred fifteen thousand volts and are located in a completely new corridor, except for the terminus of the new facility or interconnection of the new facility with the existing grid, and the corridor is not otherwise used for electrical transmission facilities; and (B) located in more than one jurisdiction that has promulgated land use plans or zoning ordinances; or

(iii) An applicant chooses to receive certification under this chapter, and the facilities are: (A) Of a nominal voltage in excess of one hundred fifteen thousand volts; and (B) located outside an electrical transmission corridor identified in (a)(i) and (ii) of this subsection (3).

(b) For the purposes of this subsection, "modify" means a significant change to an electrical transmission facility and does not include the following: (i) Minor improvements such as the replacement of existing transmission line facilities or supporting structures with equivalent facilities or structures; (ii) the relocation of existing electrical transmission line facilities; (iii) the conversion of existing overhead lines to underground; or (iv) the placing of new or additional conductors, supporting structures, insulators, or their accessories on or replacement of supporting structures already built.

(4) The provisions of this chapter shall not apply to normal maintenance and repairs which do not increase the capacity or dimensions beyond those set forth in RCW 80.50.020 (7) and ~~((14))~~ (15).

(5) Applications for certification of energy facilities made prior to July 15, 1977 shall continue to be governed by the applicable provisions of law in effect on the day immediately preceding July 15, 1977 with the

exceptions of RCW 80.50.190 and 80.50.071 which shall apply to such prior applications and to site certifications prospectively from July 15, 1977.

(6) Applications for certification shall be upon forms prescribed by the council and shall be supported by such information and technical studies as the council may require.

**NEW SECTION. Sec. 3.** A new section is added to chapter 80.50 RCW to read as follows:

(1) For applications to site electrical transmission facilities, the council shall conduct a preapplication process pursuant to rules adopted by the council to govern such process, receive applications as prescribed in RCW 80.50.071, and conduct public meetings pursuant to RCW 80.50.090.

(2) The council shall consider and may recommend certification of electrical transmission facilities in corridors designated for this purpose by affected cities, towns, or counties:

(a) Where the jurisdictions have identified electrical transmission facility corridors as part of their land use plans and zoning maps based on policies adopted in their plans;

(b) Where the proposed electrical transmission facility is consistent with any adopted development regulations that govern the siting of electrical transmission facilities in such corridors; and

(c) Where contiguous jurisdictions and jurisdictions in which related regional electrical transmission facilities are located have either prior to or during the preapplication process undertaken good faith efforts to coordinate the locations of their corridors consistent with RCW 36.70A.100.

(3)(a) In the absence of a corridor designation in the manner prescribed in subsection (2) of this section, the council shall as part of the preapplication process require the preapplicant to negotiate, as provided by rule adopted by the council, for a reasonable time with affected cities, towns, and counties to attempt to reach agreement about a corridor plan. The application for certification shall identify only the corridor agreed to by the applicant and cities, towns, and counties within the proposed corridor pursuant to the preapplication process.

(b) If no corridor plan is agreed to by the applicant and cities, towns, and counties pursuant to (a) of this subsection, the applicant shall propose a recommended corridor and electrical transmission facilities to be included within the proposed corridor.

(c) The council shall consider the applicant's proposed corridor and electrical transmission facilities as provided in RCW 80.50.090 (2) and (4), and shall make a recommendation consistent with RCW 80.50.090 and 80.50.100.

**NEW SECTION. Sec. 4.** A new section is added to chapter 80.50 RCW to read as follows:

(1) A preapplicant shall pay to the council a fee of ten thousand dollars to be applied to the cost of the preapplication process as a condition precedent to any action by the council, provided that costs in excess of this amount shall be paid only upon prior approval by the preapplicant, and provided further that any unexpended portions thereof shall be returned to the preapplicant.

(2) The council shall consult with the preapplicant and prepare a plan for the preapplication process which shall commence with an informational public hearing within sixty days after the receipt of the preapplication fee as provided in RCW 80.50.090.

(3) The preapplication plan shall include but need not be limited to:

(a) An initial consultation to explain the proposal and request input from council staff, federal and state agencies, cities, towns, counties, port districts, tribal governments, property owners, and interested individuals;

(b) Where applicable, a process to guide negotiations between the preapplicant and cities, towns, and counties within the corridor proposed pursuant to section 3 of this act.

**NEW SECTION. Sec. 5.** 2006 c 196 s 2 (uncodified) is repealed."

On page 1, line 2 of the title, after "council;" strike the remainder of the title and insert "amending RCW 80.50.060; reenacting and amending RCW 80.50.020; adding new sections to chapter 80.50 RCW; and repealing 2006 c 196 s 2 (uncodified)."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1037 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Morris spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1037, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1037, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 1037, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1038, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** It is the intent of the legislature to create a regional process for the siting of new electric transmission lines related to the national energy policy act of 2005. This regional process will facilitate the siting of new cross borders electric transmission lines by providing a "one stop" licensing process. This act calls for the creation of a legislative task force to establish an interstate compact to assert jurisdiction over national interest electric transmission corridors.

**NEW SECTION. Sec. 2.** A new section is added to chapter 80.50 RCW to read as follows:

(1)(a) A legislative task force on national interest electric transmission corridors is established, with members as provided in this subsection.

(i) The chair and the ranking minority member from the senate water, energy and telecommunications committee or their designees;

(ii) The chair and the ranking minority member from the house of representatives technology, energy and communications committee or their designees;

(iii) The governor shall appoint five members representing the energy facility site evaluation council, local governments, resource agencies, or other persons with appropriate expertise.

(b) The task force shall choose its cochairs representing the senate and house of representatives from among its legislative membership.

(2)(a) The task force shall negotiate the terms of an interstate compact that establishes a regional process for siting national interest electric transmission corridors satisfactory to the national energy policy act of 2005.

(b) In negotiating the terms of the compact, the task force shall ensure that the compact reflects as close as possible the Washington state energy facility site evaluation council model under this chapter and its procedures to ensure appropriate adjudicative proceedings and mitigation of environmental impacts.

(c) The task force shall negotiate the terms of the compact through processes established and supported by the Pacific Northwest economic region for which the state of Washington is a party as referenced in RCW 43.147.010.

(3) Staff support for the task force members shall be provided from respective committees and appropriate agencies appointed by the governor.

(4) Legislative members of the task force shall be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(5) The task force shall report its preliminary recommendations on the compact to the appropriate committees of the legislature by January 1, 2008.

(6) The task force shall report its final recommendations on the compact to the appropriate committees of the legislature by September 1, 2008.

(7) This section expires July 1, 2009."

On page 1, line 2 of the title, after "lines;" strike the remainder of the title and insert "adding a new section to chapter 80.50 RCW; creating a new section; and providing an expiration date."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1038 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Morris spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 1038, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1038, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

HOUSE BILL NO. 1038, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1079, with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 77.08.010 and 2005 c 104 s 1 are each amended to read as follows:

As used in this title or rules adopted under this title, unless the context clearly requires otherwise:

- (1) "Director" means the director of fish and wildlife.
- (2) "Department" means the department of fish and wildlife.
- (3) "Commission" means the state fish and wildlife commission.
- (4) "Person" means and includes an individual; a corporation; a public or private entity or organization; a local, state, or federal agency; all business organizations, including corporations and partnerships; or a group of two or more individuals acting with a common purpose whether acting in an individual, representative, or official capacity.
- (5) "Fish and wildlife officer" means a person appointed and commissioned by the director, with authority to enforce this title and rules adopted pursuant to this title, and other statutes as prescribed by the legislature. Fish and wildlife officer includes a person commissioned before June 11, 1998, as a wildlife agent or a fisheries patrol officer.
- (6) "Ex officio fish and wildlife officer" means a commissioned officer of a municipal, county, state, or federal agency having as its primary function the enforcement of criminal laws in general, while the officer is in the appropriate jurisdiction. The term "ex officio fish and wildlife officer" includes special agents of the national marine fisheries service, state parks commissioned officers, United States fish and wildlife special agents, department of natural resources enforcement officers, and United States forest service officers, while the agents and officers are within their respective jurisdictions.
- (7) "To hunt" and its derivatives means an effort to kill, injure, capture, or harass a wild animal or wild bird.
- (8) "To trap" and its derivatives means a method of hunting using devices to capture wild animals or wild birds.
- (9) "To fish," "to harvest," and "to take," and their derivatives means an effort to kill, injure, harass, or catch a fish or shellfish.
- (10) "Open season" means those times, manners of taking, and places or waters established by rule of the commission for the lawful hunting, fishing, taking, or possession of game animals, game birds, game fish, food fish, or shellfish that conform to the special restrictions or physical descriptions established by rule of the commission or that have otherwise been deemed legal to hunt, fish, take, harvest, or possess by rule of the commission. "Open season" includes the first and last days of the established time.
- (11) "Closed season" means all times, manners of taking, and places or waters other than those established by rule of the commission as an open season. "Closed season" also means all hunting, fishing, taking, or possession of game animals, game birds, game fish, food fish, or shellfish that do not conform to the special restrictions or physical descriptions established by rule of the commission as an open season or that have not otherwise been deemed legal to hunt, fish, take, harvest, or possess by rule of the commission as an open season.
- (12) "Closed area" means a place where the hunting of some or all species of wild animals or wild birds is prohibited.
- (13) "Closed waters" means all or part of a lake, river, stream, or other body of water, where fishing or harvesting is prohibited.
- (14) "Game reserve" means a closed area where hunting for all wild animals and wild birds is prohibited.
- (15) "Bag limit" means the maximum number of game animals, game birds, or game fish which may be taken, caught, killed, or possessed by a person, as specified by rule of the commission for a particular period of time, or as to size, sex, or species.
- (16) "Wildlife" means all species of the animal kingdom whose members exist in Washington in a wild state. This includes but is not limited to mammals, birds, reptiles, amphibians, fish, and invertebrates. The term "wildlife" does not include feral domestic mammals, old world

rats and mice of the family Muridae of the order Rodentia, or those fish, shellfish, and marine invertebrates classified as food fish or shellfish by the director. The term "wildlife" includes all stages of development and the bodily parts of wildlife members.

(17) "Wild animals" means those species of the class Mammalia whose members exist in Washington in a wild state and the species *Rana catesbeiana* (bullfrog). The term "wild animal" does not include feral domestic mammals or old world rats and mice of the family Muridae of the order Rodentia.

(18) "Wild birds" means those species of the class Aves whose members exist in Washington in a wild state.

(19) "Protected wildlife" means wildlife designated by the commission that shall not be hunted or fished.

(20) "Endangered species" means wildlife designated by the commission as seriously threatened with extinction.

(21) "Game animals" means wild animals that shall not be hunted except as authorized by the commission.

(22) "Fur-bearing animals" means game animals that shall not be trapped except as authorized by the commission.

(23) "Game birds" means wild birds that shall not be hunted except as authorized by the commission.

(24) "Predatory birds" means wild birds that may be hunted throughout the year as authorized by the commission.

(25) "Deleterious exotic wildlife" means species of the animal kingdom not native to Washington and designated as dangerous to the environment or wildlife of the state.

(26) "Game farm" means property on which wildlife is held or raised for commercial purposes, trade, or gift. The term "game farm" does not include publicly owned facilities.

~~(27) ("Person of disability" means a permanently disabled person who is not ambulatory without the assistance of a wheelchair, crutches, or similar devices.~~

~~(28))~~ (28) "Fish" includes all species classified as game fish or food fish by statute or rule, as well as all fin fish not currently classified as food fish or game fish if such species exist in state waters. The term "fish" includes all stages of development and the bodily parts of fish species.

~~(29))~~ (28) "Raffle" means an activity in which tickets bearing an individual number are sold for not more than twenty-five dollars each and in which a permit or permits are awarded to hunt or for access to hunt big game animals or wild turkeys on the basis of a drawing from the tickets by the person or persons conducting the raffle.

~~(30))~~ (29) "Youth" means a person fifteen years old for fishing and under sixteen years old for hunting.

~~(31))~~ (30) "Senior" means a person seventy years old or older.

~~(32))~~ (31) "License year" means the period of time for which a recreational license is valid. The license year begins April 1st, and ends March 31st.

~~(33))~~ (32) "Saltwater" means those marine waters seaward of river mouths.

~~(34))~~ (33) "Freshwater" means all waters not defined as saltwater including, but not limited to, rivers upstream of the river mouth, lakes, ponds, and reservoirs.

~~(35))~~ (34) "State waters" means all marine waters and fresh waters within ordinary high water lines and within the territorial boundaries of the state.

~~(36))~~ (35) "Offshore waters" means marine waters of the Pacific Ocean outside the territorial boundaries of the state, including the marine waters of other states and countries.

~~(37))~~ (36) "Concurrent waters of the Columbia river" means those waters of the Columbia river that coincide with the Washington-Oregon state boundary.

~~(38))~~ (37) "Resident" means:

(a) A person who has maintained a permanent place of abode within the state for at least ninety days immediately preceding an application for a license, has established by formal evidence an intent to continue residing within the state, and who is not licensed to hunt or fish as a resident in another state; and

(b) A person age eighteen or younger who does not qualify as a resident under (a) of this subsection, but who has a parent that qualifies as a resident under (a) of this subsection.

~~((39))~~ (38) "Nonresident" means a person who has not fulfilled the qualifications of a resident.

~~((40))~~ (39) "Shellfish" means those species of marine and freshwater invertebrates that have been classified and that shall not be taken except as authorized by rule of the commission. The term "shellfish" includes all stages of development and the bodily parts of shellfish species.

~~((41))~~ (40) "Commercial" means related to or connected with buying, selling, or bartering.

~~((42))~~ (41) "To process" and its derivatives mean preparing or preserving fish, wildlife, or shellfish.

~~((43))~~ (42) "Personal use" means for the private use of the individual taking the fish or shellfish and not for sale or barter.

~~((44))~~ (43) "Angling gear" means a line attached to a rod and reel capable of being held in hand while landing the fish or a hand-held line operated without rod or reel.

~~((45))~~ (44) "Fishery" means the taking of one or more particular species of fish or shellfish with particular gear in a particular geographical area.

~~((46))~~ (45) "Limited-entry license" means a license subject to a license limitation program established in chapter 77.70 RCW.

~~((47))~~ (46) "Seaweed" means marine aquatic plant species that are dependent upon the marine aquatic or tidal environment, and exist in either an attached or free floating form, and includes but is not limited to marine aquatic plants in the classes Chlorophyta, Phaeophyta, and Rhodophyta.

~~((48))~~ (47) "Trafficking" means offering, attempting to engage, or engaging in sale, barter, or purchase of fish, shellfish, wildlife, or deleterious exotic wildlife.

~~((49))~~ (48) "Invasive species" means a plant species or a nonnative animal species that either:

(a) Causes or may cause displacement of, or otherwise threatens, native species in their natural communities;

(b) Threatens or may threaten natural resources or their use in the state;

(c) Causes or may cause economic damage to commercial or recreational activities that are dependent upon state waters; or

(d) Threatens or harms human health.

~~((50))~~ (49) "Prohibited aquatic animal species" means an invasive species of the animal kingdom that has been classified as a prohibited aquatic animal species by the commission.

~~((51))~~ (50) "Regulated aquatic animal species" means a potentially invasive species of the animal kingdom that has been classified as a regulated aquatic animal species by the commission.

~~((52))~~ (51) "Unregulated aquatic animal species" means a nonnative animal species that has been classified as an unregulated aquatic animal species by the commission.

~~((53))~~ (52) "Unlisted aquatic animal species" means a nonnative animal species that has not been classified as a prohibited aquatic animal species, a regulated aquatic animal species, or an unregulated aquatic animal species by the commission.

~~((54))~~ (53) "Aquatic plant species" means an emergent, submersed, partially submersed, free-floating, or floating-leaving plant species that grows in or near a body of water or wetland.

~~((55))~~ (54) "Retail-eligible species" means commercially harvested salmon, crab, and sturgeon.

**Sec. 2.** RCW 77.32.400 and 1998 c 191 s 1 are each amended to read as follows:

(1) The commission shall authorize the director to issue designated harvester cards to persons ~~((of))~~ with a disability. The commission shall adopt rules defining who is a person with a disability and rules governing the conduct of persons ((of)) with a disability who fish and harvest shellfish and their designated harvesters.

(2) It is lawful for a designated harvester to fish for, take, or possess the personal-use daily bag limit of fish or shellfish ~~((game fish, or food fish))~~ for a ~~((disabled))~~ person with a disability if the harvester is licensed and has a designated harvester card, and if the ~~((disabled))~~ person with a disability is present on site and in possession of ~~((a combination))~~ the appropriate fishing license issued under ((RCW 77.32.490)) this chapter. Except as provided in subsection (4) of this section, the person with a disability must be present and participating in the fishing activity.

(3) A designated harvester card will be issued to such a ~~((licensee))~~ person with a disability upon written application to the director. The application must be submitted on a department official form and must be accompanied by a licensed medical doctor's certification of disability.

(4) A person with a ~~((combination fishing license issued under RCW 77.32.490))~~ disability utilizing the services of a designated harvester is not required to be present at the location where the designated harvester is harvesting shellfish for the ~~((disabled))~~ person with a disability. The ~~((licensee))~~ person with a disability is required to be in the direct line of sight of the designated harvester who is harvesting shellfish for him or her, unless it is not possible to be in a direct line of sight because of a physical obstruction or other barrier. If such a barrier or obstruction exists, the ~~((licensee))~~ person with a disability is required to be within one-quarter mile of the designated harvester who is harvesting shellfish for him or her.

~~((5) Except as provided in subsection (4) of this section, the disabled person needs to be present and participating in the fishing activity.))~~

**Sec. 3.** RCW 77.32.480 and 1998 c 191 s 18 are each amended to read as follows:

Upon written application, a combination fishing license shall be issued at the reduced rate of five dollars, and all hunting licenses shall, ((upon written application,)) be issued at the reduced rate of a youth hunting license fee for the following individuals:

(1) A resident sixty-five years old or older who is an honorably discharged veteran of the United States armed forces having a service-connected disability;

(2) ~~((Residents who are honorably discharged veterans of the United States armed forces))~~ A resident who is an honorably discharged veteran of the United States armed forces with a thirty percent or more service-connected disability; ((and))

(3) ~~((An honorably discharged veteran of the United States armed forces who is))~~ A resident ((and is confined to)) with a disability who permanently uses a wheelchair;

(4) A resident who is blind or visually impaired; and

(5) A resident with a developmental disability as defined in RCW 71A.10.020 with documentation of the disability certified by a physician licensed to practice in this state.

**Sec. 4.** RCW 77.32.550 and 2006 c 16 s 1 are each amended to read as follows:

(1) A group fishing permit allows a group of individuals to fish, and harvest shellfish, without individual licenses or the payment of individual license fees.

(2) The director must issue a group fishing permit on a seasonal basis to a state-operated facility or state-licensed nonprofit facility or program for ~~((physically or mentally disabled))~~ persons ~~((mentally ill persons))~~ with physical or mental disabilities, hospital patients, ~~((handicapped persons;))~~ seriously or terminally ill persons, persons who are dependent on the state because of emotional or physical developmental disabilities, or senior citizens who are in the care of the facility. The permit is valid only for use during open season.

(3) The director may set conditions and issue a group fishing permit to groups working in partnership with and participating in department outdoor education programs. At the discretion of the director, a processing fee may be applied.

(4) The commission may adopt rules that provide the conditions under which a group fishing permit is issued.

**Sec. 5.** RCW 77.32.238 and 1989 c 297 s 2 are each amended to read as follows:

(1) The commission shall adopt rules defining who is a person with a disability and governing the conduct of persons with a disability who hunt and their designated licensed hunters. It is unlawful for any person to possess a loaded firearm in or on a motor vehicle except a ((disabled hunter)) person with a disability who possesses a disabled hunter permit and all appropriate hunting licenses may ((possess a loaded firearm or other legal hunting device in and may)) discharge a firearm or other legal hunting device from a nonmoving motor vehicle that has the engine turned off. ((Disabled hunters)) A person with a disability who possesses a disabled hunter permit shall not be exempt from permit requirements for carrying concealed weapons, or from rules, laws, or ordinances concerning the discharge of these weapons. No hunting shall be permitted from a motor vehicle that is parked on or beside the maintained portion of a public road, except as authorized by the commission by rule.

(2) A person ~~((of))~~ with a disability holding a disabled hunter permit may be accompanied by one ((nondisabled)) licensed hunter who may assist the ((disabled hunter)) person with a disability by killing game wounded by the ((disabled hunter)) person with a disability, and by tagging and retrieving game killed by the ((disabled hunter)) person with a disability or the designated licensed hunter. A nondisabled hunter shall not possess a loaded gun in, or shoot from, a motor vehicle.

**Sec. 6.** RCW 77.32.237 and 1989 c 297 s 1 are each amended to read as follows:

The commission shall attempt to enhance the hunting opportunities ~~((of))~~ for persons ((of)) with a disability. The commission shall authorize the director to issue disabled hunter permits to persons ~~((of))~~ with a disability. The commission shall adopt rules governing the conduct of ~~((disabled hunters))~~ persons with a disability who hunt and their ~~((nondisabled companions))~~ designated licensed hunter.

**NEW SECTION. Sec. 7.** RCW 77.32.490 (Reduced rate combination fishing license) and 1998 c 191 s 19 are each repealed."

On page 1, line 1 of the title, after "fees;" strike the remainder of the title and insert "amending RCW 77.08.010, 77.32.400, 77.32.480, 77.32.550, 77.32.238, and 77.32.237; and repealing RCW 77.32.490."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

## SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1079 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Simpson spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1079, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1079, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 1079, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1140, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 80.60.010 and 2006 c 201 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly indicates otherwise.

(1) "Commission" means the utilities and transportation commission.

(2) "Customer-generator" means a user of a net metering system.

(3) "Electrical company" means a company owned by investors that meets the definition of RCW 80.04.010.

(4) "Electric cooperative" means a cooperative or association organized under chapter 23.86 or 24.06 RCW.

(5) "Electric utility" means any electrical company, public utility district, irrigation district, port district, electric cooperative, or municipal electric utility that is engaged in the business of distributing electricity to retail electric customers in the state.

(6) "Irrigation district" means an irrigation district under chapter 87.03 RCW.

(7) "Meter aggregation" means the administrative combination of readings from and billing for all meters, regardless of the rate class, on premises owned or leased by a customer-generator located within the service territory of a single electric utility.

(8) "Municipal electric utility" means a city or town that owns or operates an electric utility authorized by chapter 35.92 RCW.

~~((8))~~ (9) "Net metering" means measuring the difference between the electricity supplied by an electric utility and the electricity generated by a customer-generator over the applicable billing period.

~~((9))~~ (10) "Net metering system" means a fuel cell, a facility that produces electricity and used and useful thermal energy from a common fuel source, or a facility for the production of electrical energy that generates renewable energy, and that:

(a) Has an electrical generating capacity of not more than one hundred kilowatts;

(b) Is located on the customer-generator's premises;

(c) Operates in parallel with the electric utility's transmission and distribution facilities; and

(d) Is intended primarily to offset part or all of the customer-generator's requirements for electricity.

~~((10))~~ (11) "Premises" means any residential property, commercial real estate, or lands, owned or leased by a customer-generator within the service area of a single electric utility.

(12) "Port district" means a port district within which an industrial development district has been established as authorized by Title 53 RCW.

~~((11))~~ (13) "Public utility district" means a district authorized by chapter 54.04 RCW.

~~((12))~~ (14) "Renewable energy" means energy generated by a facility that uses water, wind, solar energy, or biogas from animal waste as a fuel.

**Sec. 2.** RCW 80.60.020 and 2006 c 201 s 2 are each amended to read as follows:

(1) An electric utility:

~~((1))~~ (a) Shall offer to make net metering available to eligible customers-generators on a first-come, first-served basis until the cumulative generating capacity of net metering systems equals 0.25 percent of the utility's peak demand during 1996. On January 1, 2014, the cumulative generating capacity available to net metering systems will equal 0.5 percent of the utility's peak demand during 1996. Not less than one-half of the utility's 1996 peak demand available for net metering systems shall be reserved for the cumulative generating capacity attributable to net metering systems that generate renewable energy;

~~((2))~~ (b) Shall allow net metering systems to be interconnected using a standard kilowatt-hour meter capable of registering the flow of electricity in two directions, unless the commission, in the case of an electrical company, or the appropriate governing body, in the case of other electric utilities, determines, after appropriate notice and opportunity for comment:

~~((a))~~ (i) That the use of additional metering equipment to monitor the flow of electricity in each direction is necessary and appropriate for the interconnection of net metering systems, after taking into account the benefits and costs of purchasing and installing additional metering equipment; and

~~((b))~~ (ii) How the cost of purchasing and installing an additional meter is to be allocated between the customer-generator and the utility;

~~((3))~~ (c) Shall charge the customer-generator a minimum monthly fee that is the same as other customers of the electric utility in the same rate class, but shall not charge the customer-generator any additional standby, capacity, interconnection, or other fee or charge unless the commission, in the case of an electrical company, or the appropriate governing body, in the case of other electric utilities, determines, after appropriate notice and opportunity for comment that:

~~((a))~~ (i) The electric utility will incur direct costs associated with interconnecting or administering net metering systems that exceed any offsetting benefits associated with these systems; and

~~((b))~~ (ii) Public policy is best served by imposing these costs on the customer-generator rather than allocating these costs among the utility's entire customer base.

(2) If a production meter and software is required by the electric utility to provide meter aggregation under RCW 80.60.030(4), the customer-generator is responsible for the purchase of the production meter and software.

**Sec. 3.** RCW 80.60.030 and 2006 c 201 s 3 are each amended to read as follows:

Consistent with the other provisions of this chapter, the net energy measurement must be calculated in the following manner:

(1) The electric utility shall measure the net electricity produced or consumed during the billing period, in accordance with normal metering practices.

(2) If the electricity supplied by the electric utility exceeds the electricity generated by the customer-generator and fed back to the electric utility during the billing period, the customer-generator shall be billed for the net electricity supplied by the electric utility, in accordance with normal metering practices.

(3) If electricity generated by the customer-generator exceeds the electricity supplied by the electric utility, the customer-generator:

(a) Shall be billed for the appropriate customer charges for that billing period, in accordance with RCW 80.60.020; and

(b) Shall be credited for the excess kilowatt-hours generated during the billing period, with this kilowatt-hour credit appearing on the bill for the following billing period.

(4) If a customer-generator requests, an electric utility shall provide meter aggregation.

(a) For customer-generators participating in meter aggregation, kilowatt-hours credits earned by a net metering system during the billing period first shall be used to offset electricity supplied by the electric utility.

(b) Not more than a total of one hundred kilowatts shall be aggregated among all customer-generators participating in a generating facility under this subsection.

(c) Excess kilowatt-hours credits earned by the net metering system, during the same billing period, shall be credited equally by the electric utility to remaining meters located on all premises of a customer-generator at the designated rate of each meter.

(d) Meters so aggregated shall not change rate classes due to meter aggregation under this section.

(5) On April 30th of each calendar year, any remaining unused kilowatt-hour credit accumulated during the previous year shall be granted to the electric utility, without any compensation to the customer-generator."

On page 1, line 1 of the title, after "electricity;" strike the remainder of the title and insert "and amending RCW 80.60.010, 80.60.020, and 80.60.030."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1140 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative McCoy spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1140, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1140, as amended by the Senate and the bill passed the House by the following vote: Yeas - 94, Nays - 4, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 94.

Voting nay: Representatives Armstrong, Condotta, Newhouse and Ross - 4.

SUBSTITUTE HOUSE BILL NO. 1140, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 13, 2007

Mr. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1214, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** A new section is added to chapter 46.61 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, a person operating a moving motor vehicle who, by means of an electronic wireless communications device, other than a voice-activated global positioning or navigation system that is permanently affixed to the vehicle, sends, reads, or writes a text message, is guilty of a traffic infraction. A person does not send, read, or write a text message when he or she reads, selects, or enters a phone number or name in a wireless communications device for the purpose of making a phone call.

(2) Subsection (1) of this section does not apply to a person operating:

(a) An authorized emergency vehicle; or

(b) A moving motor vehicle while using an electronic wireless communications device to:

(i) Report illegal activity;

(ii) Summon medical or other emergency help;

(iii) Prevent injury to a person or property; or

(iv) Relay information between a transit or for-hire operator and that operator's dispatcher, in which the device is permanently affixed to the vehicle.

(3) Enforcement of this section by law enforcement officers may be accomplished only as a secondary action when a driver of a motor vehicle has been detained for a suspected violation of this title or an equivalent local ordinance or some other offense.

(4) Infractions under this act shall not become part of the driver's record under RCW 46.52.101 and 46.52.120. Additionally, a finding that a person has committed a traffic infraction under this section shall not be made available to insurance companies or employers.

**NEW SECTION. Sec. 2.** This act takes effect January 1, 2008."

On page 1, line 2 of the title, after "messages;" strike the remainder of the title and insert "adding a new section to chapter 46.61 RCW; prescribing penalties; and providing an effective date."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1214 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative McDonald spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed House Bill No. 1214, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1214, as amended by the Senate and the bill passed the House by the following vote: Yeas - 90, Nays - 8, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Flannigan, Fromhold, Grant, Green, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 90.

Voting nay: Representatives Appleton, Ericksen, Goodman, Haigh, Linville, Morris, Upthegrove and Van De Wege - 8.

ENGROSSED HOUSE BILL NO. 1214, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 13, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1220, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 9.95.003 and 1997 c 350 s 2 are each amended to read as follows:

The board shall consist of a chairman and ~~((two))~~ four other members, each of whom shall be appointed by the governor with the consent of the senate. Each member shall hold office for a term of five years, and until his or her successor is appointed and qualified. The terms shall expire on April 15th of the expiration year. Vacancies in the membership of the board shall be filled by appointment by the governor with the consent of the senate. In the event of the inability of any member to act, the governor shall appoint some competent person to act in his stead during the continuance of such inability. The members shall not be removable during their respective terms except for cause determined by the superior court of Thurston county. The governor in appointing the members shall designate one of them to serve as chairman at the governor's pleasure. The appointed chairman shall serve as a fully participating board member and as the director of the agency.

The members of the board and its officers and employees shall not engage in any other business or profession or hold any other public office without the prior approval of the executive ethics board indicating compliance with RCW 42.52.020, 42.52.030, 42.52.040 and 42.52.120; nor shall they, at the time of appointment or employment or during their incumbency, serve as the representative of any political party on an executive committee or other governing body thereof, or as an executive officer or employee of any political committee or association. The members of the board shall each severally receive salaries fixed by the governor in accordance with the provisions of RCW 43.03.040, and in addition shall receive travel expenses incurred in the discharge of their official duties in accordance with RCW 43.03.050 and 43.03.060.

The board may employ, and fix, with the approval of the governor, the compensation of and prescribe the duties of a ~~((secretary))~~ senior administrative officer and such officers, employees, and assistants as may be necessary, and provide necessary quarters, supplies, and equipment."

On page 1, line 2 of the title, after "members;" strike the remainder of the title and insert "and amending RCW 9.95.003."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1220 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED**

Representative Hurst spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 1220, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 1220, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

HOUSE BILL NO. 1220, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 12, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1255, with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 42.23.030 and 2006 c 121 s 1 are each amended to read as follows:

No municipal officer shall be beneficially interested, directly or indirectly, in any contract which may be made by, through or under the supervision of such officer, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein. This section shall not apply in the following cases:

(1) The furnishing of electrical, water or other utility services by a municipality engaged in the business of furnishing such services, at the same rates and on the same terms as are available to the public generally;

(2) The designation of public depositaries for municipal funds;

(3) The publication of legal notices required by law to be published by any municipality, upon competitive bidding or at rates not higher than prescribed by law for members of the general public;

(4) The designation of a school director as clerk or as both clerk and purchasing agent of a school district;

(5) The employment of any person by a municipality for unskilled day labor at wages not exceeding two hundred dollars in any calendar month. The exception provided in this subsection does not apply to a county with a population of one hundred twenty-five thousand or more, a city with a population of more than one thousand five hundred, an irrigation district encompassing more than fifty thousand acres, or a first class school district;

(6)(a) The letting of any other contract in which the total amount received under the contract or contracts by the municipal officer or the municipal officer's business does not exceed one thousand five hundred dollars in any calendar month.

(b) However, in the case of a particular officer of a second class city or town, or a noncharter optional code city, or a member of any county fair board in a county which has not established a county purchasing department pursuant to RCW 36.32.240, the total amount of such contract or contracts authorized in this subsection (6) may exceed one thousand five hundred dollars in any calendar month but shall not exceed eighteen thousand dollars in any calendar year.

(c)(i) In the case of a particular officer of a rural public hospital district, as defined in RCW 70.44.460, the total amount of such contract or contracts authorized in this subsection (6) may exceed one thousand five hundred dollars in any calendar month, but shall not exceed twenty-four thousand dollars in any calendar year.

(ii) At the beginning of each calendar year, beginning with the 2006 calendar year, the legislative authority of the rural public hospital district shall increase the calendar year limitation described in this subsection (6)(c) by an amount equal to the dollar amount for the previous calendar year multiplied by the change in the consumer price index as of the close of the twelve-month period ending December 31st of that previous calendar year. If the new dollar amount established under this subsection is not a multiple of ten dollars, the increase shall be rounded to the next lowest multiple of ten dollars. As used in this subsection, "consumer price index" means the consumer price index compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used.

(d) The exceptions provided in this subsection (6) do not apply to:

(i) A sale or lease by the municipality as the seller or lessor~~(The exceptions provided in this subsection (6) also do not apply to);~~

(ii) The letting of any contract by a county with a population of one hundred twenty-five thousand or more, a city with a population of ten thousand or more, or an irrigation district encompassing more than fifty thousand acres; or

(iii) Contracts for legal services, except for reimbursement of expenditures.

(e) The municipality shall maintain a list of all contracts that are awarded under this subsection (6). The list must be made available for public inspection and copying;

(7) The leasing by a port district as lessor of port district property to a municipal officer or to a contracting party in which a municipal officer may be beneficially interested, if in addition to all other legal requirements, a board of three disinterested appraisers and the superior court in the county where the property is situated finds that all terms and conditions of such lease are fair to the port district and are in the public interest. The appraisers must be appointed from members of the American Institute of Real Estate Appraisers by the presiding judge of the superior court;

(8) The letting of any employment contract for the driving of a school bus in a second class school district if the terms of such contract are commensurate with the pay plan or collective bargaining agreement operating in the district;

(9) The letting of an employment contract as a substitute teacher or substitute educational aide to an officer of a second class school district that has two hundred or fewer full-time equivalent students, if the terms of the contract are commensurate with the pay plan or collective bargaining agreement operating in the district and the board of directors has found, consistent with the written policy under RCW 28A.330.240, that there is a shortage of substitute teachers in the school district;

(10) The letting of any employment contract to the spouse of an officer of a school district, when such contract is solely for employment as a substitute teacher for the school district. This exception applies only if the terms of the contract are commensurate with the pay plan or collective bargaining agreement applicable to all district employees and the board of directors has found, consistent with the written policy under RCW 28A.330.240, that there is a shortage of substitute teachers in the school district;

(11) The letting of any employment contract to the spouse of an officer of a school district if the spouse was under contract as a certificated or classified employee with the school district before the date in which the officer assumes office and the terms of the contract are commensurate with the pay plan or collective bargaining agreement operating in the district. However, in a second class school district that has less than two hundred full-time equivalent students enrolled at the start of the school year as defined in RCW 28A.150.040, the spouse is not required to be under contract as a certificated or classified employee before the date on which the officer assumes office;

(12) The authorization, approval, or ratification of any employment contract with the spouse of a public hospital district commissioner if: (a) The spouse was employed by the public hospital district before the date the commissioner was initially elected; (b) the terms of the contract are commensurate with the pay plan or collective bargaining agreement operating in the district for similar employees; (c) the interest of the commissioner is disclosed to the board of commissioners and noted in the official minutes or similar records of the public hospital district prior to the letting or continuation of the contract; and (d) and the commissioner does not vote on the authorization, approval, or ratification of the contract or any conditions in the contract.

A municipal officer may not vote in the authorization, approval, or ratification of a contract in which he or she is beneficially interested even though one of the exemptions allowing the awarding of such a contract applies. The interest of the municipal officer must be disclosed to the

governing body of the municipality and noted in the official minutes or similar records of the municipality before the formation of the contract."

On page 1, line 2 of the title, after "contracts;" strike the remainder of the title and insert "and amending RCW 42.23.030."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1255 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

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

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1255, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1255, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 1255, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 6, 2007]

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1260, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 41.45.0631 and 2006 c 94 s 2 are each amended to read as follows:

(1) The allocation of costs between the employer and members of the Washington state patrol retirement system shall be made only after the application of any minimum total contribution rate that may be in effect for the system under subsection (4) of this section. For benefit improvements effective on or after July 1, 2007, costs shall be shared equally by members and the employer, and any cap on member contributions shall be adjusted accordingly. The member contribution rate shall be based on the adjusted total contribution rate described in subsection (2) of this section. Beginning July 1, ((2004) 2007, the required member contribution rate for members of the Washington state patrol retirement system shall be ((two percent or equal to the employer rate adopted under RCW 41.45.060 and 41.45.070 for the Washington state patrol retirement system, whichever is greater. The employee contribution rate shall not, however, include any increase as a result of)) the lesser of the following: (a) One-half of the adjusted total contribution rate for the system; or (b) seven percent, plus fifty percent of the contribution rate increase caused by any benefit improvements effective on or after July 1, 2007.

(2) The employer shall continue to pay for all costs attributable to distributions under RCW 43.43.270(2) for survivors of members who became disabled under RCW 43.43.040(2) prior to July 1, 2006, until such costs are fully paid. In order to avoid charging members for these costs, the total required contribution rate shall be adjusted to exclude these costs. The result of the adjustment shall be the adjusted total contribution rate that is to be used to calculate the required member contribution rate.

(3) The employer rate shall be the contribution rate required to cover all total system costs that are not covered by the member contribution rate.

(4) Beginning July 1, 2009, a minimum total contribution rate is established for the Washington state patrol retirement system. The total Washington state patrol retirement system contribution rate as adopted by the pension funding council and subject to revision by the legislature may exceed, but may not drop below, the established minimum total contribution rate. The minimum total contribution rate shall equal the total contribution rate required to fund seventy percent of the Washington state patrol retirement system's normal cost as calculated under the entry age normal cost method. Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of this minimum total contribution rate and recommend to the legislature any adjustments as may be needed.

NEW SECTION. Sec. 2. If both Senate Bill No. 6129 and Substitute Senate Bill No. 5937 are not enacted by June 30, 2007, this act is null and void.

NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2007."

On page 1, line 2 of the title, after "system;" strike the remainder of the title and insert "amending RCW 41.45.0631; creating a new section; providing an effective date; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1260 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representative Clibborn spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed Substitute House Bill No. 1260, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1260, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1260, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 3, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1343, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 46.12.030 and 2005 c 173 s 1 are each amended to read as follows:

(1) The application for a certificate of ownership shall be upon a form furnished or approved by the department and shall contain:

(a) A full description of the vehicle, which shall contain the proper vehicle identification number, the number of miles indicated on the odometer at the time of delivery of the vehicle, and any distinguishing marks of identification;

(b) The name and address of the person who is to be the registered owner of the vehicle and, if the vehicle is subject to a security interest, the name and address of the secured party;

(c) Such other information as the department may require.

(2) The department may in any instance, in addition to the information required on the application, require additional information and a physical examination of the vehicle or of any class of vehicles, or either.

(3)(a) A physical examination of the vehicle is mandatory if (i) it has been rebuilt after surrender of the certificate of ownership to the department under RCW 46.12.070 due to the vehicle's destruction or declaration as a total loss and (ii) it is not retained by the registered owner at the time of the vehicle's destruction or declaration as a total loss. The inspection must verify that the vehicle identification number is genuine and agrees with the number shown on the title and registration certificate. The inspection must be made by a member of the Washington state patrol or other person authorized by the department to make such inspections.

(b)(i) A physical examination of the vehicle is mandatory if the vehicle was declared totaled or salvage under the laws of this state, or the vehicle is presented with documents from another state showing the vehicle was totaled or salvage and has not been reissued a valid registration from that state after the declaration of total loss or salvage.

(ii) The inspection must verify that the vehicle identification number is genuine and agrees with the number shown on the original documents supporting the vehicle purchase or ownership.

(iii) A Washington state patrol VIN specialist must ensure that all major component parts used for the reconstruction of a salvage or rebuildable vehicle were obtained legally. Original invoices for new and used parts must be from a vendor that is registered with the department of revenue for the collection of retail sales or use taxes or comparable agency in the jurisdiction where the major component parts were purchased. The invoices must include the name and address of the business, a description of the part or parts sold, the date of sale, and the amount of sale to include all taxes paid unless exempted by the department of revenue or comparable agency in the jurisdiction where the major component parts were purchased. Original invoices for used parts must be from a vehicle wrecker licensed under chapter 46.80 RCW or a comparable business in the jurisdiction outside Washington state where the major component part was purchased. If the parts or components were purchased from a private individual, the private individual must have title to the vehicle the parts were taken from, except as provided by RCW 46.04.3815, and the bill of sale for the parts must be notarized. The bills of sale must include the names and addresses of the sellers and purchasers, a description of the vehicle, the part or parts being sold, including the make, model, year, and identification or serial number, that date of sale, and the purchase price of the vehicle or part or parts. If the presenter is unable to provide an acceptable release of interest or proof of ownership for a vehicle or major component part as described above, an inspection must be completed for ownership-in-doubt purposes as prescribed by WAC 308-56A-210.

(iv) A vehicle presented for inspection must have all damaged major component parts replaced or repaired to meet RCW and WAC requirements before inspection of the salvage vehicle by the Washington state patrol.

(4) To the extent that the Washington state patrol has a backlog of vehicle inspections that it is to perform under this section, this act shall not be construed to reduce the vehicle inspection workload of the Washington state patrol.

(5) Rebuilt or salvage vehicles licensed in Washington must meet the requirements found under chapter 46.37 RCW to be driven upon public roadways.

~~((5))~~ (6) The application shall be subscribed by the person applying to be the registered owner and be sworn to by that applicant in the manner described by RCW 9A.72.085. The department shall retain the application in either the original, computer, or photostatic form.

Sec. 2. RCW 46.12.040 and 2004 c 200 s 1 are each amended to read as follows:

(1) The application for an original certificate of ownership accompanied by a draft, money order, certified bank check, or cash for five dollars, together with the last preceding certificates or other satisfactory evidence of ownership, shall be forwarded to the director.

(2) The fee shall be in addition to any other fee for the license registration of the vehicle. The certificate of ownership shall not be required to be renewed annually, or at any other time, except as by law provided.

(3) In addition to the application fee and any other fee for the license registration of a vehicle, the department shall collect from the applicant a fee of fifteen dollars for vehicles previously registered in any other state or country. The proceeds from the fee shall be deposited in accordance with RCW 46.68.020. For vehicles requiring a physical examination, the inspection fee shall be ~~(fifty dollars and)~~ sixty-five dollars, fifteen dollars of which shall be deposited into the state patrol highway account created under RCW 46.68.030, and the remainder of which shall be deposited in accordance with RCW 46.68.020."

On page 1, line 2 of the title, after "46.12.030" insert "and 46.12.040" and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

Representative Takko moved that the House concur in the Senate amendment to HOUSE BILL NO. 1343 and advance the bill as amended by the Senate to final passage.

Representative Takko spoke in favor of the motion to concur in the Senate amendment.

Representative Jarrett spoke against the motion to concur in the Senate amendment.

An electronic roll call was requested.

The Speaker (Representative Lovick presiding) stated the question before the House to be adoption of the motion to concur in the Senate amendment to House Bill No. 1343.

**ROLL CALL**

The Clerk called the roll on the motion to concur in the Senate amendment to House Bill No. 1343, and the motion was adopted by the following vote: Yeas - 51, Nays - 47, Absent - 0, Excused - 0.

Voting yea: Representatives Barlow, Blake, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eickmeyer, Ericks,

Flannigan, Fromhold, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Kagi, Kenney, Kessler, Kirby, Lantz, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Ormsby, Pedersen, Pettigrew, Quall, Roberts, Santos, Schual-Berke, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Wallace, Williams, Wood and Mr. Speaker - 51.

Voting nay: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Buri, Campbell, Chandler, Condotta, Crouse, Curtis, DeBolt, Dunn, Eddy, Ericksen, Goodman, Hailey, Haler, Hankins, Hinkle, Jarrett, Kelley, Kretz, Kristiansen, Linville, McCune, McDonald, Morrell, Morris, Newhouse, O'Brien, Orcutt, Pearson, Priest, Roach, Rodne, Rolfes, Ross, Schindler, Seaquist, Skinner, Strow, Sump, Van De Wege, Walsh and Warnick - 47.

**FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED**

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

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 1343, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 1343, as amended by the Senate and the bill passed the House by the following vote: Yeas - 62, Nays - 36, Absent - 0, Excused - 0.

Voting yea: Representatives Alexander, Bailey, Barlow, Blake, Buri, Campbell, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Ericks, Flannigan, Fromhold, Goodman, Grant, Haigh, Hailey, Hankins, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kenney, Kessler, Kirby, Lantz, Lovick, McCoy, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, O'Brien, Ormsby, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Schual-Berke, Sells, Simpson, Skinner, Sommers, Strow, Sullivan, B., Sullivan, P., Takko, Upthegrove, Walsh, Williams, Wood and Mr. Speaker - 62.

Voting nay: Representatives Ahern, Anderson, Appleton, Armstrong, Chandler, Condotta, Crouse, Curtis, DeBolt, Dunn, Eddy, Eickmeyer, Ericksen, Green, Haler, Hinkle, Kelley, Kretz, Kristiansen, Linville, McCune, Morris, Newhouse, Orcutt, Pearson, Priest, Roach, Rodne, Ross, Schindler, Seaquist, Springer, Sump, Van De Wege, Wallace and Warnick - 36.

HOUSE BILL NO. 1343, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 9, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1449, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 42.56.270 and 2006 c 369 s 2, 2006 c 341 s 6, 2006 c 338 s 5, 2006 c 302 s 12, 2006 c 209 s 7, 2006 c 183 s 37, and 2006 c 171 s 8 are each reenacted and 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 15.110, 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)(a) 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;

(b) Independent auditors' reports and financial statements of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW;

(c) Financial or proprietary information supplied to the liquor control board including the amount of beer or wine sold by a domestic winery, brewery, microbrewery, or certificate of approval holder under RCW 66.24.206(1) or 66.24.270(2)(a) and including the amount of beer or wine purchased by a retail licensee in connection with a retail licensee's obligation under RCW 66.24.210 or 66.24.290, for receipt of shipments of beer or wine(-);

(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;

(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;

(13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;

(14) 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;

(15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;

(16) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085; and

(17)(a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit.

(b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 are subject to RCW 42.56.610 and 90.64.190.

**Sec. 2.** RCW 42.56.270 and 2006 c 369 s 2, 2006 c 341 s 6, 2006 c 338 s 5, 2006 c 209 s 7, 2006 c 183 s 37, and 2006 c 171 s 8 are each reenacted and 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 15.110, 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)(a) 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;

(b) Independent auditors' reports and financial statements of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW;

(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;

(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;

(13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;

(14) 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;

(15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;

(16) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085; and

(17)(a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit.

(b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190.

NEW SECTION. Sec. 3. Section 1 of this act expires June 30, 2008.

NEW SECTION. Sec. 4. Section 2 of this act takes effect June 30, 2008."

On page 1, line 2 of the title, after "commission;" strike the remainder of the title and insert "reenacting and amending RCW 42.56.270 and 42.56.270; providing an effective date; and providing an expiration date."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1449 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Condotta spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 1449, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1449, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

HOUSE BILL NO. 1449, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 10, 2007

Mr. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1525, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The legislature finds that:

- (1) A vibrant and growing small business sector is critical to creating jobs in a dynamic economy;
- (2) Small businesses bear a disproportionate share of regulatory costs and burdens;
- (3) Fundamental changes that are needed in the regulatory and enforcement culture of state agencies to make them more responsive to small business can be made without compromising the statutory missions of the agencies;
- (4) When adopting rules to protect the health, safety, and economic welfare of Washington, state agencies should seek to achieve statutory goals as effectively and efficiently as possible without imposing unnecessary burdens on small employers;
- (5) Uniform regulatory and reporting requirements can impose unnecessary and disproportionately burdensome demands including legal, accounting, and consulting costs upon small businesses with limited resources;
- (6) The failure to recognize differences in the scale and resources of regulated businesses can adversely affect competition in the marketplace, discourage innovation, and restrict improvements in productivity;
- (7) Unnecessary regulations create entry barriers in many industries and discourage potential entrepreneurs from introducing beneficial products and processes;
- (8) The practice of treating all regulated businesses the same leads to inefficient use of regulatory agency resources, enforcement problems, and, in some cases, to actions inconsistent with the legislative intent of health, safety, environmental, and economic welfare legislation;

(9) Alternative regulatory approaches which do not conflict with the state objective of applicable statutes may be available to minimize the significant economic impact of rules on small businesses; and

(10) The process by which state rules are developed and adopted should be reformed to require agencies to solicit the ideas and comments of small businesses, to examine the impact of proposed and existing rules on such businesses, and to review the continued need for existing rules.

**Sec. 2.** RCW 19.85.020 and 2003 c 166 s 1 are each amended to read as follows:

~~((Unless the context clearly indicates otherwise,))~~ The definitions in this section apply through this chapter unless the context clearly requires otherwise.

(1) "Industry" means all of the businesses in this state in any one four-digit standard industrial classification as published by the United States department of commerce, or the North American industry classification system as published by the executive office of the president and the office of management and budget. However, if the use of a four-digit standard industrial classification or North American industry classification system would result in the release of data that would violate state confidentiality laws, "industry" means all businesses in a three-digit standard industrial classification or the North American industry classification system.

(2) "Minor cost" means a cost per business that is less than three-tenths of one percent of annual revenue or income, or one hundred dollars, whichever is greater, or one percent of annual payroll. However, for the rules of the department of social and health services "minor cost" means cost per business that is less than fifty dollars of annual cost per client or other appropriate unit of service.

(3) "Small business" means any business entity, including a sole proprietorship, corporation, partnership, or other legal entity, that is owned and operated independently from all other businesses, and that has fifty or fewer employees.

~~((2))~~ (4) "Small business economic impact statement" means a statement meeting the requirements of RCW 19.85.040 prepared by a state agency pursuant to RCW 19.85.030.

~~((3))~~ "Industry" means all of the businesses in this state in any one four-digit standard industrial classification as published by the United States department of commerce. However, if the use of a four-digit standard industrial classification would result in the release of data that would violate state confidentiality laws, "industry" means all businesses in a three-digit standard industrial classification.))

**Sec. 3.** RCW 19.85.030 and 2000 c 171 s 60 are each amended to read as follows:

(1) In the adoption of a rule under chapter 34.05 RCW, an agency shall prepare a small business economic impact statement: (a) If the proposed rule will impose more than minor costs on businesses in an industry; or (b) if requested to do so by a majority vote of the joint administrative rules review committee within forty-five days of receiving the notice of proposed rule making under RCW 34.05.320. However, if the agency has completed the pilot rule process as defined by RCW 34.05.313 before filing the notice of a proposed rule, the agency is not required to prepare a small business economic impact statement.

An agency shall prepare the small business economic impact statement in accordance with RCW 19.85.040, and file it with the code reviser along with the notice required under RCW 34.05.320. An agency shall file a statement prepared at the request of the joint administrative rules review committee with the code reviser upon its completion before the adoption of the rule. An agency shall provide a copy of the small business economic impact statement to any person requesting it.

(2) Based upon the extent of disproportionate impact on small business identified in the statement prepared under RCW 19.85.040, the

agency shall, where legal and feasible in meeting the stated objectives of the statutes upon which the rule is based, reduce the costs imposed by the rule on small businesses. Methods to reduce the costs on small businesses may include:

- (a) Reducing, modifying, or eliminating substantive regulatory requirements;
- (b) Simplifying, reducing, or eliminating recordkeeping and reporting requirements;
- (c) Reducing the frequency of inspections;
- (d) Delaying compliance timetables;
- (e) Reducing or modifying fine schedules for noncompliance; or
- (f) Any other mitigation techniques.

(3) If the agency determines it cannot reduce the costs imposed by the rule on small businesses, the agency shall provide a clear explanation of why it has made that determination and include that statement with its filing of the proposed rule pursuant to RCW 34.05.320.

(4)(a) All small business economic impact statements are subject to selective review by the joint administrative rules review committee pursuant to RCW 34.05.630.

(b) Any person affected by a proposed rule where there is small business economic impact statement may petition the joint administrative rules review committee for review pursuant to the procedure in RCW 34.05.655.

**Sec. 4.** RCW 19.85.040 and 1995 c 403 s 403 are each amended to read as follows:

(1) A small business economic impact statement must include a brief description of the reporting, recordkeeping, and other compliance requirements of the proposed rule, and the kinds of professional services that a small business is likely to need in order to comply with such requirements. It shall analyze the costs of compliance for businesses required to comply with the proposed rule adopted pursuant to RCW 34.05.320, including costs of equipment, supplies, labor, professional services, and increased administrative costs. It shall consider, based on input received, whether compliance with the rule will cause businesses to lose sales or revenue. To determine whether the proposed rule will have a disproportionate cost impact on small businesses, the impact statement must compare the cost of compliance for small business with the cost of compliance for the ten percent of businesses that are the largest businesses required to comply with the proposed rules using one or more of the following as a basis for comparing costs:

- (a) Cost per employee;
- (b) Cost per hour of labor; or
- (c) Cost per one hundred dollars of sales.

(2) A small business economic impact statement must also include:

(a) A statement of the steps taken by the agency to reduce the costs of the rule on small businesses as required by RCW 19.85.030(~~(3)~~) (2), or reasonable justification for not doing so, addressing the options listed in RCW 19.85.030(~~(3)~~) (2);

(b) A description of how the agency will involve small businesses in the development of the rule; ~~(and)~~

(c) A list of industries that will be required to comply with the rule. However, this subsection (2)(c) shall not be construed to preclude application of the rule to any business or industry to which it would otherwise apply; and

(d) An estimate of the number of jobs that will be created or lost as the result of compliance with the proposed rule.

(3) To obtain information for purposes of this section, an agency may survey a representative sample of affected businesses or trade associations and should, whenever possible, appoint a committee under RCW 34.05.310(2) to assist in the accurate assessment of the costs of a proposed rule, and the means to reduce the costs imposed on small business."

On page 1, line 1 of the title, after "businesses;" strike the remainder of the title and insert "amending RCW 19.85.020, 19.85.030, and 19.85.040; and creating a new section."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1525 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Chase spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed House Bill No. 1525, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1525, as amended by the Senate and the bill passed the House by the following vote: Yeas - 97, Nays - 1, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 97.

Voting nay: Representative McCoy - 1.

ENGROSSED HOUSE BILL NO. 1525, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 10, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1651, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** A new section is added to chapter 79A.60 RCW to read as follows:

The boating activities account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only as authorized under sections 2 and 3 of this act.

Grants, gifts, or other financial assistance received by the interagency committee for outdoor recreation from state and nonstate sources for purposes of boating activities may be deposited into the account.

**NEW SECTION. Sec. 2.** A new section is added to chapter 79A.60 RCW to read as follows:

(1) The boating activities program is created in the interagency committee for outdoor recreation.

(2) The interagency committee for outdoor recreation shall distribute moneys appropriated from the boating activities account created in section 1 of this act as follows, or as otherwise appropriated by the legislature, after deduction for the committee's expenses in administering the boating activities grant program and for related studies:

(a) To the commission for boater safety, boater education, boating-related law enforcement activities, activities included in RCW 88.02.040, related administrative expenses, and boating-related environmental programs, such as pumpout stations, to enhance clean waters for boating;

(b) For grants to state agencies, counties, municipalities, port districts, federal agencies, nonprofit organizations, and Indian tribes to improve boating access to water and marine parks, enhance the boater experience, boater safety, boater education, and boating-related law enforcement activities, and to provide funds for boating-related environmental programs, such as pumpout stations, to enhance clean waters for boating; and

(c) If the amount available for distribution from the boating activities account is equal to or less than two million five hundred thousand dollars per fiscal year, then eighty percent of the amount available must be distributed to the commission for the purposes of (a) of this subsection and twenty percent for grants in (b) of this subsection. Amounts available for distribution in excess of two million five hundred thousand dollars per fiscal year shall be distributed by the committee for purposes of (a) and (b) of this subsection.

(3) The interagency committee for outdoor recreation shall establish an application process for boating activities grants.

(4) Agencies receiving grants for capital purposes from the boating activities account shall consider the possibility of contracting with the commission, the department of natural resources, or other federal, state, and local agencies to employ the youth development and conservation corps or other youth crews in completing the project.

(5) To solicit input on the boating activities grant application process, criteria for grant awards, and use of grant moneys, and to determine the interests of the boating community, the interagency committee for outdoor recreation shall solicit input from a boating activities advisory committee. The interagency committee for outdoor recreation may utilize a currently established boating issues committee that has similar responsibility for input on recreational boating-related funding issues. Members of the boating activities advisory committee are not eligible for compensation but may be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(6) The interagency committee for outdoor recreation may adopt rules to implement this section.

**NEW SECTION. Sec. 3.** A new section is added to chapter 79A.60 RCW to read as follows:

(1) By December 1, 2007, the interagency committee for outdoor recreation shall complete an initial study of boater needs and make recommendations to the appropriate committees of the legislature on the initial amount of funding that should be provided to the commission for boating-related law enforcement purposes under section 2(2)(a) of this act.

(2) The interagency committee for outdoor recreation shall periodically update its study of boater needs as necessary and shall make recommendations to the governor and the appropriate committees of the legislature concerning funding allocations to state parks and other grant applicants."

On page 1, line 1 of the title, after "activities;" strike the remainder of the title and insert "and adding new sections to chapter 79A.60 RCW."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1651 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative B. Sullivan spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1651, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1651, as amended by the Senate and the bill passed the House by the following vote: Yeas - 96, Nays - 2, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 96.

Voting nay: Representatives Hasegawa, and Van De Wege - 2.

SUBSTITUTE HOUSE BILL NO. 1651, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 12, 2007

Mr. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1656, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** Although research about conditions in Puget Sound have been studied during the past several decades, the legislature finds that there is no coordinated, focused, comprehensive Puget Sound science program capable of setting research priorities for Puget Sound science. The legislature finds that environmental problems in Puget Sound are complex and that research is needed to provide information that can guide protective and restorative actions, and to explore and understand the impacts of a changing environment. The legislature also finds that there is no predictable funding process for Puget Sound research projects, including the aquatic rehabilitation zone one. The legislature declares that the state needs a process to focus the scientific effort on the Puget Sound ecosystem and to distribute research funds.

**NEW SECTION. Sec. 2.** A new section is added to chapter 90.71 RCW to read as follows:

The Puget Sound leadership council created pursuant to chapter . . . , Laws of 2007 (House Bill No. 1374 or Senate Bill No. 5374) shall:

- (1) Work with the science panel to identify gaps in scientific research related to restoring Puget Sound, including the aquatic rehabilitation zone one created in RCW 90.88.010;
- (2) Develop a competitive process for soliciting research addressing those gaps;
- (3) Solicit and strategically prioritize research programs and projects in accordance with recommendations from the science panel;
- (4) Select and fund the highest priority research programs and projects; and
- (5) Develop and implement an appropriate peer review process to review results from such programs and projects.

**NEW SECTION. Sec. 3.** A new section is added to chapter 90.71 RCW to read as follows:

The Puget Sound scientific research account is created in the state treasury. All gifts, grants, federal moneys, or appropriations made to the account 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 research programs and projects selected pursuant to section 2 of this act."

On page 1, line 2 of the title, after "account;" strike the remainder of the title and insert "adding new sections to chapter 90.71 RCW; and creating a new section."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1656 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representative Rolfes spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Second Substitute House Bill No. 1656, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1656, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SECOND SUBSTITUTE HOUSE BILL NO. 1656, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 12, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1679, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 41.26.715 and 2003 c 2 s 4 are each amended to read as follows:

(1) An eleven member board of trustees is hereby created.

(a) Before January 1, 2007, three of the board members shall be active law enforcement officers who are participants in the plan. Beginning with the first vacancy on or after January 1, 2007, two board members shall be active law enforcement officers who are participants in the plan and one board member shall be either an active or a retired law enforcement officer who is a ((member)) participant of the plan. The law enforcement officer

board members shall be appointed by the governor from a list provided by a recognized statewide council whose membership consists exclusively of guilds, associations, and unions representing state and local government police officers, deputies, and sheriffs and excludes federal law enforcement officers.

(b) Before January 1, 2007, three of the board members shall be active firefighters who are participants in the plan. Beginning with the first vacancy on or after January 1, 2007, two board members shall be active firefighters who are participants in the plan and one board member shall be either an active or a retired firefighter who is a ((member)) participant of the plan. The firefighter board members shall be appointed by the governor from a list provided by a recognized statewide council, affiliated with an international association representing the interests of firefighters.

(c) Three of the board members shall be representatives of employers and shall be appointed by the governor.

(d) One board member shall be a member of the house of representatives who is appointed by the governor based on the recommendation of the speaker of the house of representatives.

(e) One board member shall be a member of the senate who is appointed by the governor based on the recommendation of the majority leader of the senate.

(f) After January 1, 2008, at least one board member must be a retired participant of the law enforcement officers' and firefighters' retirement system plan 2. This member may be appointed under (a) through (e) of this subsection.

(2) The initial law enforcement officer and firefighter board members shall serve terms of six, four, and two years, respectively. Thereafter, law enforcement officer and firefighter board members serve terms of six years. ~~((The remaining board members serve terms of four years.))~~ The initial employer representative board members shall serve terms of four, five, and six years, respectively. Thereafter, employer representative board members serve terms of four years. The initial legislative board members shall serve terms of five years and six months. Thereafter, legislative board members serve terms of two years, which begin on January 1st of odd-numbered years. Board members may be reappointed to succeeding terms without limitation. Board members shall serve until their successors are appointed and seated.

(3) In the event of a vacancy on the board, the vacancy shall be filled in the same manner as prescribed for an initial appointment.

NEW SECTION. Sec. 2. A new section is added to chapter 41.26 RCW to read as follows:

The legislative board members appointed under RCW 41.26.715 must include one member from the two largest political parties. The speaker of the house of representatives shall request a recommendation from the minority leader of the house of representatives if a member from the opposite party must be recommended for appointment. The majority leader of the senate shall request a recommendation from the minority leader of the senate if a member from the opposite party must be recommended for appointment."

On page 1, line 2 of the title, after "board;" strike the remainder of the title and insert "amending RCW 41.26.715; and adding a new section to chapter 41.26 RCW."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1679 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Ericks spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1679, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1679, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Erickson, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 1679, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 10, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1722, with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 51.28 RCW to read as follows:

The department shall accept the signature of a physician assistant on any certificate, card, form, or other documentation required by the department that the physician assistant's supervising physician or physicians may sign, provided that it is within the physician assistant's scope of practice, and is consistent with the terms of the physician assistant's practice arrangement plan as required by chapters 18.57A and 18.71A RCW. Consistent with the terms of this section, the authority of

a physician assistant to sign such certificates, cards, forms, or other documentation includes, but is not limited to, the execution of the certificate required in RCW 51.28.020. A physician assistant may not rate a worker's permanent partial disability under RCW 51.32.055.

**NEW SECTION. Sec. 2.** By December 1, 2008, the department of labor and industries shall report to the legislature on implementation of this act, including but not limited to the effects of this act on injured worker outcomes, claim costs, and disputed claims.

**NEW SECTION. Sec. 3.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2007."

On page 1, line 2 of the title, after "industries;" strike the remainder of the title and insert "adding a new section to chapter 51.28 RCW; creating a new section; providing an effective date; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1722 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Conway spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 1722, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1722, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

HOUSE BILL NO. 1722, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 11, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1805, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 6.13.030 and 1999 c 403 s 4 are each amended to read as follows:

A homestead may consist of lands, as described in RCW 6.13.010, regardless of area, but the homestead exemption amount shall not exceed the lesser of (1) the total net value of the lands, manufactured homes, mobile home, improvements, and other personal property, as described in RCW 6.13.010, or (2) the sum of (~~forty~~) one hundred twenty-five thousand dollars in the case of lands, manufactured homes, mobile home, and improvements, or the sum of fifteen thousand dollars in the case of other personal property described in RCW 6.13.010, except where the homestead is subject to execution, attachment, or seizure by or under any legal process whatever to satisfy a judgment in favor of any state for failure to pay that state's income tax on benefits received while a resident of the state of Washington from a pension or other retirement plan, in which event there shall be no dollar limit on the value of the exemption.

**Sec. 2.** RCW 6.13.080 and 2005 c 292 s 4 are each amended to read as follows:

The homestead exemption is not available against an execution or forced sale in satisfaction of judgments obtained:

(1) On debts secured by mechanic's, laborer's, construction, maritime, automobile repair, materialmen's or vendor's liens arising out of and against the particular property claimed as a homestead;

(2) On debts secured (a) by security agreements describing as collateral the property that is claimed as a homestead or (b) by mortgages or deeds of trust on the premises that have been executed and acknowledged by the husband and wife or by any unmarried claimant;

(3) On one spouse's or the community's debts existing at the time of that spouse's bankruptcy filing where (a) bankruptcy is filed by both spouses within a six-month period, other than in a joint case or a case in which their assets are jointly administered, and (b) the other spouse exempts property from property of the estate under the bankruptcy exemption provisions of 11 U.S.C. Sec. 522(d);

(4) On debts arising from a lawful court order or decree or administrative order establishing a child support obligation or obligation to pay spousal maintenance;

(5) On debts owing to the state of Washington for recovery of medical assistance correctly paid on behalf of an individual consistent with 42 U.S.C. Sec. 1396p; (~~or~~)

(6) On debts secured by a condominium's or homeowner association's lien. In order for an association to be exempt under this provision, the association must have provided a homeowner with notice that nonpayment of the association's assessment may result in foreclosure of the association lien and that the homestead protection under this chapter shall not apply. An association has complied with this notice requirement by mailing the notice, by first class mail, to the address of the owner's lot or unit. The notice required in this subsection shall be given within thirty days from the date the association learns of a new owner, but in all cases the notice must

be given prior to the initiation of a foreclosure. The phrase "learns of a new owner" in this subsection means actual knowledge of the identity of a homeowner acquiring title after June 9, 1988, and does not require that an association affirmatively ascertain the identity of a homeowner. Failure to give the notice specified in this subsection affects an association's lien only for debts accrued up to the time an association complies with the notice provisions under this subsection; or

(7) On debts owed for taxes collected under chapters 82.08, 82.12, and 82.14 RCW but not remitted to the department of revenue.

**Sec. 3.** RCW 6.13.090 and 1988 c 231 s 4 are each amended to read as follows:

A judgment against the owner of a homestead shall become a lien on the value of the homestead property in excess of the homestead exemption from the time the judgment creditor records the judgment with the recording officer of the county where the property is located. However, if a judgment of a district court of this state has been transferred to a superior court, the judgment becomes a lien from the time of recording with such recording officer a duly certified abstract of the record of such judgment as it appears in the office of the clerk in which the transfer was originally filed. A department of revenue tax warrant filed pursuant to RCW 82.32.210 shall become a lien on the value of the homestead property in excess of the homestead exemption from the time of filing in superior court."

On page 1, line 1 of the title, after "amount;" strike the remainder of the title and insert "and amending RCW 6.13.030, 6.13.080, and 6.13.090."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1805 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Morrell spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1805, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1805, as amended by the Senate and the bill passed the House by the following vote: Yeas - 85, Nays - 13, Absent - 0, Excused - 0.

Voting yea: Representatives Alexander, Appleton, Armstrong, Bailey, Barlow, Blake, Campbell, Chase, Clibborn, Cody, Conway, Crouse, Curtis, Darnelle, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Haler, Hankins, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kristiansen, Lantz,

Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Williams, Wood and Mr. Speaker - 85.

Voting nay: Representatives Ahern, Anderson, Buri, Chandler, Condotta, DeBolt, Ericksen, Hailey, Hinkle, Kretz, Newhouse, Schindler and Warnick - 13.

SUBSTITUTE HOUSE BILL NO. 1805, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 11, 2007

Mr. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1906, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** A new section is added to chapter 28A.305 RCW to read as follows:

**MATHEMATICS AND SCIENCE STANDARDS AND CURRICULUM.** (1) The activities in this section revise and strengthen the state learning standards that implement the goals of RCW 28A.150.210, known as the essential academic learning requirements, and improve alignment of school district curriculum to the standards.

(2) The state board of education shall be assisted in its work under subsections (3) and (5) of this section by: (a) An expert national consultant in each of mathematics and science retained by the state board; and (b) the mathematics and science advisory panels created under section 2 of this act, as appropriate, which shall provide review and formal comment on proposed recommendations to the superintendent of public instruction and the state board of education on new revised standards and curricula.

(3) By September 30, 2007, the state board of education shall recommend to the superintendent of public instruction revised essential academic learning requirements and grade level expectations in mathematics. The recommendations shall be based on:

(a) Considerations of clarity, rigor, content, depth, coherence from grade to grade, specificity, accessibility, and measurability;

(b) Study of:

(i) Standards used in countries whose students demonstrate high performance on the trends in international mathematics and science study and the programme for international student assessment;

(ii) College readiness standards;

(iii) The national council of teachers of mathematics focal points and the national assessment of educational progress content frameworks; and  
(iv) Standards used by three to five other states, including California, and the nation of Singapore; and

(c) Consideration of information presented during public comment periods.

(4) By January 31, 2008, the superintendent of public instruction shall revise the essential academic learning requirements and the grade level expectations for mathematics and present the revised standards to the state board of education and the education committees of the senate and the house of representatives as required by RCW 28A.655.070(4). The

superintendent shall adopt the revised essential academic learning requirements and grade level expectations unless otherwise directed by the legislature during the 2008 legislative session.

(5) By June 30, 2008, the state board of education shall recommend to the superintendent of public instruction revised essential academic learning requirements and grade level expectations in science. The recommendations shall be based on:

(a) Considerations of clarity, rigor, content, depth, coherence from grade to grade, specificity, accessibility, and measurability;

(b) Study of standards used by three to five other states and in countries whose students demonstrate high performance on the trends in international mathematics and science study and the programme for international student assessment; and

(c) Consideration of information presented during public comment periods.

(6) By December 1, 2008, the superintendent of public instruction shall revise the essential academic learning requirements and the grade level expectations for science and present the revised standards to the state board of education and the education committees of the senate and the house of representatives as required by RCW 28A.655.070(4). The superintendent shall adopt the revised essential academic learning requirements and grade level expectations unless otherwise directed by the legislature during the 2009 legislative session.

(7)(a) By May 15, 2008, the superintendent of public instruction shall present to the state board of education recommendations for no more than three basic mathematics curricula each for elementary, middle, and high school grade spans.

(b) By June 30, 2008, the state board of education shall provide official comment and recommendations to the superintendent of public instruction regarding the recommended mathematics curricula. The superintendent of public instruction shall make any changes based on the comment and recommendations from the state board of education and adopt the recommended curricula.

(c) By May 15, 2009, the superintendent of public instruction shall present to the state board of education recommendations for no more than three basic science curricula each for elementary, middle, and high school grade spans.

(d) By June 30, 2009, the state board of education shall provide official comment and recommendations to the superintendent of public instruction regarding the recommended science curricula. The superintendent of public instruction shall make any changes based on the comment and recommendations from the state board of education and adopt the recommended curricula.

(e) In selecting the recommended curricula under this subsection (7), the superintendent of public instruction shall provide information to the mathematics and science advisory panels created under section 2 of this act, as appropriate, and seek the advice of the appropriate panel regarding the curricula that shall be included in the recommendations.

(f) The recommended curricula under this subsection (7) shall align with the revised essential academic learning requirements and grade level expectations. In addition to the recommended basic curricula, appropriate diagnostic and supplemental materials shall be identified as necessary to support each curricula.

(g) Subject to funds appropriated for this purpose and availability of the curricula, at least one of the curricula in each grade span and in each of mathematics and science shall be available to schools and parents online at no cost to the school or parent.

(8) By December 1, 2007, the state board of education shall revise the high school graduation requirements under RCW 28A.230.090 to include a minimum of three credits of mathematics, one of which may be a career and technical course equivalent in mathematics, and prescribe the mathematics content in the three required credits.

(9) Nothing in this section requires a school district to use one of the recommended curricula under subsection (7) of this section. However, the statewide accountability plan adopted by the state board of education under RCW 28A.305.130 shall recommend conditions under which school districts should be required to use one of the recommended curricula. The plan shall also describe the conditions for exception to the curriculum requirement, such as the use of integrated academic and career and technical education curriculum. Required use of the recommended curricula as an intervention strategy must be authorized by the legislature as required by RCW 28A.305.130(4)(e) before implementation.

**NEW SECTION. Sec. 2.** A new section is added to chapter 28A.305 RCW to read as follows:

**ADVISORY PANELS.** (1) The state board of education shall appoint a mathematics advisory panel and a science advisory panel to advise the board regarding essential academic learning requirements, grade level expectations, and recommended curricula in mathematics and science and to monitor implementation of these activities. In conducting their work, the panels shall provide objective reviews of materials and information provided by any expert national consultants retained by the board and shall provide a public and transparent forum for consideration of mathematics and science learning standards and curricula.

(2) Each panel shall include no more than sixteen members with representation from individuals from academia in mathematics and science-related fields, individuals from business and industry in mathematics and science-related fields, mathematics and science educators, parents, and other individuals who could contribute to the work of the panel based on their experiences.

(3) Each member of each panel shall be compensated in accordance with RCW 43.03.220 and reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060. School districts shall be reimbursed for the cost of substitutes for the mathematics and science educators on the panels as required under RCW 28A.300.035. Members of the panels who are employed by a public institution of higher education shall be provided sufficient time away from their regular duties, without loss of benefits or privileges, to fulfill the responsibilities of being a panel member.

(4) Panel members shall not have conflicts of interest with regard to association with any publisher, distributor, or provider of curriculum, assessment, or test materials and services purchased by or contracted through the office of the superintendent of public instruction, educational service districts, or school districts.

(5) This section expires June 30, 2012.

**NEW SECTION. Sec. 3.** A new section is added to chapter 28A.300 RCW to read as follows:

**AFTER-SCHOOL MATHEMATICS SUPPORT PROGRAM.** (1) The after-school mathematics support program is created to study the effects of intentional, skilled mathematics support included as part of an existing after-school activity program.

(2) The office of the superintendent of public instruction shall provide grants to selected community-based, nonprofit organizations that provide after-school programs and include support for students to learn mathematics.

(3) Grant applicants must demonstrate the capacity to provide assistance in mathematics learning in the following ways:

(a) Identifying the mathematics content and instructional skill of the staff or volunteers assisting students;

(b) Identifying proposed learning strategies to be used, which could include computer-based instructional and skill practice programs and tutoring by adults or other students;

(c) Articulating the plan for connection with school mathematics teachers to coordinate student assistance; and

(d) Articulating the plan for assessing student and program success.

(4) Priority will be given to applicants that propose programs to serve middle school and junior high school students.

(5) The office of the superintendent of public instruction shall evaluate program outcomes and report to the governor and the education committees of the legislature on the outcomes of the grants and make recommendations related to program continuation, program modification, and issues related to program sustainability and possible program expansion. An interim report is due November 1, 2008. The final report is due December 1, 2009.

**NEW SECTION. Sec. 4.** A new section is added to chapter 28A.415 RCW to read as follows:

**MATHEMATICS AND SCIENCE INSTRUCTIONAL COACH PROGRAM.** (1) A mathematics and science instructional coach program is authorized, which shall consist of a coach development institute, coaching seminars, coaching activities in schools, and program evaluation.

(2) The office of the superintendent of public instruction shall develop a mathematics and science instructional coach program that includes an initial coach development experience for new coaches provided through an institute setting, coaching support seminars, and additional coach development services. The office shall draw upon the experiences of coaches in federally supported elementary literacy programs and other successful programs, research and policy briefs on adult professional development, and research that specifically addresses the instructional environments of middle, junior high, and high schools as well as the unique aspects of the fields of mathematics and science.

(3) The office of the superintendent of public instruction shall design the application process and select the program participants.

(4) Schools and school districts participating in the program shall carefully select the individuals to perform the role of mathematics or science instructional coach. Characteristics to be considered for a successful coach include:

- (a) Expertise in content area;
- (b) Expertise in various instructional methodologies and personalizing learning;
- (c) Personal skills that include skilled listening, questioning, trust-building, and problem-solving;
- (d) Understanding and appreciation for the differences in adult learners and student learners; and
- (e) Capacity for strategic planning and quality program implementation.

(5) The role of the mathematics or science instructional coach is focused on supporting teachers as they apply knowledge, develop skills, polish techniques, and deepen their understanding of content and instructional practices. This work takes a number of forms including: Individualized professional development, department-wide and school-wide professional development, guidance in student data interpretation, and using assessment to guide instruction. Each coach shall be assigned to two schools as part of the program.

(6) Program participants have the following responsibilities:

(a) Mathematics and science coaches shall participate in the coach development institute as well as in coaching support seminars that take place throughout the school year, practice coaching activities as guided by those articulated in the role of the coach in subsection (5) of this section, collect data, and participate in program evaluation activities as requested by the institute pursuant to subsection (7) of this section.

(b) School and district administrators in districts in which the mathematics and science coaches are practicing shall participate in program evaluation activities.

(7)(a) The Washington State University social and economic sciences research center shall conduct an evaluation of the mathematics and science

instructional coach program in this section. Data shall be collected through various instruments including surveys, program and activity reports, student performance measures, observations, interviews, and other processes. Findings shall include an evaluation of the coach development institute, coaching support seminars, and other coach support activities; recommendations with regard to the characteristics required of the coaches; identification of changes in teacher instruction related to coaching activities; and identification of the satisfaction level with coaching activities as experienced by classroom teachers and administrators.

(b) The Washington State University social and economic sciences research center shall report its findings to the governor, the office of the superintendent of public instruction, and the education and fiscal committees of the legislature. An interim report is due November 1, 2008. The final report is due December 1, 2009.

**Sec. 5.** RCW 28A.660.005 and 2001 c 158 s 1 are each amended to read as follows:

~~(1)~~ The legislature finds and declares:

~~((1))~~ (a) Teacher qualifications and effectiveness are the most important influences on student learning in schools~~(-);~~

~~((2))~~ (b) Preparation of individuals to become well-qualified, effective teachers must be high quality~~(-);~~

~~((3))~~ (c) Teachers who complete high-quality alternative route programs with intensive field-based experience, adequate coursework, and strong mentorship do as well or better than teachers who complete traditional preparation programs~~(-);~~

~~((4))~~ (d) High-quality alternative route programs can provide more flexibility and expedience for individuals to transition from their current career to teaching~~(-);~~

~~((5))~~ (e) High-quality alternative route programs can help school districts fill subject matter shortage areas and areas with shortages due to geographic location~~(-);~~

~~((6))~~ (f) Regardless of route, all candidates for residency teacher certification must meet the high standards required by the state; and

(g) Teachers need an adequate background in subject matter content if they are to teach it well, and should hold full, appropriate credentials in those subject areas.

(2) The legislature recognizes widespread concerns about the potential for teacher shortages and finds that classified instructional staff in public schools, current certificated staff, and unemployed certificate holders represent a great untapped resource for recruiting ~~((the))~~ more teachers ~~((of the future))~~ in critical shortage areas.

**NEW SECTION. Sec. 6.** A new section is added to chapter 28A.660 RCW to read as follows:

(1) The pipeline for paraeducators conditional scholarship program is created. Participation is limited to paraeducators without a college degree who have at least three years of classroom experience. It is anticipated that candidates enrolled in this program will complete their associate of arts degree at a community and technical college in two years or less and become eligible for a mathematics, special education, or English as a second language endorsement via route one in the alternative routes to teacher certification program provided in this chapter.

(2) Entry requirements for candidates include district or building validation of qualifications, including three years of successful student interaction and leadership as a classified instructional employee.

**NEW SECTION. Sec. 7.** A new section is added to chapter 28A.660 RCW to read as follows:

(1) The retooling to teach mathematics and science conditional scholarship program is created. Participation is limited to current K-12 teachers and individuals having an elementary education certificate but

who are not employed in positions requiring an elementary education certificate. It is anticipated that candidates enrolled in this program will complete the requirements for a mathematics or science endorsement, or both, in two years or less.

(2) Entry requirements for candidates include:

(a) Current K-12 teachers shall pursue a middle level mathematics or science, or secondary mathematics or science endorsement.

(b) Individuals having an elementary education certificate but who are not employed in positions requiring an elementary education certificate shall pursue an endorsement in middle level mathematics or science only.

**Sec. 8.** RCW 28A.660.050 and 2004 c 23 s 5 are each amended to read as follows:

The ~~((alternative route))~~ conditional scholarship programs ~~((is))~~ in this chapter are created under the following guidelines:

(1) The programs shall be administered by the higher education coordinating board. In administering the programs, the higher education coordinating board has the following powers and duties:

(a) To adopt necessary rules and develop guidelines to administer the programs;

(b) To collect and manage repayments from participants who do not meet their service obligations; and

(c) To accept grants and donations from public and private sources for the programs.

(2) Requirements for participation in the ~~((alternative route))~~ conditional scholarship programs are as provided in this subsection (2).

(a) The alternative route conditional scholarship program is limited to interns of the partnership grant programs under RCW 28A.660.040. In order to receive conditional scholarship awards, recipients shall:

(i) Be accepted and maintain enrollment in alternative certification routes through the partnership grant program;

(ii) Continue to make satisfactory progress toward completion of the alternative route certification program and receipt of a residency teaching certificate; and

(iii) Receive no more than the annual amount of the scholarship, not to exceed eight thousand dollars, for the cost of tuition, fees, and educational expenses, including books, supplies, and transportation for the alternative route certification program in which the recipient is enrolled. The board may adjust the annual award by the average rate of resident undergraduate tuition and fee increases at the state universities as defined in RCW 28B.10.016.

(b) The pipeline for paraeducators conditional scholarship program is limited to qualified paraeducators as provided by section 6 of this act. In order to receive conditional scholarship awards, recipients shall:

(i) Be accepted and maintain enrollment at a community and technical college for no more than two years and attain an associate of arts degree;

(ii) Continue to make satisfactory progress toward completion of an associate of arts degree. This progress requirement is a condition for eligibility into a route one program of the alternative routes to teacher certification program for a mathematics, special education, or English as a second language endorsement; and

(iii) Receive no more than the annual amount of the scholarship, not to exceed four thousand dollars, for the cost of tuition, fees, and educational expenses, including books, supplies, and transportation for the alternative route certification program in which the recipient is enrolled. The board may adjust the annual award by the average rate of tuition and fee increases at the state community and technical colleges.

(c) The retooling to teach mathematics and science conditional scholarship program is limited to current K-12 teachers and individuals having an elementary education certificate but who are not employed in positions requiring an elementary education certificate as provided by section 7 of this act. In order to receive conditional scholarship awards:

(i) Individuals currently employed as teachers shall pursue a middle level mathematics or science, or secondary mathematics or science endorsement; or

(ii) Individuals who are certificated with an elementary education endorsement, but not employed in positions requiring an elementary education certificate, shall pursue an endorsement in middle level mathematics or science, or both; and

(iii) Individuals shall use one of the pathways to endorsement processes to receive a mathematics or science endorsement, or both, which shall include passing a mathematics or science endorsement test, or both tests, plus observation and completing applicable coursework to attain the proper endorsement; and

(iv) Individuals shall receive no more than the annual amount of the scholarship, not to exceed three thousand dollars, for the cost of tuition, test fees, and educational expenses, including books, supplies, and transportation for the endorsement pathway being pursued.

(3) The Washington professional educator standards board shall select ~~((interns))~~ individuals to receive conditional scholarships.

~~((3))~~ In order to receive conditional scholarship awards, recipients shall be accepted and maintain enrollment in alternative certification routes through the partnership grant program, as provided in RCW 28A.660.040. Recipients must continue to make satisfactory progress towards completion of the alternative route certification program and receipt of a residency teaching certificate.))

(4) For the purpose of this chapter, a conditional scholarship is a loan that is forgiven in whole or in part in exchange for service as a certificated teacher employed in a Washington state K-12 public school. The state shall forgive one year of loan obligation for every two years a recipient teaches in a public school. Recipients ~~((that))~~ who fail to continue a course of study leading to residency teacher certification or cease to teach in a public school in the state of Washington in their endorsement area are required to repay the remaining loan principal with interest.

(5) Recipients who fail to fulfill the required teaching obligation are required to repay the remaining loan principal with interest and any other applicable fees. The higher education coordinating board shall adopt rules to define the terms for repayment, including applicable interest rates, fees, and deferments.

~~((6))~~ ~~((To the extent funds are appropriated for this specific purpose, the annual amount of the scholarship is the annual cost of tuition, fees, and educational expenses, including books, supplies, and transportation for the alternative route certification program in which the recipient is enrolled, not to exceed eight thousand dollars. The board may adjust the annual award by the average rate of resident undergraduate tuition and fee increases at the state universities as defined in RCW 28B.10.016.~~

~~((7))~~ The higher education coordinating board may deposit all appropriations, collections, and any other funds received for the program in this chapter in the ~~((student loan))~~ future teachers conditional scholarship account authorized in RCW ~~((28B.102.060))~~ 28B.102.080.

**Sec. 9.** RCW 28B.102.080 and 2004 c 58 s 9 are each amended to read as follows:

(1) The future teachers conditional scholarship account is created in the custody of the state treasurer. An appropriation is not required for expenditures of funds from the account. The account is not subject to allotment procedures under chapter 43.88 RCW except for moneys used for program administration.

(2) The board shall deposit in the account all moneys received for the future teachers conditional scholarship and loan repayment program and for conditional loan programs under chapter 28A.660 RCW. The account shall be self-sustaining and consist of funds appropriated by the legislature for the future teachers conditional scholarship and loan repayment program, private contributions to the program, ~~((and))~~ receipts from

participant repayments from the future teachers conditional scholarship and loan repayment program, and conditional loan programs established under chapter 28A.660 RCW. Beginning July 1, 2004, the board shall also deposit into the account: (a) All funds from the institution of higher education loan account that are traceable to any conditional scholarship program for teachers or prospective teachers established by the legislature before June 10, 2004; and (b) all amounts repaid by individuals under any such program.

(3) Expenditures from the account may be used solely for conditional loans and loan repayments to participants in the future teachers conditional scholarship and loan repayment program established by this chapter, conditional scholarships for participants in programs established in chapter 28A.660 RCW, and costs associated with program administration by the board.

(4) Disbursements from the account may be made only on the authorization of the board.

**NEW SECTION. Sec. 10.** A new section is added to chapter 28B.10 RCW to read as follows:

(1) By September 1, 2008, the state board for community and technical colleges, the council of presidents, the higher education coordinating board, and the office of the superintendent of public instruction, under the leadership of the transition math project and in collaboration with representatives of public two and four-year institutions of higher education, shall jointly revise the Washington mathematics placement test to serve as a common college readiness test for all two and four-year institutions of higher education.

(2) The revised mathematics college readiness test shall be implemented by all public two and four-year institutions of higher education by September 1, 2009. All public two and four-year institutions of higher education must use a common performance standard on the mathematics placement test for purposes of determining college readiness in mathematics. The performance standard must be publicized to all high schools in the state.

**NEW SECTION. Sec. 11.** A new section is added to chapter 28A.320 RCW to read as follows:

(1) Subject to funding appropriated for this purpose and beginning in the fall of 2009, school districts shall provide all high school students enrolled in the district the option of taking the mathematics college readiness test developed under section 10 of this act once at no cost to the students. Districts shall encourage, but not require, students to take the test in their junior or senior year of high school.

(2) Subject to funding appropriated for this purpose, the office of the superintendent of public instruction shall reimburse each district for the costs incurred by the district in providing students the opportunity to take the mathematics placement test.

**NEW SECTION. Sec. 12.** The legislature finds that knowledge, skills, and opportunities in mathematics, science, and technology should be increased for all students in Washington. The legislature intends to foster capacity between and among the educational sectors to enable continuous and sustainable growth of the learning and teaching of mathematics, science, and technologies. The legislature intends to foster high quality mathematics, science, and technology programs to increase the number of students in the kindergarten through twelfth grade pipeline who are prepared and aspire to continue in the areas of mathematics, science, and technology, whether it be at a college, university, or in the workforce.

**Sec. 13.** RCW 28A.230.130 and 2003 c 49 s 2 are each amended to read as follows:

(1) All public high schools of the state shall provide a program, directly or in cooperation with a community college or another school district, for students whose educational plans include application for entrance to a baccalaureate-granting institution after being granted a high school diploma. The program shall help these students to meet at least the minimum entrance requirements under RCW 28B.10.050.

(2) All public high schools of the state shall provide a program, directly or in cooperation with a community or technical college, a skills center, an apprenticeship committee, or another school district, for students who plan to pursue career or work opportunities other than entrance to a baccalaureate-granting institution after being granted a high school diploma. These programs may:

(a) Help students demonstrate the application of essential academic learning requirements to the world of work, occupation-specific skills, knowledge of more than one career in a chosen pathway, and employability and leadership skills; and

(b) Help students demonstrate the knowledge and skill needed to prepare for industry certification, and/or have the opportunity to articulate to postsecondary education and training programs.

(3) Within funds specifically appropriated therefor, a middle school that receives approval from the office of the superintendent of public instruction to provide a career and technical program directly to students shall receive funding at the same rate as a high school operating a similar program. Additionally, a middle school that provides a hands-on experience in math and science with an integrated curriculum of academic content and career and technical education, and includes a career and technical education exploratory component shall also qualify for the career and technical education funding.

(4) The state board of education, upon request from local school districts, may grant waivers from the requirements to provide the program described in subsections (1) and (2) of this section for reasons relating to school district size and the availability of staff authorized to teach subjects which must be provided. In considering waiver requests related to programs in subsection (2) of this section, the state board of education shall consider the extent to which the school district has offered such programs before the 2003-04 school year.

**Sec. 14.** RCW 28A.230.130 and 2006 c 263 s 407 are each amended to read as follows:

(1) All public high schools of the state shall provide a program, directly or in cooperation with a community college or another school district, for students whose educational plans include application for entrance to a baccalaureate-granting institution after being granted a high school diploma. The program shall help these students to meet at least the minimum entrance requirements under RCW 28B.10.050.

(2) All public high schools of the state shall provide a program, directly or in cooperation with a community or technical college, a skills center, an apprenticeship committee, or another school district, for students who plan to pursue career or work opportunities other than entrance to a baccalaureate-granting institution after being granted a high school diploma. These programs may:

(a) Help students demonstrate the application of essential academic learning requirements to the world of work, occupation-specific skills, knowledge of more than one career in a chosen pathway, and employability and leadership skills; and

(b) Help students demonstrate the knowledge and skill needed to prepare for industry certification, and/or have the opportunity to articulate to postsecondary education and training programs.

(3) Within funds specifically appropriated therefor, a middle school that receives approval from the office of the superintendent of public instruction to provide a career and technical program directly to students shall receive funding at the same rate as a high school operating a similar

program. Additionally, a middle school that provides a hands-on experience in math and science with an integrated curriculum of academic content and career and technical education, and includes a career and technical education exploratory component shall also qualify for the career and technical education funding.

**NEW SECTION. Sec. 15.** A new section is added to chapter 28A.300 RCW to read as follows:

The superintendent of public instruction shall provide support for statewide coordination for math, science, and technology, including employing a statewide director for math, science, and technology. The duties of the director shall include, but not be limited to:

(1) Within funds specifically appropriated therefor, obtain a statewide license, or otherwise obtain and disseminate, an interactive, project-based high school and middle school technology curriculum that includes a comprehensive professional development component for teachers and, if possible, counselors, and also includes a systematic program evaluation. The curriculum must be distributed to all school districts, or as many as feasible, by the 2007-08 school year;

(2) Within funds specifically appropriated therefor, supporting a public-private partnership to assist school districts with implementing an ongoing, inquiry-based science program that is based on a research-based model of systemic reform and aligned with the Washington state science grade level expectations;

(3) Within funds specifically appropriated therefor, supporting a public-private partnership to provide enriching opportunities in mathematics, engineering, and science for underrepresented students in grades kindergarten through twelve using exemplary materials and instructional approaches;

(4) In an effort to increase precollege and prework interest in math, science, and technology fields, in collaboration with the community and technical colleges, the four-year institutions of higher education, and the workforce training and education coordinating board, conducting outreach efforts to attract middle and high school students to careers in math, science, and technology and to educate students about the coursework that is necessary to be adequately prepared to succeed in these fields;

(5) Coordinating youth opportunities in math, science, and technology, including facilitating student participation in school clubs, state-level fairs, national competitions, and encouraging partnerships between students and university faculty or industry to facilitate such student participation;

(6) Developing and maintaining public-private partnerships to generate business and industry assistance to accomplish the following:

(a) Increasing student engagement and career awareness, including increasing student participation in the youth opportunities in subsection (5) of this section;

(b) Creation and promotion of student scholarships, internships, and apprenticeships;

(c) Provision of relevant teacher experience and training, including on-the-job professional development opportunities;

(d) Upgrading kindergarten through twelfth grade school equipment and facilities to support high quality math, science, and technology programs;

(7) Assembling a cadre of inspiring speakers employed or experienced in the relevant fields to speak to kindergarten through twelfth grade students to demonstrate the breadth of the opportunities in the relevant fields as well as share the types of coursework that is necessary for someone to be successful in the relevant field;

(8) Providing technical assistance to schools and school districts, including working with counselors in support of the math, science, and technology programs; and

(9) Reporting annually to the legislature about the actions taken to provide statewide coordination for math, science, and technology.

**NEW SECTION. Sec. 16.** A new section is added to chapter 28A.655 RCW to read as follows:

(1) Within funds specifically appropriated therefor, by December 1, 2008, the superintendent of public instruction shall develop essential academic learning requirements and grade level expectations for educational technology literacy and technology fluency that identify the knowledge and skills that all public school students need to know and be able to do in the areas of technology and technology literacy. The development process shall include a review of current standards that have been developed or are used by other states and national and international technology associations. To the maximum extent possible, the superintendent shall integrate goal four and the knowledge and skill areas in the other goals in the technology essential academic learning requirements.

(a) As used in this section, "technology literacy" means the ability to responsibly, creatively, and effectively use appropriate technology to communicate; access, collect, manage, integrate, and evaluate information; solve problems and create solutions; build and share knowledge; and improve and enhance learning in all subject areas and experiences.

(b) Technology fluency builds upon technology literacy and is demonstrated when students: Apply technology to real-world experiences; adapt to changing technologies; modify current and create new technologies; and personalize technology to meet personal needs, interests, and learning styles.

(2)(a) Within funds specifically appropriated therefor, the superintendent shall obtain or develop education technology assessments that may be administered in the elementary, middle, and high school grades to assess the essential academic learning requirements for technology. The assessments shall be designed to be classroom or project-based so that they can be embedded in classroom instruction and be administered and scored by school staff throughout the regular school year using consistent scoring criteria and procedures. By the 2010-11 school year, these assessments shall be made available to school districts for the districts' voluntary use. If a school district uses the assessments created under this section, then the school district shall notify the superintendent of public instruction of the use. The superintendent shall report annually to the legislature on the number of school districts that use the assessments each school year.

(b) Beginning December 1, 2010, and annually thereafter, the superintendent of public instruction shall provide a report to the relevant legislative committees regarding the use of the assessments.

**NEW SECTION. Sec. 17.** A new section is added to chapter 28B.76 RCW to read as follows:

As part of the state needs assessment process conducted by the board in accordance with RCW 28B.76.230, the board shall assess the need for additional baccalaureate degree programs in Washington that specialize in teacher preparation in mathematics, science, and technology. If the board determines that there is a need for additional programs, then the board shall encourage the appropriate institutions of higher education or institutional sectors to create such a program.

**NEW SECTION. Sec. 18.** Beginning September 1, 2007, through December 1, 2008, the state board of education shall provide a status report at the beginning of each calendar quarter on the activities and progress in completing the requirements under section 1 of this act. The report shall be provided to the governor and the members of the education committees of the senate and the house of representatives.

**NEW SECTION. Sec. 19.** Captions used in this act are not any part of the law.

**NEW SECTION. Sec. 20.** Section 13 of this act expires September 1, 2009.

**NEW SECTION. Sec. 21.** Section 14 of this act takes effect September 1, 2009.

**NEW SECTION. Sec. 22.** Sections 1 and 2 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately."

On page 1, line 1 of the title, after "education;" strike the remainder of the title and insert "amending RCW 28A.660.005, 28A.660.050, 28B.102.080, 28A.230.130, and 28A.230.130; adding new sections to chapter 28A.305 RCW; adding new sections to chapter 28A.300 RCW; adding a new section to chapter 28A.415 RCW; adding new sections to chapter 28A.660 RCW; adding a new section to chapter 28B.10 RCW; adding a new section to chapter 28A.320 RCW; adding a new section to chapter 28A.655 RCW; adding a new section to chapter 28B.76 RCW; creating new sections; providing an effective date; providing expiration dates; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1906 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Anderson spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Second Substitute House Bill No. 1906, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1906, as amended by the Senate and the bill passed the House by the following vote: Yeas - 96, Nays - 2, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linnville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Morrell,

Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 96.

Voting nay: Representatives Moeller and Schindler - 2.

SECOND SUBSTITUTE HOUSE BILL NO. 1906, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 13, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1949, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 51.12.100 and 1991 c 88 s 3 are each amended to read as follows:

(1) Except as otherwise provided in this section, the provisions of this title shall not apply to a master or member of a crew of any vessel, or to employers and workers for whom a right or obligation exists under the maritime laws or federal employees' compensation act for personal injuries or death of such workers.

(2) If an accurate segregation of payrolls of workers for whom such a right or obligation exists under the maritime laws cannot be made by the employer, the director is hereby authorized and directed to fix from time to time a basis for the approximate segregation of the payrolls of employees to cover the part of their work for which no right or obligation exists under the maritime laws for injuries or death occurring in such work, and the employer, if not a self-insurer, shall pay premiums on that basis for the time such workers are engaged in their work.

(3) Where two or more employers are simultaneously engaged in a common enterprise at one and the same site or place in maritime occupations under circumstances in which no right or obligation exists under the maritime laws for personal injuries or death of such workers, such site or place shall be deemed for the purposes of this title to be the common plant of such employers.

(4) In the event payments are made both under this title (~~prior to the final determination~~) and under the maritime laws or federal employees' compensation act, such benefits paid under this title shall be repaid by the worker or beneficiary (~~if recovery is subsequently made under the maritime laws or federal employees' compensation act~~). For any claims made under the Jones Act, the employer is deemed a third party, and the injured worker's cause of action is subject to RCW 51.24.030 through 51.24.120.

(5) Commercial divers harvesting geoduck clams under an agreement made pursuant to RCW 79.135.210, workers tending to such divers, and the employers of such divers and tenders shall be subject to the provisions of this title whether or not such work is performed from a vessel."

On page 1, line 2 of the title, after "clams;" strike the remainder of the title and insert "and amending RCW 51.12.100."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

## SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1949 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Upthegrove spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 1949, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1949, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Straw, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

HOUSE BILL NO. 1949, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1988, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 18.170.010 and 2004 c 50 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Armed private security guard" means a private security guard who has a current firearms certificate issued by the commission and is licensed as an armed private security guard under this chapter.

(2) "Armored vehicle guard" means a person who transports in an armored vehicle under armed guard, from one place to another place, valuables, jewelry, currency, documents, or any other item that requires secure delivery.

(3) "Burglar alarm response runner" means a person employed by a private security company to respond to burglar alarm system signals.

(4) "Burglar alarm system" means a device or an assembly of equipment and devices used to detect or signal unauthorized intrusion, movement, or exit at a protected premises, other than in a vehicle, to which police or private security guards are expected to respond.

(5) "Chief law enforcement officer" means the elected or appointed police administrator of a municipal, county, or state police or sheriff's department that has full law enforcement powers in its jurisdiction.

(6) "Classroom instruction" means ~~((instruction))~~ training that takes place in a setting where individuals receiving training are assembled together and learn through lectures, study papers, class discussion, textbook study, or other means of organized formal education techniques, such as video, closed circuit, or other forms of electronic means, and as distinguished from ~~((on-the-job education or training))~~ individual instruction.

(7) "Commission" means the criminal justice training commission established in chapter 43.101 RCW.

(8) "Department" means the department of licensing.

(9) "Department-certified trainer" means any person who has been approved by the department by receiving a passing score on a department-administered examination, to administer department-provided examinations and attest that training or testing requirements have been met.

~~(10)~~ (10) "Director" means the director of the department of licensing.

~~((H0))~~ (11) "Employer" includes any individual, firm, corporation, partnership, association, company, society, manager, contractor, subcontractor, bureau, agency, service, office, or an agent of any of the foregoing that employs or seeks to enter into an arrangement to employ any person as a private security guard.

~~((H1))~~ (12) "Firearms certificate" means the certificate issued by the commission.

~~((H2))~~ (13) "Individual instruction" means training that takes place either on-the-job or through formal education techniques, such as video, closed circuit, internet, or other forms of electronic means, and as distinguished from classroom instruction.

(14) "Licensee" means a person granted a license required by this chapter.

~~((H3))~~ (15) "Person" includes any individual, firm, corporation, partnership, association, company, society, manager, contractor, subcontractor, bureau, agency, service, office, or an agent or employee of any of the foregoing.

~~((H4))~~ "Postassignment or on-the-job training" means training that occurs in either an assisted field environment or in a classroom instruction setting, or both.

~~(15)~~ "Preassignment training" means the classroom training completed prior to being assigned to work independently.

(16) "Principal corporate officer" means the president, vice-president, treasurer, secretary, comptroller, or any other person who performs the same functions for the corporation as performed by these officers.

(17) "Private security company" means a person or entity licensed under this chapter and engaged in the business of providing the services of private security guards on a contractual basis.

(18) "Private security guard" means an individual who is licensed under this chapter and principally employed as or typically referred to as one of the following:

- (a) Security officer or guard;
- (b) Patrol or merchant patrol service officer or guard;
- (c) Armed escort or bodyguard;

- (d) Armored vehicle guard;
- (e) Burglar alarm response runner; or
- (f) Crowd control officer or guard.

(19) "Qualifying agent" means an officer or manager of a corporation who meets the requirements set forth in this chapter for obtaining a license to own or operate a private security company.

(20) "Sworn peace officer" means a person who is an employee of the federal government, the state, a political subdivision, agency, or department branch of a municipality, or other unit of local government, and has law enforcement powers.

**NEW SECTION. Sec. 2.** A new section is added to chapter 18.170 RCW to read as follows:

(1) To promote the safety of persons and the security of property, the director shall meet with interested parties to develop lists of suggested preassignment, postassignment, and postassignment refresher training by rule.

(2) All security guards licensed on or after July 1, 2005, must complete at least eight hours of preassignment training, comprised of at least four hours of classroom instruction and an additional four hours of classroom instruction or individual instruction, or both. The preassignment training may be waived for any individual who was most recently employed full time as a sworn peace officer not more than five years prior to applying to become licensed as a private security guard and who passes the examination typically administered to applicants at the conclusion of the preassignment training.

(3)(a) All security guards licensed on or after July 1, 2005, must complete at least eight hours of initial postassignment training that shall be administered to each security guard. The initial postassignment training must be in the topic areas established by the director and may be classroom instruction or individual instruction, or both. A company may waive the initial postassignment training for security guards already licensed who transfer from another company, if the security guard presents appropriate training records signed by a department-certified trainer from the previous company, or a signed affidavit that the individual has already completed the required initial postassignment training provided by his or her previous company.

(b) Security guards who received their temporary security guard registration card on or before the effective date of this act must receive their initial postassignment training before June 30, 2008. Security guards who received their temporary security guard registration card after the effective date of this act must receive their initial postassignment training as specified in (c) and (d) of this subsection.

(c) Security guards licensed between January 1st and June 30th of any calendar year may receive eight hours of initial postassignment training any time between the day following the issuance of a temporary security guard registration card with their company and June 30th of the year following initial issuance of their license by the department.

(d) Security guards initially licensed between July 1st and December 31st of any calendar year may receive eight hours of initial postassignment training at any time between the day following the issuance of a temporary security guard registration card with their company and December 31st of the year following initial issuance of their license by the department.

(4) Following completion of the preassignment and postassignment training, at least four total hours of annual refresher training shall be administered to security guards each subsequent year. The subsequent year begins, for refresher training purposes, the day following the last date the security guard is required to receive the eight hours of initial postassignment training. No more than one hour per year of annual refresher training may focus directly on customer service related skills or topics and the remaining three hours per year of annual refresher training

must focus on emergency response concepts, skills, or topics including but not limited to knowledge of site post orders or life safety.

(5) Companies must maintain records regarding the training hours completed by each employee. All such records are subject to inspection by the department. The training requirements and test results must be recorded and attested to by a department-certified trainer. Training records must contain a description of the topics covered, the name and signature of the trainer, and the name and signature of the security guard.

**NEW SECTION. Sec. 3.** RCW 18.170.100 (Training and testing requirements) and 2004 c 50 s 2, 1995 c 277 s 7, & 1991 c 334 s 10 are each repealed."

On page 1, line 1 of the title, after "training;" strike the remainder of the title and insert "amending RCW 18.170.010; adding a new section to chapter 18.170 RCW; and repealing RCW 18.170.100."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1988 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Morrell spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1988, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1988, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 1988, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 11, 2007

Mr. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1811, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 19.27.500 and 2005 c 148 s 1 are each amended to read as follows:

(1) The building code council shall adopt rules ((by December 1, 2005;)) requiring that all nightclubs be provided with an automatic sprinkler system. Rules adopted by the council shall consider applicable nationally recognized fire and building code standards and local conditions and require that the automatic sprinkler systems be installed by December 1, 2009.

((By December 15, 2005;)) (2) The council shall transmit to the fire protection policy board copies of the rules as adopted. The fire protection policy board shall respond to the council ((by February 15, 2006)) within sixty days after receipt of the rules. If changes are recommended by the fire protection policy board the council shall immediately consider those changes to the rules through its rule-making procedures. ((The rules shall be effective December 1, 2007.))

"**Sec. 2.** RCW 19.27.510 and 2005 c 148 s 2 are each amended to read as follows:

As used in this chapter:

"Nightclub" means an ((establishment, other than a theater with fixed seating, which is characterized by all of the following:

— (1) Provides live entertainment by paid performing artists or by way of recorded music conducted by a person employed or engaged to do so;

— (2) Has as its primary source of revenue (a) the sale of beverages of any kind for consumption on the premises, (b) cover charges, or (c) both; and

— (3) Has an occupant load of one hundred or more where the occupant load for any portion of the occupancy is calculated at one person per ten square feet or less, excluding the entry foyer)) A-2 occupancy use under the 2006 international building code in which the aggregate area of concentrated use of unfixed chairs and standing space that is specifically designated and primarily used for dancing or viewing performers exceeds three hundred fifty square feet, excluding adjacent lobby areas. "Nightclub" does not include theaters with fixed seating, banquet halls, or lodge halls.

"**Sec. 3.** RCW 84.36.660 and 2005 c 148 s 4 are each amended to read as follows:

(1) Prior to installation of an automatic sprinkler system under RCW 19.27.500 through 19.27.520, an owner or lessee of property who meets the requirements of this section may apply to the assessor of the county in which the property is located for a special property tax exemption. This application shall be made upon forms prescribed by the department of revenue and supplied by the county assessor.

(a)(i) If a lessee of the property has paid for all expenses associated with the installation and purchase of the automatic sprinkler system, then the benefit of the exemption must inure to the lessee.

(ii) A lessee, otherwise eligible to receive the benefit of the exemption under this section, is entitled to receive such benefit only to the extent that the lessee maintains a valid lease agreement with the property owner for the property in which the automatic sprinkler system was installed pursuant to RCW 19.27.500.

(b) An exemption may be granted under this section only to the property owner or lessee that pays for all expenses associated with the installation and purchase of the automatic sprinkler system. In no event may both the property owner and the lessee receive an exemption under this section in the same calendar year for the installation and purchase of the same automatic sprinkler system.

(c) After December 31, 2009, no new application for a special tax exemption under this section may be: Made by a property owner or lessee; or accepted by the county assessor.

(2) As used in this chapter, "special property tax exemption" means the determination of the assessed value of the property subtracting, for ten years, the increase in value attributable to the installation of an automatic sprinkler system under RCW 19.27.500 through 19.27.520.

(3) The county assessor shall, for ten consecutive assessment years following the calendar year in which application is made, place a special property tax exemption on property classified as eligible.

**NEW SECTION. Sec. 4.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2007."

On page 1, line 2 of the title, after "nightclubs;" strike the remainder of the title and insert "amending RCW 19.27.500, 19.27.510, and 84.36.660; providing an effective date; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

Representative Simpson moved that the House concur in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1811 and advance the bill as amended by the Senate to final passage.

Representative Simpson spoke in favor of the motion to concur in the Senate amendment.

Representative Orcutt spoke against the motion to concur in the Senate amendment.

An electronic roll call was requested.

The Speaker (Representative Lovick presiding) stated the question before the House to be the motion to concur in the Senate amendment to Second Substitute House Bill No. 1811.

### ROLL CALL

The Clerk called the roll on the motion to concur in the Senate amendment to Second Substitute House Bill No. 1811, and the motion was adopted by the following vote: Yeas - 59, Nays - 39, Absent - 0, Excused - 0.

Voting yea: Representatives Appleton, Barlow, Blake, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Ericks, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Kagi, Kenney, Kessler, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Morrell, Morris, O'Brien, Ormsby, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Schual-Berke, Seaquist, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Van De Wege, Wallace, Williams, Wood and Mr. Speaker - 59.

Voting nay: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buri, Campbell, Chandler, Condotta, Crouse, Curtis, DeBolt, Dunn, Eddy, Eickmeyer, Ericksen, Hailey, Haler, Hankins, Hinkle, Jarrett, Kelley, Kretz, Kristiansen, McCune, McDonald, Newhouse, Orcutt, Pearson, Priest, Roach, Rodne, Ross, Schindler, Skinner, Strow, Sump, Walsh and Warnick - 39.

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1811 and advanced the bill as amended by the Senate to final passage

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

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

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Second Substitute House Bill No. 1811, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1811, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SECOND SUBSTITUTE HOUSE BILL NO. 1811, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 11, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 2004, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 47.80.060 and 2005 c 334 s 1 are each amended to read as follows:

In order to qualify for state planning funds available to regional transportation planning organizations, the regional transportation planning organizations containing any county with a population in excess of one million shall provide voting membership on its executive board to the state transportation commission, the state department of transportation, ~~((and))~~ the four largest public port districts within the region as determined by gross operating revenues, any incorporated principal city of a metropolitan statistical area within the region, as designated by the United States census bureau, and any incorporated city within the region with a population in excess of eighty thousand. It shall further assure that at least fifty percent of the county and city local elected officials who serve on the executive board also serve on transit agency boards or on a regional transit authority."

On page 1, line 3 of the title, after "organizations;" strike the remainder of the title and insert "and amending RCW 47.80.060."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 2004 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representative Rolfes spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 2004, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 2004, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney,

Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

HOUSE BILL NO. 2004, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 10, 2007

Mr. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 2055, with the following amendment:

Strike everything after the enacting clause and insert the following:

**NEW SECTION. Sec. 1.** The center for disease control estimates that at least five million three hundred thousand Americans, approximately two percent of the United States population, currently have a long-term or lifelong need for help to perform activities of daily living as a result of a traumatic brain injury. Each year approximately one million four hundred thousand people in this country, including children, sustain traumatic brain injuries as a result of a variety of causes including falls, motor vehicle injuries, being struck by an object, or as a result of an assault and other violent crimes, including domestic violence. Additionally, there are significant numbers of veterans who sustain traumatic brain injuries as a result of their service in the military.

Traumatic brain injury can cause a wide range of functional changes affecting thinking, sensation, language, or emotions. It can also cause epilepsy and increase the risk for conditions such as Alzheimer's disease, Parkinson's disease, and other brain disorders that become more prevalent with age. The impact of a traumatic brain injury on the individual and family can be devastating.

The legislature recognizes that current programs and services are not funded or designed to address the diverse needs of this population. It is the intent of the legislature to develop a comprehensive plan to help individuals with traumatic brain injuries meet their needs. The legislature also recognizes the efforts of many in the private sector who are providing services and assistance to individuals with traumatic brain injuries. The legislature intends to bring together those in both the public and private sectors with expertise in this area to address the needs of this growing population.

**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 social and health services.

(2) "Department of health" means the Washington state department of health created pursuant to RCW 43.70.020.

(3) "Secretary" means the secretary of social and health services.

(4) "Traumatic brain injury" means injury to the brain caused by physical trauma resulting from, but not limited to, incidents involving motor vehicles, sporting events, falls, and physical assaults. Documentation of traumatic brain injury shall be based on adequate medical history, neurological examination, mental status testing, or neuropsychological evaluation. A traumatic brain injury shall be of

sufficient severity to result in impairments in one or more of the following areas: Cognition; language memory; attention; reasoning; abstract thinking; judgment; problem solving; sensory, perceptual, and motor abilities; psychosocial behavior; physical functions; or information processing. The term does not apply to brain injuries that are congenital or degenerative, or to brain injuries induced by birth trauma.

(5) "Traumatic brain injury account" means the account established under section 7 of this act.

(6) "Council" means the Washington traumatic brain injury strategic partnership advisory council created under section 3 of this act.

**NEW SECTION. Sec. 3.** (1) The Washington traumatic brain injury strategic partnership advisory council is established as an advisory council to the governor, the legislature, and the secretary of the department of social and health services.

(2) The council shall be composed of the following members who shall be appointed by the governor:

(a) The secretary or the secretary's designee, and representatives from the following: Children's administration, mental health division, aging and disability services administration, and vocational rehabilitation;

(b) The executive director of a state brain injury association;

(c) A representative from a nonprofit organization serving individuals with traumatic brain injury;

(d) The secretary of the department of health or the secretary's designee;

(e) The secretary of the department of corrections or the secretary's designee;

(f) A representative of the department of community, trade, and economic development;

(g) A representative from an organization serving veterans;

(h) A representative from the national guard;

(i) A representative of a Native American tribe located in Washington;

(j) The executive director of the Washington protection and advocacy system;

(k) A neurologist who has experience working with individuals with traumatic brain injuries;

(l) A neuropsychologist who has experience working with persons with traumatic brain injuries;

(m) A social worker or clinical psychologist who has experience in working with persons who have sustained traumatic brain injuries;

(n) A rehabilitation specialist, such as a speech pathologist, vocational rehabilitation counselor, occupational therapist, or physical therapist who has experience working with persons with traumatic brain injuries;

(o) Two persons who are individuals with a traumatic brain injury;

(p) Two persons who are family members of individuals with traumatic brain injuries; and

(q) Two members of the public who have experience with issues related to the causes of traumatic brain injuries.

(3) Council members shall not be compensated for serving on the council, but may be reimbursed for all reasonable expenses related to costs incurred in participating in meetings for the council.

(4) Initial appointments to the council shall be made by July 30, 2007. The terms of appointed council members shall be three years, except that the terms of the appointed members who are initially appointed shall be staggered by the governor to end as follows:

(a) Four members on June 30, 2008;

(b) Three members on June 30, 2009; and

(c) Three members on June 30, 2010.

(5) No member may serve more than two consecutive terms.

(6) The appointed members of the council shall, to the extent possible, represent rural and urban areas of the state.

(7) A chairperson shall be elected every two years by majority vote from among the council members. The chairperson shall act as the presiding officer of the council.

(8) The duties of the council include:

(a) Collaborating with the department to develop a comprehensive statewide plan to address the needs of individuals with traumatic brain injuries;

(b) By November 1, 2007, providing recommendations to the department on criteria to be used to select programs facilitating support groups for individuals with traumatic brain injuries and their families under section 6 of this act;

(c) By December 1, 2007, submitting a report to the legislature and the governor on the following:

(i) The development of a comprehensive statewide information and referral network for individuals with traumatic brain injuries;

(ii) The development of a statewide registry to collect data regarding individuals with traumatic brain injuries, including the potential to utilize the department of information services to develop the registry;

(iii) The efforts of the department to provide services for individuals with traumatic brain injuries;

(d) By December 30, 2007, reviewing the preliminary comprehensive statewide plan developed by the department to meet the needs of individuals with traumatic brain injuries as required in section 4 of this act and submitting a report to the legislature and the governor containing comments and recommendations regarding the plan.

(9) The council may utilize the advice or services of a nationally recognized expert, or other individuals as the council deems appropriate, to assist the council in carrying out its duties under this section.

**NEW SECTION. Sec. 4.** (1) By July 30, 2007, the department shall designate a staff person who shall be responsible for the following:

(a) Coordinating policies, programs, and services for individuals with traumatic brain injuries; and

(b) Providing staff support to the council created in section 3 of this act.

(2) The department shall provide data and information to the council established under section 3 of this act that is requested by the council and is in the possession or control of the department.

(3) By December 1, 2007, the department shall provide a preliminary report to the legislature and the governor, and shall provide a final report by December 1, 2008, containing recommendations for a comprehensive statewide plan to address the needs of individuals with traumatic brain injuries, including the use of public-private partnerships and a public awareness campaign. The comprehensive plan should be created in collaboration with the council and should consider the following:

(a) Building provider capacity and provider training;

(b) Improving the coordination of services;

(c) The feasibility of establishing agreements with private sector agencies to develop services for individuals with traumatic brain injuries; and

(d) Other areas the council deems appropriate.

(4) By December 1, 2007, the department shall:

(a) Provide information and referral services to individuals with traumatic brain injuries until the statewide referral and information network is developed. The referral services may be funded from the traumatic brain injury account established under section 7 of this act; and

(b) Encourage and facilitate the following:

(i) Collaboration among state agencies that provide services to individuals with traumatic brain injuries;

(ii) Collaboration among organizations and entities that provide services to individuals with traumatic brain injuries; and

(iii) Community participation in program implementation.

(5) By December 1, 2007, and by December 1st each year thereafter, the department shall issue a report to the governor and the legislature containing the following:

(a) A summary of action taken by the department to meet the needs of individuals with traumatic brain injuries; and

(b) Recommendations for improvements in services to address the needs of individuals with traumatic brain injuries.

**NEW SECTION. Sec. 5.** By December 1, 2007, in collaboration with the council, the department shall institute a public awareness campaign that utilizes funding from the traumatic brain injury account to leverage a private advertising campaign to persuade Washington residents to be aware and concerned about the issues facing individuals with traumatic brain injuries through all forms of media including television, radio, and print.

**NEW SECTION. Sec. 6.** (1) By March 1, 2008, the department shall provide funding to programs that facilitate support groups to individuals with traumatic brain injuries and their families.

(2) The department shall use a request for proposal process to select the programs to receive funding. The council shall provide recommendations to the department on the criteria to be used in selecting the programs.

(3) The programs shall be funded solely from the traumatic brain injury account established in section 7 of this act, to the extent that funds are available.

**NEW SECTION. Sec. 7.** A new section is added to chapter 46.20 RCW to read as follows:

The traumatic brain injury account is created in the state treasury. Two dollars of the fee imposed under RCW 46.63.110(7)(b) must be deposited into the account. Moneys in the account may be spent only after appropriation, and may be used only to provide a public awareness campaign and services relating to traumatic brain injury under sections 5 and 6 of this act, for information and referral services, and for costs of required department staff who are providing support for the council and information and referral services under sections 3 and 4 of this act. The secretary of the department of social and health services has the authority to administer the funds.

**Sec. 8.** RCW 46.63.110 and 2005 c 413 s 2 are each amended to read as follows:

(1) A person found to have committed a traffic infraction shall be assessed a monetary penalty. No penalty may exceed two hundred and fifty dollars for each offense unless authorized by this chapter or title.

(2) The monetary penalty for a violation of (a) RCW 46.55.105(2) is two hundred fifty dollars for each offense; (b) RCW 46.61.210(1) is five hundred dollars for each offense. No penalty assessed under this subsection (2) may be reduced.

(3) The supreme court shall prescribe by rule a schedule of monetary penalties for designated traffic infractions. This rule shall also specify the conditions under which local courts may exercise discretion in assessing fines and penalties for traffic infractions. The legislature respectfully requests the supreme court to adjust this schedule every two years for inflation.

(4) There shall be a penalty of twenty-five dollars for failure to respond to a notice of traffic infraction except where the infraction relates to parking as defined by local law, ordinance, regulation, or resolution or failure to pay a monetary penalty imposed pursuant to this chapter. A local legislative body may set a monetary penalty not to exceed twenty-five dollars for failure to respond to a notice of traffic infraction relating to parking as defined by local law, ordinance, regulation, or resolution. The

local court, whether a municipal, police, or district court, shall impose the monetary penalty set by the local legislative body.

(5) Monetary penalties provided for in chapter 46.70 RCW which are civil in nature and penalties which may be assessed for violations of chapter 46.44 RCW relating to size, weight, and load of motor vehicles are not subject to the limitation on the amount of monetary penalties which may be imposed pursuant to this chapter.

(6) Whenever a monetary penalty, fee, cost, assessment, or other monetary obligation is imposed by a court under this chapter it is immediately payable. If the court determines, in its discretion, that a person is not able to pay a monetary obligation in full, and not more than one year has passed since the later of July 1, 2005, or the date the monetary obligation initially became due and payable, the court shall enter into a payment plan with the person, unless the person has previously been granted a payment plan with respect to the same monetary obligation, or unless the person is in noncompliance of any existing or prior payment plan, in which case the court may, at its discretion, implement a payment plan. If the court has notified the department that the person has failed to pay or comply and the person has subsequently entered into a payment plan and made an initial payment, the court shall notify the department that the infraction has been adjudicated, and the department shall rescind any suspension of the person's driver's license or driver's privilege based on failure to respond to that infraction. "Payment plan," as used in this section, means a plan that requires reasonable payments based on the financial ability of the person to pay. The person may voluntarily pay an amount at any time in addition to the payments required under the payment plan.

(a) If a payment required to be made under the payment plan is delinquent or the person fails to complete a community restitution program on or before the time established under the payment plan, unless the court determines good cause therefor and adjusts the payment plan or the community restitution plan accordingly, the court shall notify the department of the person's failure to meet the conditions of the plan, and the department shall suspend the person's driver's license or driving privilege until all monetary obligations, including those imposed under subsections (3) and (4) of this section, have been paid, and court authorized community restitution has been completed, or until the department has been notified that the court has entered into a new time payment or community restitution agreement with the person.

(b) If a person has not entered into a payment plan with the court and has not paid the monetary obligation in full on or before the time established for payment, the court shall notify the department of the delinquency. The department shall suspend the person's driver's license or driving privilege until all monetary obligations have been paid, including those imposed under subsections (3) and (4) of this section, or until the person has entered into a payment plan under this section.

(c) If the payment plan is to be administered by the court, the court may assess the person a reasonable administrative fee to be wholly retained by the city or county with jurisdiction. The administrative fee shall not exceed ten dollars per infraction or twenty-five dollars per payment plan, whichever is less.

(d) Nothing in this section precludes a court from contracting with outside entities to administer its payment plan system. When outside entities are used for the administration of a payment plan, the court may assess the person a reasonable fee for such administrative services, which fee may be calculated on a periodic, percentage, or other basis.

(e) If a court authorized community restitution program for offenders is available in the jurisdiction, the court may allow conversion of all or part of the monetary obligations due under this section to court authorized community restitution in lieu of time payments if the person is unable to make reasonable time payments.

(7) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction shall be assessed;

(a) A fee of five dollars per infraction. Under no circumstances shall this fee be reduced or waived. Revenue from this fee shall be forwarded to the state treasurer for deposit in the emergency medical services and trauma care system trust account under RCW 70.168.040; and

(b) A fee of two dollars per infraction. Revenue from this fee shall be forwarded to the state treasurer for deposit in the traumatic brain injury account established in section 7 of this act.

(8)(a) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction other than of RCW 46.61.527 shall be assessed an additional penalty of twenty dollars. The court may not reduce, waive, or suspend the additional penalty unless the court finds the offender to be indigent. If a court authorized community restitution program for offenders is available in the jurisdiction, the court shall allow offenders to offset all or a part of the penalty due under this subsection (8) by participation in the court authorized community restitution program.

(b) Eight dollars and fifty cents of the additional penalty under (a) of this subsection shall be remitted to the state treasurer. The remaining revenue from the additional penalty must be remitted under chapters 2.08, 3.46, 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this subsection to the state treasurer must be deposited as provided in RCW 43.08.250. The balance of the revenue received by the county or city treasurer under this subsection must be deposited into the county or city current expense fund. Moneys retained by the city or county under this subsection shall constitute reimbursement for any liabilities under RCW 43.135.060.

(9) If a legal proceeding, such as garnishment, has commenced to collect any delinquent amount owed by the person for any penalty imposed by the court under this section, the court may, at its discretion, enter into a payment plan.

(10) The monetary penalty for violating RCW 46.37.395 is: (a) Two hundred fifty dollars for the first violation; (b) five hundred dollars for the second violation; and (c) seven hundred fifty dollars for each violation thereafter.

**Sec. 9.** RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 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 Columbia river basin water supply development 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 energy freedom account, The Evergreen State College capital projects account, the federal forest revolving account, the freight mobility investment account, the freight mobility multimodal 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 pension funding stabilization 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 mobility grant program 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 traumatic brain injury 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 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. 10.** Sections 1 through 6 of this act constitute a new chapter in Title 74 RCW.

NEW SECTION. **Sec. 11.** This act may be known and cited as the Tommy Manning act."

On page 1, line 1 of the title, after "injury;" strike the remainder of the title and insert "amending RCW 46.63.110; reenacting and amending RCW 43.84.092; adding a new section to chapter 46.20 RCW; adding a new chapter to Title 74 RCW; and creating a new section."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 2055 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Flannigan spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Second Substitute House Bill No. 2055, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 2055, as amended by the Senate and the bill passed the House by the following vote: Yeas - 96, Nays - 2, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 96.

Voting nay: Representatives Anderson and Springer - 2.

SECOND SUBSTITUTE HOUSE BILL NO. 2055, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 11, 2007

Mr. Speaker:

The Senate has passed SUBSTITUE HOUSE BILL NO. 2115, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The legislature finds that historic barns are essential symbols of Washington's heritage representing a pioneering spirit of industriousness. Important for their association with broad patterns of agricultural history and community development and as examples of distinct architectural styles and methods of construction, historic barns serve as highly visible icons for local residents and visitors alike. The legislature acknowledges that factors such as changes in the agricultural economy and farming technologies, prohibitive rehabilitation costs, development pressures, and regulations restricting new uses, collectively work to endanger historic barns statewide and contribute to their falling into decay or being demolished altogether.

As historic barns represent irreplaceable resources, and recognizing that barn preservation will work to retain these structures as functional and economically viable elements of working lands, the purpose of this act is to create a system acknowledging heritage barns statewide that provides

emergency assistance to heritage barn owners through matching grants, assesses the need for long-term barn preservation, and considers additional incentives and regulatory revisions that work toward the preservation of heritage barns as integral components of Washington's historic landscapes.

**NEW SECTION. Sec. 2.** (1) The Washington state heritage barn preservation program is created in the department.

(2) The director, in consultation with the heritage barn preservation advisory board, shall conduct a thematic study of Washington state's barns. The study shall include a determination of types, an assessment of the most unique and significant barns in the state, and a condition and needs assessment of historic barns in the state.

(3)(a) The department, in consultation with the heritage barn preservation advisory board, shall establish a heritage barn recognition program. To apply for recognition as a heritage barn, the barn owner shall supply to the department photos of the barn, photos of the farm and surrounding landscape, a brief history of the farm, and a construction date for the barn.

(b) Three times a year, the governor's advisory council on historic places shall review the list of barns submitted by the department for formal recognition as a heritage barn.

(4) Eligible applicants for heritage barn preservation fund awards include property owners, nonprofit organizations, and local governments.

(5) To apply for support from the heritage barn preservation fund, an applicant must submit an application to the department in a form prescribed by the department. Applicants must provide at least fifty percent of the cost of the project through in-kind labor, the applicant's own moneys, or other funding sources.

(6) The following types of projects are eligible for funding:

(a) Stabilization of endangered heritage barns and related agricultural buildings, including but not limited to repairs to foundations, sills, windows, walls, structural framework, and the repair and replacement of roofs; and

(b) Work that preserves the historic character, features, and materials of a historic barn.

(7) In making awards, the advisory board shall consider the following criteria:

(a) Relative historical and cultural significance of the barn;

(b) Urgency of the threat and need for repair;

(c) Extent to which the project preserves historic character and extends the useful life of the barn or associated agricultural building;

(d) Visibility of the barn from a state designated scenic byway or other publicly traveled way;

(e) Extent to which the project leverages other sources of financial assistance;

(f) Provision for long-term preservation;

(g) Readiness of the applicant to initiate and complete the project; and

(h) Extent to which the project contributes to the equitable geographic distribution of heritage barn preservation fund awards across the state.

(8) In awarding funds, special consideration shall be given to barns that are:

(a) Still in agricultural use;

(b) Listed on the national register of historic places; or

(c) Outstanding examples of their type or era.

(9) The conditions in this subsection must be met by recipients of funding in order to satisfy the public benefit requirements of the heritage barn preservation program.

(a) Recipients must execute a contract with the department before commencing work. The contract must include a historic preservation easement for between five to fifteen years depending on the amount of the award. The contract must specify public benefit and minimum maintenance requirements.

(b) Recipients must proactively maintain their historic barn for a minimum of ten years.

(c) Public access to the exterior of properties that are not visible from a public right-of-way must be provided under reasonable terms and circumstances, including the requirement that visits by nonprofit organizations or school groups must be offered at least one day per year.

(10) All work must comply with the United States secretary of the interior's standards for the rehabilitation of historic properties; however, exceptions may be made for the retention or installation of metal roofs on a case-by-case basis.

(11) The heritage barn preservation fund shall be acknowledged on any materials produced and in publicity for the project. A sign acknowledging the fund shall be posted at the worksite for the duration of the preservation agreement.

(12) Projects must be initiated within one year of funding approval and completed within two years, unless an extension is provided by the department in writing.

(13) If a recipient of a heritage barn preservation fund award, or subsequent owner of a property that was assisted by the fund, takes any action within ten years of the funding award with respect to the assisted property such as dismantlement, removal, or substantial alteration, which causes it to be no longer eligible for listing in the Washington heritage register, the fund shall be repaid in full within one year.

**NEW SECTION. Sec. 3.** (1) The director shall establish a Washington state heritage barn preservation advisory board that includes:

(a) Two members representing owners of heritage barns nominated by recognized agricultural organizations;

(b) The chair of the advisory council, or the chair's designee;

(c) A representative of a statewide historic preservation organization;

(d) A representative of a county heritage commission that is recognized by the department as a certified local government;

(e) Two elected county officials, one appointed by the Washington state association of counties and one appointed by the Washington association of county officials;

(f) A representative of a private foundation with an interest in the preservation of barns;

(g) A representative of a land trust that is experienced with easements; and

(h) At least one at-large member with appropriate expertise in barn architecture, architectural history, construction, engineering, or a related field.

(2) The director may invite representatives of federal agencies that have barn preservation programs or expertise to participate on the advisory board, who shall serve as ex-officio members.

(3) The director shall work to assure that the advisory board members are from diverse geographic regions of the state. The director may serve as chair, or appoint a person to serve as chair.

(4) The advisory board shall provide advice to the director regarding:

(a) The criteria for designation of heritage barns;

(b) The criteria for determining eligibility for grant funds including contracting provisions between the department and grant recipients. In developing this criteria, the department and the advisory board shall consult with the state attorney general; and

(c) The criteria for awarding grants for barn rehabilitation.

(5) The advisory board shall examine regulatory issues that impose constraints on the ability to use heritage barns for contemporary economically productive purposes including building and land use codes.

(6) By December 1, 2010, the department shall provide a final report to appropriate committees of the legislature that summarizes the accomplishments of the program, addresses regulatory issues examined under subsection (5) of this section, and makes final recommendations.

(7) This section expires December 31, 2010.

**NEW SECTION. Sec. 4.** (1) The heritage barn preservation fund is created as an account in the state treasury. All receipts from appropriations and private sources must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only to provide assistance to owners of heritage barns in Washington state in the stabilization and restoration of their barns so that these historic properties may continue to serve the community.

(2) The department shall minimize the amount of funds that are used for program administration, which shall include consultation with the department of general administration's barrier-free facilities program for input regarding accessibility for people with disabilities where public access to historic barns is permitted.

(3) The primary public benefit of funding through the heritage barn preservation program is the preservation and enhancement of significant historic properties that provide economic benefit to the state's citizens and enrich communities throughout the state.

**Sec. 5.** RCW 27.34.020 and 2005 c 333 s 13 are each amended to read as follows:

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

(1) "Advisory council" means the advisory council on historic preservation.

(2) "Department" means the department of archaeology and historic preservation.

(3) "Director" means the director of the department of archaeology and historic preservation.

(4) "Federal act" means the national historic preservation act of 1966 (Public Law 89-655; 80 Stat. 915).

(5) "Heritage barn" means any large agricultural outbuilding used to house animals, crops, or farm equipment, that is over fifty years old and has been determined by the department to: (a) Be eligible for listing on the Washington heritage register or the national register of historic places; or (b) have been listed on a local historic register and approved by the advisory council. In addition to barns, "heritage barn" includes agricultural resources such as milk houses, sheds, silos, or other outbuildings, that are historically associated with the working life of the farm or ranch, if these outbuildings are on the same property as a heritage barn.

(6) "Heritage council" means the Washington state heritage council.

~~((7))~~ (7) "Historic preservation" includes the protection, rehabilitation, restoration, identification, scientific excavation, and reconstruction of districts, sites, buildings, structures, and objects significant in American and Washington state history, architecture, archaeology, or culture.

~~((7))~~ (8) "Preservation officer" means the state historic preservation officer as provided for in RCW 43.334.020.

~~((8))~~ (9) "Project" means programs leading to the preservation for public benefit of historical properties, whether by state and local governments or other public bodies, or private organizations or individuals, including the acquisition of title or interests in, and the development of, any district, site, building, structure, or object that is significant in American and Washington state history, architecture, archaeology, or culture, and property used in connection therewith, or for its development.

~~((9))~~ (10) "State historical agencies" means the state historical societies and the department.

~~((10))~~ (11) "State historical societies" means the Washington state historical society and the eastern Washington state historical society.

~~((11))~~ (12) "Cultural resource management plan" means a comprehensive plan which identifies and organizes information on the state of Washington's historic, archaeological, and architectural resources into

a set of management criteria, and which is to be used for producing reliable decisions, recommendations, and advice relative to the identification, evaluation, and protection of these resources.

**NEW SECTION. Sec. 6.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void.

**NEW SECTION. Sec. 7.** Sections 2 through 4 of this act are each added to chapter 27.34 RCW."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 2115 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

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

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 2115, as amended by the Senate.

### MOTION

On motion of Representative Santos, Representative Williams was excused.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2115, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Wood and Mr. Speaker - 97.

Excused: Representative Williams - 1.

SUBSTITUTE HOUSE BILL NO. 2115, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 11, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 2118, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.63A.460 and 1993 c 280 s 76 are each amended to read as follows:

Beginning on July 1, ~~((1991))~~ 2007, the department ~~((of community, trade, and economic development))~~ shall ~~((be responsible for performing))~~ perform all the consumer complaint and related functions of the state administrative agency that are required for purposes of complying with the regulations established by the federal department of housing and urban development for manufactured housing, including the preparation and submission of the state administrative plan.

The department ~~((of community, trade, and economic development))~~ may enter into state or local interagency agreements to coordinate site inspection activities with record monitoring and complaint handling. The interagency agreement may also provide for the reimbursement for cost of work that an agency performs. The department may include other related areas in any interagency agreements which are necessary for the efficient provision of services.

The department of ~~((labor and industries))~~ community, trade, and economic development shall transfer all records, files, books, and documents necessary for the department ~~((of community, trade, and economic development))~~ to assume these new functions.

The directors of community, trade, and economic development and ~~((the department))~~ of labor and industries shall immediately take such steps as are necessary to ensure that ~~((chapter 176, Laws of 1990))~~ this act is implemented on ~~((June 7, 1990))~~ July 1, 2007.

**Sec. 2.** RCW 43.63A.465 and 1995 c 399 s 74 are each amended to read as follows:

The director ~~((of the department of community, trade, and economic development))~~ shall enforce manufactured housing safety and construction standards adopted by the secretary of housing and urban development under the national manufactured housing construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426). Furthermore, the director may make agreements with the United States government, state agencies, or private inspection organizations to implement the development and enforcement of applicable provisions of this chapter and the national manufactured housing construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426) regarding the state administrative agency program.

**Sec. 3.** RCW 43.63B.010 and 1998 c 124 s 6 are each amended to read as follows:

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

(1) "Authorized representative" means an employee of a state agency, city, or county acting on behalf of the department.

(2) "Certified manufactured home installer" means a person who is in the business of installing mobile or manufactured homes and who has been issued a certificate by the department as provided in this chapter.

(3) "Department" means the department of ~~((community, trade, and economic development))~~ labor and industries.

(4) "Director" means the director of ~~((community, trade, and economic development))~~ labor and industries.

(5) "Manufactured home" means a single-family dwelling built in accordance with the department of housing and urban development manufactured home construction and safety standards act, which is a national, preemptive building code.

(6) "Mobile or manufactured home installation" means all on-site work necessary for the installation of a manufactured home, including:

(a) Construction of the foundation system;

(b) Installation of the support piers and earthquake resistant bracing system;

(c) Required connection to foundation system and support piers;

(d) Skirting;

(e) Connections to the on-site water and sewer systems that are necessary for the normal operation of the home; and

(f) Extension of the pressure relief valve for the water heater.

(7) "Manufactured home standards" means the manufactured home construction and safety standards as promulgated by the United States department of housing and urban development (HUD).

(8) "Mobile home" means a factory-built dwelling built prior to June 15, 1976, to standards other than the HUD code, and acceptable under applicable state codes in effect at the time of construction or introduction of the home into the state. Mobile homes have not been built since introduction of the HUD manufactured home construction and safety standards act.

(9) "Training course" means the education program administered by the department, or the education course administered by an approved educational provider, as a prerequisite to taking the examination for certification.

(10) "Approved educational provider" means an organization approved by the department to provide education and training of manufactured home installers and local inspectors.

**Sec. 4.** RCW 43.63B.150 and 1994 c 284 s 29 are each amended to read as follows:

~~((All violations designated as an infraction shall be adjudicated in accordance with the administrative procedure act, chapter 34.05 RCW.))~~ If a party desires to contest a notice of infraction and civil penalty issued under this chapter, the party must file a notice of appeal with the department within twenty days of the department mailing the notice of civil penalty. An administrative law judge of the office of administrative hearings shall hear and determine the appeal. Appeal proceedings must be conducted under chapter 34.05 RCW. An appeal of the administrative law judge's determination or order must be to the superior court. The superior court's decision is subject only to discretionary review under the rules of appellate procedure.

**Sec. 5.** RCW 43.63B.170 and 1994 c 284 s 31 are each amended to read as follows:

(1) A person found to have committed an infraction under this chapter shall be assessed a monetary penalty of one thousand dollars.

(2) The administrative law judge may waive, reduce, or suspend the monetary penalty imposed for the infraction.

(3) Monetary penalties collected under this chapter shall be ~~((remitted as provided in chapter 3.62 RCW))~~ deposited into the manufactured home installation training account created in RCW 43.63B.080 (as recodified by this act) for the purposes specified in this chapter.

**Sec. 6.** RCW 43.22.431 and 2001 c 335 s 3 are each amended to read as follows:

The director of the department of labor and industries may enforce manufactured home safety and construction standards adopted by the secretary of housing and urban development under the national manufactured home construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426). Furthermore, the director may make agreements with the United States government and private inspection organizations to implement the development and enforcement of applicable provisions of this chapter and the national manufactured home construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426). Any fees or contract moneys collected under these agreements shall be deposited into the manufactured home installation training account created in RCW 43.63B.080 (as recodified by this act).

**Sec. 7.** RCW 43.22.495 and 1995 c 399 s 69 are each amended to read as follows:

Beginning on July 1, ~~((1994))~~ 2007, the department ~~((of community, trade, and economic development))~~ of labor and industries shall ~~((be responsible for performing))~~ perform all the consumer complaint and related functions of the state administrative agency that are required for purposes of complying with the regulations established by the federal department of housing and urban development for manufactured housing, including the preparation and submission of the state administrative plan.

The department ~~((of community, trade, and economic development))~~ of labor and industries may enter into state or local interagency agreements to coordinate site inspection activities with record monitoring and complaint handling. The interagency agreement may also provide for the reimbursement for cost of work that an agency performs. The department may include other related areas in any interagency agreements which are necessary for the efficient provision of services.

The directors of the department of community, trade, and economic development and the department of labor and industries shall immediately take such steps as are necessary to ensure that ~~((chapter 176, Laws of 1990))~~ this act is implemented on ~~((June 7, 1990))~~ July 1, 2007.

**Sec. 8.** RCW 46.70.136 and 1994 c 284 s 12 are each amended to read as follows:

The department may mediate disputes that arise regarding any warranty required in chapter 46.70 RCW pertaining to the purchase or installation of a manufactured home. The department may charge reasonable fees for this service and shall deposit the moneys collected in accordance with RCW 43.63B.080 (as recodified by this act).

**Sec. 9.** RCW 59.22.050 and 1991 c 327 s 3 are each amended to read as follows:

(1) In order to provide general assistance to mobile home resident organizations, park owners, and landlords and tenants, the department shall establish an office of mobile home affairs ~~((which will serve as the coordinating office within state government for matters relating to mobile homes or manufactured housing)).~~

This office will provide an ombudsman service to mobile home park owners and mobile home tenants with respect to problems and disputes between park owners and park residents and to provide technical assistance to resident organizations or persons in the process of forming a resident organization pursuant to chapter 59.22 RCW. The office will keep records of its activities in this area.

(2) ~~((The office shall perform all the consumer complaint and related functions of the state administrative agency that are required for purposes of complying with the regulations established by the federal department of housing and urban development for manufactured housing, including the preparation and submission of the state administrative plan.~~

—(3)) The office shall administer the mobile home relocation assistance program established in chapter 59.21 RCW, including verifying the eligibility of tenants for relocation assistance.

**Sec. 10.** RCW 59.22.070 and 1995 c 399 s 156 are each amended to read as follows:

There is created in the custody of the state treasurer a special account known as the ((~~mobile home affairs~~)) manufactured housing account.

Disbursements from this special account shall be as follows:

(1) For the two-year period beginning July 1, 1988, forty thousand dollars, or so much thereof as may be necessary for costs incurred in registering landlords and collecting fees, and thereafter five thousand dollars per year for that purpose.

(2) All remaining amounts shall be remitted to the department for the purpose of implementing RCW 59.22.050 (~~and 59.22.060~~), except those funds needed to implement the state administrative agency function and manufactured home installation training and certification program under chapter 43.-- RCW (as created in section 13 of this act), as well as all appropriated and nonappropriated funds related to department of labor and industries functions.

**Sec. 11.** RCW 43.63B.070 and 1994 c 284 s 22 are each amended to read as follows:

(1) The department shall charge reasonable fees to cover the costs to administer the certification program which shall include but not be limited to the issuance, renewal, and reinstatement of all certificates, training courses, and examinations required under this chapter. All fees collected under this chapter shall be deposited in the manufactured home installation training account created in RCW 43.63B.080 and used only for the purposes specified in this chapter.

The fees shall be limited to covering the direct cost of issuing the certificates, administering the examinations, and administering and enforcing this chapter. The costs shall include only essential travel, per diem, and administrative support costs.

(2) For the purposes of implementing this act, until July 1, 2008, the department may increase fees for the certification program in excess of the fiscal growth factor under chapter 43.135 RCW.

**NEW SECTION. Sec. 12.** (1) All powers, duties, and functions of the department of community, trade, and economic development pertaining to mobile and manufactured home installation are transferred to the department of labor and industries.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of community, trade, and economic development pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of labor and industries. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of community, trade, and economic development in carrying out the powers, functions, and duties transferred shall be made available to the department of labor and industries. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of labor and industries.

(b) Any appropriations made to the department of community, trade, and economic development for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of labor and industries.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of

financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of community, trade, and economic development engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of labor and industries. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of labor and industries to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of community, trade, and economic development pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of labor and industries. All existing contracts and obligations shall remain in full force and shall be performed by the department of labor and industries.

(5) The transfer of the powers, duties, functions, and personnel of the department of community, trade, and economic development shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) Nothing contained in this section may be construed to alter any existing collective bargaining unit or the provisions of any existing collective bargaining agreement until the agreement has expired or until the bargaining unit has been modified by action of the personnel resources board as provided by law.

**NEW SECTION. Sec. 13.** The following sections are each recodified as a new chapter in Title 43 RCW: RCW 43.63B.005, 43.63B.010, 43.63B.020, 43.63B.030, 43.63B.035, 43.63B.040, 43.63B.050, 43.63B.060, 43.63B.070, 43.63B.080, 43.63B.090, 43.63B.100, 43.63B.110, 43.63B.120, 43.63B.130, 43.63B.140, 43.63B.150, 43.63B.160, 43.63B.170, 43.63B.800, 43.63B.900, 43.63B.901, 43.63A.460, 43.63A.465, and 46.70.136.

**NEW SECTION. Sec. 14.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

**NEW SECTION. Sec. 15.** Section 2 of this act expires if the contingency in RCW 43.63A.490 occurs."

On page 1, line 4 of the title, after "industries;" strike the remainder of the title and insert "amending RCW 43.63A.460, 43.63A.465, 43.63B.010, 43.63B.150, 43.63B.170, 43.22.431, 43.22.495, 46.70.136, 59.22.050, 59.22.070, and 43.63B.070; adding a new chapter to Title 43 RCW; creating a new section; recodifying RCW 43.63B.005, 43.63B.010, 43.63B.020, 43.63B.030, 43.63B.035, 43.63B.040, 43.63B.050, 43.63B.060, 43.63B.070, 43.63B.080, 43.63B.090, 43.63B.100, 43.63B.110, 43.63B.120, 43.63B.130, 43.63B.140, 43.63B.150, 43.63B.160, 43.63B.170, 43.63B.800, 43.63B.900, 43.63B.901, 43.63A.460, 43.63A.465, and 46.70.136; providing a contingent expiration date; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 2118 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Conway spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 2118, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2118, as amended by the Senate and the bill passed the House by the following vote: Yeas - 95, Nays - 2, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Wood and Mr. Speaker - 95.

Voting nay: Representatives Dunn and Springer - 2.

Excused: Representative Williams - 1.

SUBSTITUTE HOUSE BILL NO. 2118, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 13, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 2129, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 78.60.070 and 1974 ex.s. c 43 s 7 are each amended to read as follows:

(1) Any person proposing to drill a well or redrill an abandoned well for geothermal resources shall file with the department a written application for a permit to commence such drilling or redrilling on a form prescribed by the department accompanied by a permit fee of two hundred dollars. The department shall forward a duplicate copy to the department of ecology within ten days of filing.

(2) Upon receipt of a proper application relating to drilling or redrilling the department shall set a date, time, and place for a public hearing on the application, which hearing shall be in the county in which the drilling or redrilling is proposed to be made, and shall instruct the applicant to publish notices of such application and hearing by such means and within such time as the department shall prescribe. The department shall require that the notice so prescribed shall be published twice in a newspaper of general circulation within the county in which the drilling or redrilling is proposed to be made and in such other appropriate information media as the department may direct.

(3) Any person proposing to drill a core hole for the purpose of gathering geothermal data, including but not restricted to heat flow, temperature gradients, and rock conductivity, shall be required to obtain a single permit for each ~~((geothermal area))~~ core hole according to subsection (1) of this section, ~~((except that no))~~ including a permit fee ~~((shall be required))~~ for each core hole, but no notice need be published, and no hearing need be held. Such core holes that penetrate more than seven hundred and fifty feet into bedrock shall be deemed geothermal test wells and subject to the payment of a permit fee and to the requirement in subsection (2) of this section for public notices and hearing. In the event geothermal energy is discovered in a core hole, the hole shall be deemed a geothermal well and subject to the permit fee, notices, and hearing. Such core holes as described by this subsection are subject to all other provisions of this chapter, including a bond or other security as specified in RCW ~~((79.76.130))~~ 78.60.130.

(4) All moneys paid to the department under this section shall be deposited with the state treasurer for credit to the general fund.

**Sec. 2.** RCW 78.60.100 and 1974 ex.s. c 43 s 10 are each amended to read as follows:

Any well or core hole drilled under authority of this chapter from which:

(1) It is not technologically practical to derive the energy to produce electricity commercially, or the owner or operator has no intention of deriving energy to produce electricity commercially, and

(2) Usable minerals cannot be derived, or the owner or operator has no intention of deriving usable minerals, shall be plugged and abandoned as provided in this chapter or, upon the owner's or operator's written application to the department of natural resources and with the concurrence and approval of the department of ecology, jurisdiction over the well may be transferred to the department of ecology and, in such case, the well shall no longer be subject to the provisions of this chapter but shall be subject to any applicable laws and ~~((regulations))~~ rules relating to wells drilled for appropriation and use of ground waters. If an application is made to transfer jurisdiction, a copy of all logs, records, histories, and descriptions shall be provided to the department of ecology by the applicant.

**Sec. 3.** RCW 78.60.130 and 1974 ex.s. c 43 s 13 are each amended to read as follows:

Every operator who engages in the drilling, redrilling, or deepening of any well or core hole shall file with the department a reasonable bond or bonds with good and sufficient surety, or the equivalent thereof, acceptable to the department, conditioned on compliance with the provisions of this chapter and all rules and ~~((regulations and))~~ permit conditions adopted pursuant to this chapter. This performance bond shall be executed in favor of and approved by the department.

In lieu of a bond the operator may file with the department a cash deposit, negotiable securities acceptable to the department, or an assignment of a savings account in a Washington bank on an assignment form prescribed by the department. The department, in its discretion, may accept a single surety or security arrangement covering more than one well or core hole.

**Sec. 4.** RCW 78.60.200 and 1974 ex.s. c 43 s 20 are each amended to read as follows:

(1) The owner or operator of any well or core hole shall keep or cause to be kept careful and accurate logs, including but not restricted to heat flow, temperature gradients, and rock conductivity logs, records, descriptions, and histories of the drilling, redrilling, or deepening of the well.

(2) All logs, including but not restricted to heat flow, temperature gradients, and rock conductivity logs, records, histories, and descriptions referred to in subsection (1) of this section shall be kept in the local office of the owner or operator, and together with other reports of the owner or operator shall be subject during business hours to inspection by the department. Each owner or operator, upon written request from the department, shall file with the department ~~((a))~~ one paper and one electronic copy of the logs, including but not restricted to heat flow, temperature gradients, and rock conductivity logs, records, histories, descriptions, or other records or portions thereof pertaining to the geothermal drilling or operation underway or suspended.

**Sec. 5.** RCW 78.60.210 and 1974 ex.s. c 43 s 21 are each amended to read as follows:

Upon completion or plugging and abandonment of any well or core hole or upon the suspension of operations conducted with respect to any well or core hole for a period of at least six months, one paper and one electronic copy of ((the)) logs, including but not restricted to heat flow, temperature gradients, and rock conductivity logs, core ~~((record))~~, electric log, history, and all other logs and surveys that may have been run on the well, shall be filed with the department within thirty days after such completion, plugging and abandonment, or six months' suspension.

**Sec. 6.** RCW 78.60.230 and 1974 ex.s. c 43 s 23 are each amended to read as follows:

(1) The records of any owner or operator, when filed with the department as provided in this chapter, shall be confidential and shall be open to inspection only to personnel of the department for the purpose of carrying out the provisions of this chapter and to those authorized in writing by such owner or operator, until the expiration of a twenty-four month confidential period to begin at the date of commencement of production or of abandonment of the well or core hole. After expiration of the twenty-four month confidential period, the department shall ensure all logs and surveys that may have been run on the well or core hole are preserved in an electronic data system and made available to the public.

(2) Such records shall in no case, except as provided in this chapter, be available as evidence in court proceedings. No officer, employee, or member of the department shall be allowed to give testimony as to the contents of such records, except as provided in this chapter for the review of a decision of the department or in any proceeding initiated for the enforcement of an order of the department, for the enforcement of a lien created by the enforcement of this chapter, or for use as evidence in criminal proceedings arising out of such records or the statements upon which they are based.

**Sec. 7.** RCW 43.30.490 and 2003 c 70 s 2 are each amended to read as follows:

(1) The department may enter into a written cost-reimbursement agreement with a permit or lease applicant or project proponent to recover from the applicant or proponent the reasonable costs incurred by the department in carrying out the requirements of this chapter, as well as the requirements of other relevant laws, as they relate to permit coordination, environmental review, application review, technical studies, ~~((and))~~ permit or lease processing, and monitoring for permit compliance. The cost-reimbursement agreement shall identify the specific tasks, costs, and schedule for work to be conducted under the agreement. ~~((An applicant for a lease issued under chapter 79.90 RCW may not enter into a cost-reimbursement agreement under this section for projects conducted under the lease.))~~

(2) The written cost-reimbursement agreement shall be negotiated with the permit or lease applicant or project proponent. Under the provisions of a cost-reimbursement agreement, funds from the applicant or proponent shall be used by the department to contract with an independent consultant to carry out the work covered by the cost-reimbursement agreement. The department may also use funds provided under a cost-reimbursement agreement to assign current staff to review the work of the consultant, to provide necessary technical assistance when an independent consultant with comparable technical skills is unavailable, and to recover reasonable and necessary direct and indirect costs that arise from processing the permit or lease. The department shall, in developing the agreement, ensure that final decisions that involve policy matters are made by the agency and not by the consultant. The department shall make an estimate of the number of permanent staff hours to process the permits or leases, and shall contract with consultants to replace the time and functions committed by these permanent staff to the project. The billing process shall provide for accurate time and cost accounting and may include a billing cycle that provides for progress payments. Use of cost-reimbursement agreements shall not reduce the current level of staff available to work on permits or leases not covered by cost-reimbursement agreements. The department may not use any funds under a cost-reimbursement agreement to replace or supplant existing funding. The restrictions of chapter 42.52 RCW apply to any cost-reimbursement agreement, and to any person hired as a result of a cost-reimbursement agreement.

~~((3) The department may not enter into any new cost-reimbursement agreements on or after July 1, 2007. The department may continue to administer any cost-reimbursement agreement that was entered into before July 1, 2007, until the project is completed.))"~~

On page 1, line 1 of the title, after "resources;" strike the remainder of the title and insert "and amending RCW 78.60.070, 78.60.100, 78.60.130, 78.60.200, 78.60.210, 78.60.230, and 43.30.490."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 2129 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Van De Wege spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 2129, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2129, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Wood and Mr. Speaker - 97.

Excused: Representative Williams - 1.

SUBSTITUTE HOUSE BILL NO. 2129, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 10, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 2240, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 66.28.010 and 2006 c 330 s 28, 2006 c 92 s 1, and 2006 c 43 s 1 are each reenacted and amended to read as follows:

(1)(a) No manufacturer, importer, distributor, or authorized representative, or person financially interested, directly or indirectly, in such business; whether resident or nonresident, shall have any financial interest, direct or indirect, in any licensed retail business, unless the retail business is owned by a corporation in which a manufacturer or importer has no direct stock ownership and there are no interlocking officers and directors, the retail license is held by a corporation that is not owned directly or indirectly by a manufacturer or importer, the sales of liquor are incidental to the primary activity of operating the property as a hotel, alcoholic beverages produced by the manufacturer or importer or their subsidiaries are not sold at the licensed premises, and the board reviews the ownership and proposed method of operation of all involved entities and determines that there will not be an unacceptable level of control or undue influence over the operation or the retail licensee; nor shall any manufacturer, importer, distributor, or authorized representative own any of the property upon which such licensed persons conduct their business;

nor shall any such licensed person, under any arrangement whatsoever, conduct his or her business upon property in which any manufacturer, importer, distributor, or authorized representative has any interest unless title to that property is owned by a corporation in which a manufacturer has no direct stock ownership and there are no interlocking officers or directors, the retail license is held by a corporation that is not owned directly or indirectly by the manufacturer, the sales of liquor are incidental to the primary activity of operating the property either as a hotel or as an amphitheater offering live musical and similar live entertainment activities to the public, alcoholic beverages produced by the manufacturer or any of its subsidiaries are not sold at the licensed premises, and the board reviews the ownership and proposed method of operation of all involved entities and determines that there will not be an unacceptable level of control or undue influence over the operation of the retail licensee. Except as provided in subsection (3) of this section, no manufacturer, importer, distributor, or authorized representative shall advance moneys or moneys' worth to a licensed person under an arrangement, nor shall such licensed person receive, under an arrangement, an advance of moneys or moneys' worth. "Person" as used in this section only shall not include those state or federally chartered banks, state or federally chartered savings and loan associations, state or federally chartered mutual savings banks, or institutional investors which are not controlled directly or indirectly by a manufacturer, importer, distributor, or authorized representative as long as the bank, savings and loan association, or institutional investor does not influence or attempt to influence the purchasing practices of the retailer with respect to alcoholic beverages. Except as otherwise provided in this section, no manufacturer, importer, distributor, or authorized representative shall be eligible to receive or hold a retail license under this title, nor shall such manufacturer, importer, distributor, or authorized representative sell at retail any liquor as herein defined. A corporation granted an exemption under this subsection may use debt instruments issued in connection with financing construction or operations of its facilities.

(b) Nothing in this section shall prohibit a licensed domestic brewery or microbrewery from being licensed as a retailer pursuant to chapter 66.24 RCW for the purpose of selling beer or wine at retail on the brewery premises and nothing in this section shall prohibit a domestic winery from being licensed as a retailer pursuant to chapter 66.24 RCW for the purpose of selling beer or wine at retail on the winery premises. Such beer and wine so sold at retail shall be subject to the taxes imposed by RCW 66.24.290 and 66.24.210 and to reporting and bonding requirements as prescribed by regulations adopted by the board pursuant to chapter 34.05 RCW, and beer and wine that is not produced by the brewery or winery shall be purchased from a licensed beer or wine distributor.

(c) Nothing in this section shall prohibit a licensed distiller, domestic brewery, microbrewery, domestic winery, or a lessee of a licensed domestic brewer, microbrewery, or domestic winery, from being licensed as a spirits, beer, and wine restaurant pursuant to chapter 66.24 RCW for the purpose of selling liquor at a spirits, beer, and wine restaurant premises on the property on which the primary manufacturing facility of the licensed distiller, domestic brewer, microbrewery, or domestic winery is located or on contiguous property owned or leased by the licensed distiller, domestic brewer, microbrewery, or domestic winery as prescribed by rules adopted by the board pursuant to chapter 34.05 RCW.

(d) Nothing in this section prohibits retail licensees with a caterer's endorsement issued under RCW 66.24.320 or 66.24.420 from operating on a domestic winery premises.

(e) Nothing in this section prohibits an organization qualifying under RCW 66.24.375 formed for the purpose of constructing and operating a facility to promote Washington wines from holding retail licenses on the facility property or leasing all or any portion of such facility property to a retail licensee on the facility property if the members of the board of directors or officers of the board for the organization include officers,

directors, owners, or employees of a licensed domestic winery. Financing for the construction of the facility must include both public and private money.

(f) Nothing in this section prohibits a bona fide charitable nonprofit society or association registered as a 501(c)(3) under the internal revenue code and having an officer, director, owner, or employee of a licensed domestic winery or a wine certificate of approval holder on its board of directors from holding a special occasion license under RCW 66.24.380.

(g)(i) Nothing in this section prohibits domestic wineries and retailers licensed under chapter 66.24 RCW from (jointly) producing jointly or together with regional, state, or local wine industry associations, brochures and materials promoting tourism in Washington state which contain information regarding retail licensees, domestic wineries, and their products.

(ii) Nothing in this section prohibits: (A) Domestic wineries, domestic breweries, microbreweries, and certificate of approval holders licensed under this chapter from listing on their internet web sites information related to retailers who sell or promote their products, including direct links to the retailers' internet web sites; and (B) retailers licensed under this chapter from listing on their internet web sites information related to domestic wineries, domestic breweries, microbreweries, and certificate of approval holders whose products those retailers sell or promote, including direct links to the domestic wineries', domestic breweries', microbreweries', and certificate of approval holders' web sites.

(h) Nothing in this section prohibits the performance of personal services offered from time to time by a domestic winery or certificate of approval holder licensed under RCW 66.24.206(1)(a) for or on behalf of a licensed retail business when the personal services are (i) conducted at a licensed premises, and (ii) intended to inform, educate, or enhance customers' knowledge or experience of the manufacturer's products. The performance of personal services may include participation and pouring at the premises of a retailer holding a spirits, beer, and wine restaurant license, a wine and/or beer restaurant license, or a speciality wine shop license; bottle signings; and other similar informational or educational activities. A domestic winery or certificate of approval holder is not obligated to perform any such personal services, and a retail licensee may not require a domestic winery or certificate of approval holder to conduct any personal service as a condition for selling any alcohol to the retail licensee. Except as provided in RCW 66.28.150, the cost of sampling may not be borne, directly or indirectly, by any liquor manufacturer, importer, or distributor. Nothing in this section prohibits domestic wineries and retail licensees from identifying the wineries on private labels authorized under RCW 66.24.400, 66.24.425, and 66.24.450.

(i) Until July 1, 2007, nothing in this section prohibits a nonprofit statewide organization of microbreweries formed for the purpose of promoting Washington's craft beer industry as a trade association registered as a 501(c) with the internal revenue service from holding a special occasion license to conduct up to six beer festivals.

(2) Financial interest, direct or indirect, as used in this section, shall include any interest, whether by stock ownership, mortgage, lien, or through interlocking directors, or otherwise. Pursuant to rules promulgated by the board in accordance with chapter 34.05 RCW manufacturers, distributors, and importers may perform, and retailers may accept the service of building, rotating and restocking case displays and stock room inventories; rotating and rearranging can and bottle displays of their own products; provide point of sale material and brand signs; price case goods of their own brands; and perform such similar normal business services as the board may by regulation prescribe.

(3)(a) This section does not prohibit a manufacturer, importer, or distributor from providing services to a special occasion licensee for: (i) Installation of draft beer dispensing equipment or advertising, (ii)

advertising, pouring, or dispensing of beer or wine at a beer or wine tasting exhibition or judging event, or (iii) a special occasion licensee from receiving any such services as may be provided by a manufacturer, importer, or distributor. Nothing in this section shall prohibit a retail licensee, or any person financially interested, directly or indirectly, in such a retail licensee from having a financial interest, direct or indirect, in a business which provides, for a compensation commensurate in value to the services provided, bottling, canning or other services to a manufacturer, so long as the retail licensee or person interested therein has no direct financial interest in or control of said manufacturer.

(b) A person holding contractual rights to payment from selling a liquor distributor's business and transferring the license shall not be deemed to have a financial interest under this section if the person (i) lacks any ownership in or control of the distributor, (ii) is not employed by the distributor, and (iii) does not influence or attempt to influence liquor purchases by retail liquor licensees from the distributor.

(c) The board shall adopt such rules as are deemed necessary to carry out the purposes and provisions of subsections (1)(g) and (h) and (3)(a) of this section in accordance with the administrative procedure act, chapter 34.05 RCW.

(4) A license issued under RCW 66.24.395 does not constitute a retail license for the purposes of this section.

(5) A public house license issued under RCW 66.24.580 does not violate the provisions of this section as to a retailer having an interest directly or indirectly in a liquor-licensed manufacturer.

**Sec. 2.** RCW 66.28.150 and 2004 c 160 s 14 are each amended to read as follows:

A domestic brewery, microbrewery, domestic winery, distillery, distributor, certificate of approval holder, or its licensed agent may, without charge, instruct licensees and their employees, or conduct courses of instruction for licensees and their employees, including chefs, on the subject of beer, wine, or spirituous liquor, including but not limited to, the history, nature, values, and characteristics of beer, wine, or spirituous liquor, the use of wine lists, and the methods of presenting, serving, storing, and handling beer, wine, or spirituous liquor, and what wines go well with different types of food. The domestic brewery, microbrewery, domestic winery, distillery, distributor, certificate of approval holder, or its licensed agent may furnish beer, wine, or spirituous liquor and such other equipment, materials, and utensils as may be required for use in connection with the instruction or courses of instruction. The instruction or courses of instruction may be given at the premises of the domestic brewery, microbrewery, domestic winery, distillery, or authorized representative holding a certificate of approval, at the premises of a retail licensee, or elsewhere within the state of Washington."

On page 1, line 3 of the title, after "wine;" strike the remainder of the title and insert "amending RCW 66.28.150; and reenacting and amending RCW 66.28.010."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 2240 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representative Conway spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 2240, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2240, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Wood and Mr. Speaker - 97.

Excused: Representative Williams - 1.

HOUSE BILL NO. 2240, as amended by the Senate having received the constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 13, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 2357, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 79.64.110 and 2003 c 334 s 207 are each amended to read as follows:

Any moneys derived from the lease of state forest lands or from the sale of valuable materials, oils, gases, coal, minerals, or fossils from those lands, must be distributed as follows:

(1) State forest lands acquired through RCW 79.22.040 or by exchange for lands acquired through RCW 79.22.040:

(a) The expense incurred by the state for administration, reforestation, and protection, not to exceed twenty-five percent, which rate of percentage shall be determined by the board, must be returned to the forest development account in the state general fund.

(b) Any balance remaining must be paid to the county in which the land is located to be paid, distributed, and prorated, except as otherwise provided in this section, to the various funds in the same manner as general taxes are paid and distributed during the year of payment.

(c) Any balance remaining, paid to a county with a population of less than sixteen thousand, must first be applied to the reduction of any

indebtedness existing in the current expense fund of the county during the year of payment.

(d) With regard to moneys remaining under this subsection (1), within seven working days of receipt of these moneys, the department shall certify to the state treasurer the amounts to be distributed to the counties. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date.

(2) State forest lands acquired through RCW 79.22.010 or by exchange for lands acquired through RCW 79.22.010, except as provided in RCW 79.64.120:

(a) Fifty percent shall be placed in the forest development account.

(b) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, and the county in which the land is located according to the relative proportions of tax levies of all taxing districts in the county. The portion to be distributed to the state general fund shall be based on the regular school levy rate under RCW 84.52.065 and the levy rate for any maintenance and operation special school levies. With regard to the portion to be distributed to the counties, the department shall certify to the state treasurer the amounts to be distributed within seven working days of receipt of the money. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date. The money distributed to the county must be paid, distributed, and prorated to the various other funds in the same manner as general taxes are paid and distributed during the year of payment.

(3) A school district may transfer amounts deposited in its debt service fund pursuant to this section into its capital projects fund as authorized in RCW 28A.320.330.

**Sec. 2.** RCW 28A.320.330 and 2002 c 275 s 2 are each amended to read as follows:

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1) A general fund for maintenance and operation of the school district to account for all financial operations of the school district except those required to be accounted for in another fund.

(2) A capital projects fund shall be established for major capital purposes. All statutory references to a "building fund" shall mean the capital projects fund so established. Money to be deposited into the capital projects fund shall include, but not be limited to, bond proceeds, proceeds from excess levies authorized by RCW 84.52.053, state apportionment proceeds as authorized by RCW 28A.150.270, ~~(and)~~ earnings from capital projects fund investments as authorized by RCW 28A.320.310 and 28A.320.320, and state forest revenues transferred pursuant to subsection (3) of this section.

Money derived from the sale of bonds, including interest earnings thereof, may only be used for those purposes described in RCW 28A.530.010, except that accrued interest paid for bonds shall be deposited in the debt service fund.

Money to be deposited into the capital projects fund shall include but not be limited to rental and lease proceeds as authorized by RCW 28A.335.060, and proceeds from the sale of real property as authorized by RCW 28A.335.130.

Money legally deposited into the capital projects fund from other sources may be used for the purposes described in RCW 28A.530.010, and for the purposes of:

(a) Major renovation, including the replacement of facilities and systems where periodical repairs are no longer economical. Major renovation and replacement shall include, but shall not be limited to, roofing, heating and ventilating systems, floor covering, and electrical systems.

(b) Renovation and rehabilitation of playfields, athletic fields, and other district real property.

(c) The conduct of preliminary energy audits and energy audits of school district buildings. For the purpose of this section:

(i) "Preliminary energy audits" means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption, and major energy using systems of the building.

(ii) "Energy audit" means a survey of a building or complex which identifies the type, size, energy use level, and major energy using systems; which determines appropriate energy conservation maintenance or operating procedures and assesses any need for the acquisition and installation of energy conservation measures, including solar energy and renewable resource measures.

(iii) "Energy capital improvement" means the installation, or modification of the installation, of energy conservation measures in a building which measures are primarily intended to reduce energy consumption or allow the use of an alternative energy source.

(d) Those energy capital improvements which are identified as being cost-effective in the audits authorized by this section.

(e) Purchase or installation of additional major items of equipment and furniture: PROVIDED, That vehicles shall not be purchased with capital projects fund money.

(f) Costs associated with implementing technology systems, facilities, and projects, including acquiring hardware, licensing software, and on-line applications and training related to the installation of the foregoing. However, the software or applications must be an integral part of the district's technology systems, facilities, or projects.

(3) A debt service fund to provide for tax proceeds, other revenues, and disbursements as authorized in chapter 39.44 RCW. State forest land revenues that are deposited in a school district's debt service fund pursuant to RCW 79.64.110 and to the extent not necessary for payment of debt service on school district bonds may be transferred by the school district into the district's capital projects fund.

(4) An associated student body fund as authorized by RCW 28A.325.030.

(5) Advance refunding bond funds and refunded bond funds to provide for the proceeds and disbursements as authorized in chapter 39.53 RCW."

On page 1, line 1 of the title after "revenues;" strike the remainder of the title and insert "and amending RCW 79.64.110 and 28A.320.330."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 2357 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representative McIntire spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 2357, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 2357, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Wood and Mr. Speaker - 97.

Excused: Representative Williams - 1.

HOUSE BILL NO. 2357, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 14

Mr. Speaker:

The Senate refuses to concur in the House amendment to SUBSTITUTE SENATE BILL NO. 5224 and asks the House to recede therefrom, and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the rules were suspended and SUBSTITUTE SENATE BILL NO. 5224 was returned to second reading for purpose of amendment.

**SECOND READING**

**SUBSTITUTE SENATE BILL NO. 5224, By Senate Committee on Natural Resources, Ocean & Recreation (originally sponsored by Senators Jacobsen, Rockefeller and Kilmer; by request of Office of Financial Management)**

**Concerning the governor's salmon recovery office.**

Representative B. Sullivan moved the adoption of amendment (865) to the amendment by the Committee on Appropriations:

On page 11, after line 37 of the amendment, insert the following:

**"NEW SECTION. Sec. 9.** Section 3 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect June 30, 2007."

Representative B. Sullivan spoke in favor of the adoption of the amendment.

The amendment to the committee amendment was adopted.

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

Representative 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 Senate Bill No. 5224, as amended by the House.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5224, as amended by the House 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Wood and Mr. Speaker - 97.

Excused: Representative Williams - 1.

SUBSTITUTE SENATE BILL NO. 5224, as amended by the House, having received the necessary constitutional majority, was declared passed.

### POINT OF PERSONAL PRIVILEGE

Representative Darneille: VA Tech

### MESSAGE FROM THE SENATE

April 9, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1091, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The legislature finds that Washington is home to some of the world's most innovative companies, researchers, entrepreneurs, and workers. Talent and creativity exist in all areas of Washington. The legislature further finds that economic potential can be enhanced when the state facilitates partnerships between talented leaders from research institutions, industry, and local economic development and workforce development organizations to attract additional talent and build on the strengths found in existing industry clusters. Washington is a national leader in economic strategy based on clusters of industries, promoting the connections among firms, suppliers, customers, and public resources. It is the intent of the legislature that Washington support innovation partnerships and partnership zones around the state that will become globally recognized as hubs of expertise, innovation, and commercialization and advance Washington's position in the world economy.

**NEW SECTION. Sec. 2.** A new section is added to chapter 43.330 RCW to read as follows:

(1) The department of community, trade, and economic development shall administer, with the advice of the Washington economic development commission, an innovation partnership zone program.

(2) On October 1st of each year, the director shall designate innovation partnership zones. Applications for state designation of an area as an innovation partnership zone may be submitted by associate development organizations, port districts, workforce development councils, cities, or counties. Applicants must demonstrate:

(a) The support of a local jurisdiction, a research institution, an educational institution, an industry or cluster association, a workforce development council, and an associate development organization, port, or chamber of commerce;

(b) Evidence of planning for the innovation partnership zone;

(c) Identifiable boundaries for the zone within which the applicant will concentrate efforts to connect innovative researchers, entrepreneurs, investors, industry associations or clusters, and training providers. The geographic area defined should lend itself to a distinct identity and have the capacity to accommodate firm growth;

(d) The presence within the proposed innovation partnership zone of research capacity, including research teams focused on emerging technologies and their commercialization or faculty and researchers that could increase their focus on commercialization of technology if provided the appropriate technical assistance;

(e) Using labor market information from the employment security department and local labor markets as well as data on revenue growth rates, wage levels, and other factors, a concentration of firms within the proposed innovation partnership zone that are important to the economic prosperity of the state and have comparative competitive advantage or the potential for comparative competitive advantage;

(f) Training capacity either within the zone or readily accessible to the zone.

(3) An innovation partnership zone shall be designated as a zone for a four-year period. At the end of the four-year period, the zone must reapply for the designation through the department.

**NEW SECTION. Sec. 3.** A new section is added to chapter 43.330 RCW to read as follows:

The director shall disburse innovation partnership zone grants. Innovation partnership zone grants must be used to improve the commercialization facilities within an area designated as an innovation partnership zone and be used to facilitate the collaboration between research teams, industry, and workforce training providers that will lead to the formation and financing of new innovative firms, the commercialization of research results, and the movement of firms and

industry clusters into globally competitive niches. The grants will be awarded only to applicants operating within a designated innovation partnership zone consistent with the following criteria and such other criteria as the director develops in consultation with the Washington state economic development commission:

(1) Each grant must be matched by a commitment of financial support from the private sector equal to or greater than fifty percent of the requested grant amount;

(2) Eligible grant applicants may include associate development organizations, port districts, workforce development councils, educational or research institutions, and local jurisdictions;

(3) During the biennium ending June 30, 2009, no more than two partnership zone grants shall be awarded to recipients in the central Puget Sound region, a minimum of two such grants shall be awarded in eastern Washington and a minimum of one such grant shall be awarded in western Washington outside the central Puget Sound region;

(4) Applicants for innovation partnership zone grants must:

(a) Disclose the service delivery mechanisms to be used to allow industry associations, cluster associations, and businesses to access the technical assistance, advisory, research, and commercialization capabilities of research teams within the zone;

(b) Detail how training services will be coordinated and delivered to industry associations, cluster associations, and businesses within the zone; and

(c) Describe the methods by which the applicant will facilitate the competitiveness of firms, the commercialization of research, and the upgrading of worker skills within the zone.

**NEW SECTION. Sec. 4.** A new section is added to chapter 43.330 RCW to read as follows:

(1) The Washington state economic development commission shall, with the advice of an innovation partnership advisory group selected by the commission, have oversight responsibility for the implementation of the state's efforts to foster innovation partnerships throughout the state. The commission shall:

(a) Provide information and advice to the department of community, trade, and economic development to assist in the implementation of the innovation partnership zone program, including criteria to be used in the selection of grant applicants for funding;

(b) Document clusters of companies throughout the state that have comparative competitive advantage or the potential for comparative competitive advantage, using the process and criteria for identifying strategic clusters developed by the working group specified in subsection (2) of this section;

(c) Conduct an innovation opportunity analysis to identify (i) the strongest current intellectual assets and research teams in the state focused on emerging technologies and their commercialization, and (ii) faculty and researchers that could increase their focus on commercialization of technology if provided the appropriate technical assistance and resources;

(d) Based on its findings and analysis, and in conjunction with the higher education coordinating board and research institutions:

(i) Develop a plan to build on existing, and develop new, intellectual assets and innovation research teams in the state in research areas where there is a high potential to commercialize technologies. The commission shall present the plan to the governor and legislature by December 31, 2007. The higher education coordinating board shall be responsible for implementing the plan in conjunction with the publicly funded research institutions in the state. The plan shall address the following elements and such other elements as the commission deems important:

(A) Specific mechanisms to support, enhance, or develop innovation research teams and strengthen their research and commercialization

capacity in areas identified as useful to strategic clusters and innovative firms in the state;

(B) Identification of the funding necessary for laboratory infrastructure needed to house innovation research teams;

(C) Specification of the most promising research areas meriting enhanced resources and recruitment of significant entrepreneurial researchers to join or lead innovation research teams;

(D) The most productive approaches to take in the recruitment, in the identified promising research areas, of a minimum of ten significant entrepreneurial researchers over the next ten years to join or lead innovation research teams;

(E) Steps to take in solicitation of private sector support for the recruitment of entrepreneurial researchers and the commercialization activity of innovation research teams; and

(F) Mechanisms for ensuring the location of innovation research teams in innovation partnership zones;

(ii) Provide direction for the development of comprehensive entrepreneurial assistance programs at research institutions. The programs may involve multidisciplinary students, faculty, entrepreneurial researchers, entrepreneurs, and investors in building business models and evolving business plans around innovative ideas. The programs may provide technical assistance and the support of an entrepreneur-in-residence to innovation research teams and offer entrepreneurial training to faculty, researchers, undergraduates, and graduate students. Curriculum leading to a certificate in entrepreneurship may also be offered;

(e) Develop performance measures to be used in evaluating the performance of innovation research teams, the implementation of the plan and programs under (d)(i) and (ii) of this subsection, and the performance of innovation partnership zone grant recipients, including but not limited to private investment measures, business initiation measures, job creation measures, and measures of innovation such as licensing of ideas in research institutions, patents, or other recognized measures of innovation. The performance measures developed shall be consistent with the economic development commission's comprehensive plan for economic development and its standards and metrics for program evaluation. The commission shall report to the legislature and the governor by December 31, 2008, on the measures developed; and

(f) Using the performance measures developed, perform a biennial assessment and report, the first of which shall be due December 31, 2012, on:

(i) Commercialization of technologies developed at state universities, found at other research institutions in the state, and facilitated with public assistance at existing companies;

(ii) Outcomes of the funding of innovation research teams and recruitment of significant entrepreneurial researchers;

(iii) Comparison with other states of Washington's outcomes from the innovation research teams and efforts to recruit significant entrepreneurial researchers; and

(iv) Outcomes of the grants for innovation partnership zones.

The report shall include recommendations for modifications of this act and of state commercialization efforts that would enhance the state's economic competitiveness.

(2) The economic development commission and the workforce training and education coordinating board shall jointly convene a working group to:

(a) Specify the process and criteria for identification of substate geographic concentrations of firms or employment in an industry and the industry's customers, suppliers, supporting businesses, and institutions, which process will include the use of labor market information from the employment security department and local labor markets; and

(b) Establish criteria for identifying strategic clusters which are important to economic prosperity in the state, considering cluster size, growth rate, and wage levels among other factors.

**NEW SECTION. Sec. 5.** A new section is added to chapter 43.330 RCW to read as follows:

The innovation partnership fund is created in the custody of the state treasurer. Only the state economic development commission, with the concurrence of the higher education coordinating board, may authorize expenditures from the fund. Expenditures from the fund may be made only for the purposes of section 4 of this act. Revenues to the fund consist of transfers or appropriations made by the legislature, transfers made by state research institutions, and private donations.

**NEW SECTION. Sec. 6.** A new section is added to chapter 43.330 RCW to read as follows:

For the purposes of this act, "commercialization" means a sequence of steps, including technology transfer, technical assistance in product development, production process design, and technical skills development, necessary to achieve market entry and general market competitiveness of innovative technologies, processes, and products."

On page 1, line 1 of the title, after "zones;" strike the remainder of the title and insert "adding new sections to chapter 43.330 RCW; and creating a new section."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1091 and asked the Senate to recede therefrom.

### MESSAGE FROM THE SENATE

April 6, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1777, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 19.09.010 and 1986 c 230 s 1 are each amended to read as follows:

The purpose of this chapter is to:

(1) Provide citizens of the state of Washington with information relating to persons and organizations who solicit funds from the public for public charitable purposes in order to prevent ~~((+))~~ (a) deceptive and dishonest practices in the conduct of soliciting funds for or in the name of charity; and ~~((+))~~ (b) improper use of contributions intended for charitable purposes;

(2) Improve the transparency and accountability of organizations that solicit funds from the public for charitable purposes; and

(3) Develop and operate educational programs or partnerships for charitable organizations, board members, and the general public that help build public confidence and trust in organizations that solicit funds from the public for charitable purposes.

**Sec. 2.** RCW 19.09.020 and 2002 c 74 s 1 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires:

(1) A "bona fide officer or employee" of a charitable organization is one (a) whose conduct is subject to direct control by such organization; (b) who does not act in the manner of an independent contractor in his or her relation with the organization; and (c) whose compensation is not computed on funds raised or to be raised.

(2) "Charitable organization" means any entity that solicits or collects contributions from the general public where the contribution is or is purported to be used to support a charitable ~~((activity))~~ purpose, but does not include any commercial fund raiser ~~((or))~~ commercial fund-raising entity, commercial coventurer, or any fund-raising counsel, as defined in this section. ~~((("Charitable" (a) is not limited to its common law meaning unless the context clearly requires a narrower meaning; (b) does not include religious or political activities; and (c) includes, but is not limited to, educational, recreational, social, patriotic, legal defense, benevolent, and health causes.))~~ Churches and their integrated auxiliaries are not charitable organizations, but are subject to RCW 19.09.100 (12), (15), and (18).

(3) "Charitable purpose" means any religious, charitable, scientific, testing for public safety, literary, or educational purpose or any other purpose that is beneficial to the community, including environmental, humanitarian, patriotic, or civic purposes, the support of national or international amateur sports competition, the prevention of cruelty to children or animals, the advancement of social welfare, or the benefit of law enforcement personnel, firefighters, and other persons who protect public safety. The term "charitable" is used in its generally accepted legal sense and includes relief of the poor, the distressed, or the underprivileged; advancement of religion; advancement of education or science; erecting or maintaining public buildings, monuments, or works; lessening the burdens of government; lessening neighborhood tensions; eliminating prejudice and discrimination; defending human and civil rights secured by law; and combating community deterioration and juvenile delinquency.

(4) "Commercial coventurer" means any individual or corporation, partnership, sole proprietorship, limited liability company, limited partnership, limited liability partnership, or any other legal entity, that:

(a) Is regularly and primarily engaged in making sales of goods or services for profit directly to the general public;

(b) Is not otherwise regularly or primarily engaged in making charitable solicitations in this state or otherwise raising funds in this state for one or more charitable organizations;

(c) Represents to prospective purchasers that, if they purchase a good or service from the commercial coventurer, a portion of the sales price or a sum of money or some other specified thing of value will be donated to a named charitable organization; and

(d) Does not ask purchasers to make checks or other instruments payable to a named charitable organization or any entity other than the commercial coventurer itself under its regular commercial name.

(5) "Commercial fund raiser" or "commercial fund-raising entity" means any entity that for compensation or other consideration within this state directly or indirectly solicits or receives contributions for or on behalf of any charitable organization or charitable purpose, or that is engaged in the business of or is held out to persons in this state as independently engaged in the business of soliciting or receiving contributions for such purposes. However, a commercial coventurer, fund-raising counsel, or consultant is not a commercial fund raiser or commercial fund-raising entity.

(6) "Compensation" means salaries, wages, fees, commissions, or any other remuneration or valuable consideration.

~~((+))~~ (7) "Contribution" means the payment, donation, promise, or grant, for consideration or otherwise, of any money or property of any kind

or value which contribution is wholly or partly induced by a solicitation. Reference to dollar amounts of "contributions" or "solicitations" in this chapter means in the case of payments or promises to pay for merchandise or rights of any description, the value of the total amount paid or promised to be paid for such merchandise or rights (~~less the reasonable purchase price to the charitable organization of any such tangible merchandise, rights, or services resold by the organization, and not merely that portion of the purchase price to be applied to a charitable purpose~~).

~~((5))~~ (8) "Cost of solicitation" means and includes all direct and indirect costs, expenditures, debts, obligations, salaries, wages, commissions, fees, or other money or thing of value paid or incurred in making a solicitation. ~~((Cost of solicitation does not include the reasonable purchase price to the charitable organization of any tangible goods or services resold by the organization as a part of its fund raising activities:~~

~~(6))~~ (9) "Entity" means an individual, organization, group, association, partnership, corporation, agency or unit of state government, or any combination thereof.

~~((7))~~ "General public" or "public" means any individual located in Washington state without a membership or other official relationship with a charitable organization before a solicitation by the charitable organization:

~~(8)~~ "Commercial fund raiser" or "commercial fund-raising entity" means any entity that for compensation or other consideration within this state directly or indirectly solicits or receives contributions for or on behalf of any charitable organization or charitable purpose, or that is engaged in the business of or is held out to persons in this state as independently engaged in the business of soliciting or receiving contributions for such purposes. However, the following shall not be deemed a commercial fund raiser or "commercial fund-raising entity": (a) Any entity that provides fund-raising advice or consultation to a charitable organization within this state but neither directly nor indirectly solicits or receives any contribution for or on behalf of any such charitable organization; and (b) a bona fide officer or other employee of a charitable organization:

~~(9))~~ (10) "Fund-raising counsel" or "consultant" means any entity or individual who is retained by a charitable organization, for a fixed fee or rate, that is not computed on a percentage of funds raised, or to be raised, under a written agreement only to plan, advise, consult, or prepare materials for a solicitation of contributions in this state, but who does not manage, conduct, or carry on a fund-raising campaign and who does not solicit contributions or employ, procure, or engage any compensated person to solicit contributions, and who does not at any time have custody or control of contributions. A volunteer, employee, or salaried officer of a charitable organization maintaining a permanent establishment or office in this state is not a fund-raising counsel. An attorney, investment counselor, or banker who advises an individual, corporation, or association to make a charitable contribution is not a fund-raising counsel as a result of the advice.

(11) "General public" or "public" means any individual located in Washington state without a membership or other official relationship with a charitable organization before a solicitation by the charitable organization.

(12) "Membership" means that for the payment of fees, dues, assessments, etc., an organization provides services and confers a bona fide right, privilege, professional standing, honor, or other direct benefit, in addition to the right to vote, elect officers, or hold office. The term "membership" does not include those persons who are granted a membership upon making a contribution as the result of solicitation.

~~((10))~~ (13) "Other employee" of a charitable organization means any person (a) whose conduct is subject to direct control by such organization; (b) who does not act in the manner of any independent contractor in his or her relation with the organization; and (c) who is not engaged in the

business of or held out to persons in this state as independently engaged in the business of soliciting contributions for charitable purposes or religious ~~((purposes))~~ activities.

~~((11))~~ "Parent organization" means that part of a charitable organization that coordinates, supervises, or exercises control over policy, fund raising, or expenditures, or assists or advises one or more related foundations, supporting organizations, chapters, branches, or affiliates of such organization in the state of Washington.

~~((12))~~ (14) "Political ~~((activities))~~ organization" means those organizations whose activities are subject to chapter 42.17 RCW or the Federal Elections Campaign Act of 1971, as amended.

~~((13))~~ "Religious activities" means those religious, evangelical, or missionary activities under the direction of a religious organization duly organized and operating in good faith that are entitled to receive a declaration of current tax exempt status for religious purposes from the United States government and the duly organized branches or chapters of those organizations:

~~((14))~~ (15) "Religious organization" means those entities that are not churches or integrated auxiliaries and includes nondenominational ministries, interdenominational and ecumenical organizations, mission organizations, speakers' organizations, faith-based social agencies, and other entities whose principal purpose is the study, practice, or advancement of religion.

(16) "Secretary" means the secretary of state.

~~((15))~~ (17) "Signed" means hand-written, or, if the secretary adopts rules facilitating electronic filing that pertain to this chapter, in the manner prescribed by those rules.

~~((16))~~ (18)(a) "Solicitation" means any oral or written request for a contribution, including the solicitor's offer or attempt to sell any property, rights, services, or other thing in connection with which:

~~((a))~~ (i) Any appeal is made for any charitable purpose; ~~((or~~  
~~(b))~~ (ii) The name of any charitable organization is used as an inducement for consummating the sale; or

~~((c))~~ (iii) Any statement is made that implies that the whole or any part of the proceeds from the sale will be applied toward any charitable purpose or donated to any charitable organization.

(b) The solicitation shall be deemed completed when made, whether or not the person making it receives any contribution or makes any sale.

(c) "Solicitation" does not include bingo activities, raffles, and amusement games conducted under chapter 9.46 RCW and applicable rules of the Washington state gambling commission ~~((are specifically excluded and shall not be deemed a solicitation under this chapter))~~.

**Sec. 3.** RCW 19.09.075 and 2002 c 74 s 2 are each amended to read as follows:

An application for registration as a charitable organization shall be submitted in the form prescribed by rule by the secretary, containing, but not limited to, the following:

(1) The name, address, and telephone number of the charitable organization;

(2) The name(s) under which the organization will solicit contributions;

(3) The name, address, and telephone number of the officers or persons accepting responsibility for the organization;

(4) The names of the three officers or employees receiving the greatest amount of compensation from the organization;

(5) The purpose of the organization;

(6)(a) Whether the organization is exempt from federal income tax; and if so the organization shall attach to its application a copy of the letter by which the internal revenue service granted such status; and

(b) The name and address of the entity that prepares, reviews, or audits the financial statement of the organization;

(7) A solicitation report of the organization for the preceding accounting year including:

- (a) The ~~((number and))~~ types of solicitations conducted;
- (b) The total dollar value of ~~((support))~~ contributions received from solicitations and from all other sources received on behalf of the charitable purpose of the charitable organization;
- (c) The total amount of money applied to charitable purposes, fund raising costs, and other expenses; and
- (d) The name, address, and telephone number of any commercial fund raiser used by the organization;
- (8) An irrevocable appointment of the secretary to receive service of process in noncriminal proceedings as provided in RCW 19.09.305; and
- (9) The total revenue of the preceding fiscal year.

The solicitation report required to be submitted under subsection (7) of this section shall be in the form prescribed by rule by the secretary, or as agreed to by the secretary and a charitable organization ~~((or a group of charitable organizations. A consolidated application for registration may, at the option of the charitable organization, be submitted by a parent organization for itself and any or all of its related foundations, supporting organizations, chapters, branches, or affiliates in the state of Washington. —The application shall be signed by)).~~ The president, treasurer, or comparable officer of the organization must sign and date the application. The application shall be submitted with a nonrefundable filing fee which shall be in an amount to be established by the secretary by rule. In determining the amount of this application fee, the secretary may consider factors such as the entity's annual budget and its federal income tax status. If the secretary determines that the application is complete, the application shall be filed and the applicant deemed registered.

~~((The secretary shall notify the director of veterans' affairs upon receipt of an application for registration as a charitable organization from an entity that purports to raise funds to benefit veterans of the United States military services. The director of veterans' affairs may advise the secretary and the attorney general of any information, reports, or complaints regarding such an organization.))~~

**Sec. 4.** RCW 19.09.076 and 1994 c 287 s 1 are each amended to read as follows:

(1) The application requirements of RCW 19.09.075 do not apply to ~~((the following))~~:

~~((1))~~ (a) Any charitable organization raising less than an amount as set by rule adopted by the secretary in any accounting year when all the activities of the organization, including all fund raising activities, are carried on by persons who are unpaid for their services and no part of the charitable organization's assets or income inures to the benefit of or is paid to any officer or member of the organization;

~~((2))~~ Any charitable organization located outside of the state of Washington if the organization files the following with the secretary:

~~((a))~~ The registration documents required under the charitable solicitation laws of the state in which the charitable organization is located;

~~((b))~~ The registration required under the charitable solicitation laws of the state of California and the state of New York; and

~~((c))~~ Such federal income tax forms as may be required by rule of the secretary.)

(b) Political organizations; or

(c) Appeals for funds on behalf of a specific individual named in the solicitation, but only if all of the proceeds of the solicitation are given to or expended for the direct benefit of that individual.

(2) All entities soliciting ~~((charitable donations))~~ contributions for charitable purposes shall comply with the requirements of RCW 19.09.100.

**Sec. 5.** RCW 19.09.079 and 1993 c 471 s 5 are each amended to read as follows:

An application for registration as a commercial fund raiser shall be submitted in the form prescribed by the secretary, containing, but not limited to, the following:

(1) The name, address, and telephone number of the commercial fund-raising entity;

(2) The name(s), address(es), and telephone number(s) of the owner(s) and principal officer(s) of the commercial fund-raising entity;

(3) The name, address, and telephone number of the individual responsible for the activities of the commercial fund-raising entity in Washington;

~~((4))~~ ~~((A list of states and Canadian provinces in which fund raising has been performed;~~

~~((5)))~~ The names of the three officers or employees receiving the greatest amount of compensation from the commercial fund-raising entity;

~~((6)))~~ (5) The name and address of the entity that prepares, reviews, or audits the financial statement of the organization;

~~((7)))~~ (6) A solicitation report of the commercial fund-raising entity for the preceding accounting year, including:

(a) The ~~((number and))~~ types of fund raising services conducted;

(b) The names of charitable organizations required to register under RCW 19.09.065 for whom fund raising services have been performed;

(c) The total value of contributions received on behalf of charitable organizations required to register under RCW 19.09.065 by the commercial fund raiser, affiliate of the commercial fund raiser, or any entity retained by the commercial fund raiser; and

(d) The amount of money disbursed to charitable organizations for charitable purposes, net of fund raising costs paid by the charitable organization as stipulated in any agreement between charitable organizations and the commercial fund raiser;

~~((8)))~~ (7) The name, address, and telephone number of any commercial fund raiser that was retained in the conduct of providing fund raising services; and

~~((9)))~~ (8) An irrevocable appointment of the secretary to receive service of process in noncriminal proceedings as provided in RCW 19.09.305.

The application shall be signed by an officer or owner of the commercial fund raiser and shall be submitted with a nonrefundable fee in an amount to be established by rule of the secretary. If the secretary determines that the application is complete, the application shall be filed and the applicant deemed registered.

**Sec. 6.** RCW 19.09.085 and 1993 c 471 s 6 are each amended to read as follows:

(1) Registration under this chapter shall be effective for one year or longer, as established by the secretary.

(2) Reregistration required under RCW 19.09.075 or 19.09.079 shall be submitted to the secretary no later than the date established by the secretary by rule.

(3) Entities required to register under this chapter shall file a notice of change of information within thirty days of any change in the information contained in RCW 19.09.075 (1) through ~~((6))~~ (9) or 19.09.079 (1) through ~~((6))~~ (7).

(4) The secretary shall notify entities registered under this chapter of the need to reregister upon the expiration of their current registration. The notification shall be by mail, sent at least sixty days prior to the expiration of their current registration. Failure to register shall not be excused by a failure of the secretary to mail the notice or by an entity's failure to receive the notice.

**Sec. 7.** RCW 19.09.097 and 1993 c 471 s 7 are each amended to read as follows:

(1) No charitable organization may contract with a commercial fund raiser for any fund raising service or activity unless its contract requires that both parties comply with the law and permits officers of the charity reasonable access to: (a) The fund raisers' financial records relating to that charitable organization; ~~((and))~~ (b) the fund raisers' operations including without limitation the right to be present during any telephone solicitation; and (c) the names of all of the fund raisers' employees or staff who are conducting fund raising or charitable solicitations on behalf of the charitable organization. In addition, the contract shall specify the amount of raised funds that the charitable organization will receive or the method of computing that amount, the amount of compensation of the commercial fund raiser or the method of computing that amount, and whether the compensation is fixed or contingent.

(2) Before a charitable organization may contract with a commercial fund raiser for any fund raising service or activity, the charitable organization and commercial fund raiser shall complete and file a registration form with the secretary. The registration shall be filed by the charitable organization ~~((with the secretary;))~~ in the form prescribed by the secretary ~~((within five working days of the execution of the contract containing;)).~~ The registration shall contain, but not be limited to, the following information:

- (a) The name and registration number of the commercial fund raiser;
- (b) The name of the surety or sureties issuing the bond required by RCW 19.09.190, the aggregate amount of such bond or bonds, the bond number(s), original effective date(s), and termination date(s);
- (c) The name and registration number of the charitable organization;
- (d) The name of the representative of the commercial fund raiser who will be responsible for the conduct of the fund raising;
- (e) The type(s) of service(s) to be provided by the commercial fund raiser;
- (f) The dates such service(s) will begin and end;
- (g) The terms of the agreement between the charitable organization and commercial fund raiser relating to:
  - (i) Amount or percentages of amounts to inure to the charitable organization;
  - (ii) Limitations placed on the maximum amount to be raised by the fund raiser, if the amount to inure to the charitable organization is not stated as a percentage of the amount raised;
  - (iii) Costs of fund raising that will be the responsibility of the charitable organization, regardless of whether paid as a direct expense, deducted from the amounts disbursed, or otherwise; and
  - (iv) The manner in which contributions received directly by the charitable organization, not the result of services provided by the commercial fund raiser, will be identified and used in computing the fee owed to the commercial fund raiser; and
- (h) The names of any entity to which more than ten percent of the total anticipated fund raising cost is to be paid, and whether any principal officer or owner of the commercial fund raiser or relative by blood or marriage thereof is an owner or officer of any such entity.

(3) A correct copy of the contract shall be filed with the secretary before the commencement of any campaign.

(4) The registration form shall be submitted with a nonrefundable filing fee in an amount to be established by rule of the secretary and shall be signed by an owner or principal officer of the commercial fund raiser and the president, treasurer, or comparable officer of the charitable organization.

**Sec. 8.** RCW 19.09.100 and 1994 c 287 s 2 are each amended to read as follows:

The following conditions apply to solicitations as defined by RCW 19.09.020:

(1) A charitable organization, whether or not required to register pursuant to this chapter, that directly solicits contributions from the public in this state shall make the following clear and conspicuous disclosures at the point of solicitation:

- (a) The name of the individual making the solicitation;
- (b) The identity of the charitable organization and the city of the principal place of business of the charitable organization;
- (c) If requested by the solicitee, the published number in the office of the secretary for the donor to obtain additional financial disclosure information on file with the secretary.

(2) A commercial fund raiser shall clearly and conspicuously disclose at the point of solicitation:

- (a) The name of the individual making the solicitation;
- (b) The name of the entity for which the fund raiser is an agent or employee and the name and city of the charitable organization for which the solicitation is being conducted; and

(c) If requested by the solicitee, the published number in the office of the secretary for the donor to obtain additional financial disclosure information on file with the secretary. The disclosure must be made during an oral solicitation of a contribution, and at the same time at which a written request for a contribution is made.

(3) A person or organization soliciting charitable contributions by telephone shall make the disclosures required under subsection (1) or (2) of this section in the course of the solicitation but prior to asking for a commitment for a contribution from the solicitee, and in writing to any solicitee that makes a pledge within five working days of making the pledge. If the person or organization sends any materials to the person or organization solicited before the receipt of any contribution, those materials shall include the disclosures required in subsection (1) or (2) of this section, whichever is applicable.

(4) In the case of a solicitation by advertisement or mass distribution, including posters, leaflets, automatic dialing machines, publication, and audio or video broadcasts, it shall be clearly and conspicuously disclosed in the body of the solicitation material that:

- (a) The solicitation is conducted by a named commercial fund raiser, if it is;
- (b) The notice of solicitation required by the charitable solicitation act is on file with the secretary's office; and
- (c) The potential donor can obtain additional financial disclosure information at a published number in the office of the secretary.

(5) A container or vending machine displaying a solicitation must also display in a clear and conspicuous manner the name of the charitable organization for which funds are solicited, the name, business address, and telephone number of the individual and any commercial fund raiser responsible for collecting funds placed in the containers or vending machines, and the following statement: "This charity is currently registered with the secretary's office under the charitable solicitation act, registration number . . . ."

(6) A commercial fund raiser shall not represent that tickets to any fund raising event will be donated for use by another person unless all the following requirements are met:

(a) The commercial fund raiser prior to conducting a solicitation has written commitments from persons stating that they will accept donated tickets and specifying the number of tickets they will accept;

(b) The written commitments are kept on file by the commercial fund raiser for three years and are made available to the secretary, attorney general, or county prosecutor on demand;

(c) The contributions solicited for donated tickets may not be more than the amount representing the number of ticket commitments received from persons and kept on file under (a) of this subsection; and

(d) Not later than seven calendar days prior to the date of the event for which ticket donations are solicited, the commercial fund raiser shall give all donated tickets to the persons who made the written commitments to accept them.

(7) Each person or organization soliciting charitable contributions shall not represent orally or in writing that:

(a) The charitable contribution is tax deductible unless the charitable organization for which charitable contributions are being solicited or to which tickets for fund raising events or other services or goods will be donated, has applied for and received from the internal revenue service a letter of determination granting tax deductible status to the charitable organization;

(b) The person soliciting the charitable contribution is a volunteer or words of similar meaning or effect that create the impression that the person soliciting is not a paid solicitor unless such person is unpaid for his or her services;

(c) The person soliciting the charitable contribution is a member, staffer, helper, or employee of the charitable organization or words of similar meaning or effect that create the impression that the person soliciting is not a paid solicitor if the person soliciting is employed, contracted, or paid by a commercial fund raiser.

(8) If the charitable organization is associated with, or has a name that is similar to, any unit of government each person or organization soliciting contributions shall disclose to each person solicited whether the charitable organization is or is not part of any unit of government and the true nature of its relationship to the unit of government. This subsection does not apply to a foundation or other charitable organization that is organized, operated, or controlled by or in connection with a registered public charity, including any governmental agency or unit, from which it derives its name.

(9) No person may, in conducting any solicitation, use the name "police," "sheriff," "firefighter," "firemen," or a similar name unless properly authorized by a bona fide police, sheriff, or firefighter organization or police, sheriff, or fire department. A proper authorization shall be in writing and signed by two authorized officials of the organization or department and shall be filed with the secretary.

(10) A person may not, in conducting any solicitation, use the name of a federally chartered or nationally recognized military veterans' service organization as determined by the United States veterans' administration unless authorized in writing by the highest ranking official of that organization in this state.

(11) A charitable organization shall comply with all local governmental regulations that apply to soliciting for or on behalf of charitable organizations.

(12) ~~((The advertising material and the general promotional plan for a solicitation shall not be false, misleading, or deceptive, and shall afford full and fair disclosure))~~ An entity soliciting contributions for a charitable purpose shall not include in any solicitation, or in any advertising material for a solicitation, or in any promotional plan for a solicitation, any statement that is false, misleading, or deceptive. All solicitations, advertising material, and promotional plans must fully and fairly disclose the identity of the entity on whose behalf the solicitation is made.

(13) Solicitations shall not be conducted by a charitable organization or commercial fund raiser that has, or if a corporation, its officers, directors, or principals have, been convicted of a crime involving solicitations for or on behalf of a charitable organization in this state, the United States, or any other state or foreign country within the past ten years or has been subject to any permanent injunction or administrative order or judgment under RCW 19.86.080 or 19.86.090, involving a violation or violations of RCW 19.86.020, within the past ten years, or of restraining a false or misleading promotional plan involving solicitations for charitable organizations.

(14) No charitable organization or commercial fund raiser subject to this chapter may use or exploit the fact of registration under this chapter so as to lead the public to believe that registration constitutes an endorsement or approval by the state, but the use of the following is not deemed prohibited: "Currently registered with the Washington state secretary of state as required by law. Registration number . . . ."

(15) No entity may engage in any solicitation for contributions for or on behalf of any charitable organization or commercial fund raiser unless the charitable organization or commercial fund raiser is currently registered with the secretary.

(16) No ~~((entity))~~ charitable organization or commercial fundraiser may engage in any solicitation for contributions unless it complies with all provisions of this chapter.

(17) ~~((a))~~ No entity may place a telephone call to a donor or potential donor for the purpose of charitable solicitation ((that will be received by the solicitee)) before eight o'clock a.m. or after nine o'clock p.m. pacific time.

~~((b))~~ (18) No entity may, ((while placing a telephone call)) when contacting a donor or potential donor for the purpose of charitable solicitation, engage in any conduct the natural consequence of which is to harass, intimidate, or torment any person in connection with the ((telephone call)) contact.

~~((18))~~ (19) Failure to comply with subsections (1) through ((17)) (18) of this section is a violation of this chapter.

**Sec. 9.** RCW 19.09.210 and 1993 c 471 s 12 are each amended to read as follows:

Upon the request of the attorney general or the county prosecutor, a charitable organization or commercial fund raiser shall submit a financial statement containing, but not limited to, the following information:

(1) The gross amount of the contributions pledged and the gross amount collected.

(2) The amount thereof, given or to be given to charitable purposes represented together with details as to the manner of distribution as may be required.

(3) The aggregate amount paid and to be paid for the expenses of such solicitation.

(4) The amounts paid to and to be paid to commercial fund raisers or charitable organizations.

(5) Copies of any annual or periodic reports furnished by the charitable organization~~(s)~~ of its activities during or for the same fiscal period~~(, to its parent organization, subsidiaries, or affiliates, if any))~~.

**Sec. 10.** RCW 19.09.440 and 1993 c 471 s 42 are each amended to read as follows:

(1) Annually, the secretary of state shall publish a report indicating:

(a) For each charitable organization registered under RCW ~~((19.09.065))~~ 19.09.075 the percentage relationship between (i) the total amount of money applied to charitable purposes; and (ii) the dollar value of ~~((support received from solicitations and received from all other sources on behalf of the charitable purpose of the organization))~~ total expenditures, including the total amount of money applied to charitable purposes, fund raising costs, and administrative expenses;

(b) For each commercial fund raiser registered under RCW ~~((19.09.065))~~ 19.09.079 the percentage relationship between (i) the amount of money disbursed to charitable organizations for charitable purposes; and (ii) the total value of contributions received on behalf of charitable organizations by the commercial fund raiser; and

(c) Such other information as the secretary of state deems appropriate.

(2) The secretary of state may use the latest information obtained pursuant to RCW 19.09.075, 19.09.079, or otherwise under chapter 19.09 RCW to prepare the report.

**NEW SECTION. Sec. 11.** A new section is added to chapter 19.09 RCW to read as follows:

Charitable organizations must ensure that their boards, or a committee thereof, have reviewed and accepted any financial report that the organization may be required to file with the office of the secretary. Charitable organizations must also ensure that the financial information included in the filing fairly represents, in all material respects, the financial condition and results of operations of the organization as of, and for, the periods presented to the secretary for filing. If the financial information submitted to the secretary is incorrect in any material way, the charitable organization may be subject to penalties as provided under RCW 19.09.279.

**NEW SECTION. Sec. 12.** A new section is added to chapter 19.09 RCW to read as follows:

The secretary may, in conjunction with the attorney general, develop and operate an education program for charitable organizations, their board members, and the general public. To the extent practicable, the secretary shall consult with the nonprofit and charitable sector and the charitable advisory council created in section 16 of this act to develop curriculum and other materials intended to educate charitable organizations, their board members, and the general public.

**NEW SECTION. Sec. 13.** A new section is added to chapter 19.09 RCW to read as follows:

(1) To provide for a charitable organization education program as authorized in section 12 of this act, the secretary may establish fees on registrations for entities filing with the secretary as organizations pursuant to this chapter.

(2) The fees authorized in this section are in addition to the existing fees established by the secretary in rule for organizations required to register under this chapter.

**NEW SECTION. Sec. 14.** A new section is added to chapter 19.09 RCW to read as follows:

The charitable organization education account is created in state treasury. All receipts from the fees authorized in section 13(1) of this act 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 the charitable organization education program authorized in section 12 of this act.

**NEW SECTION. Sec. 15.** A new section is added to chapter 19.09 RCW to read as follows:

The secretary is authorized to adopt rules, in accordance with chapter 34.05 RCW, that establish a set of tiered independent financial reporting requirements for charitable organizations required to register with the secretary pursuant to this chapter. Rules adopted under this section shall include, but not be limited to, substantially the following:

(1) An initial filing requirement for all charitable organizations as currently required in this chapter;

(2) A financial reporting requirement for charitable organizations that have more than one million dollars in annual gross revenue averaged over the last three fiscal years. The secretary may require charitable organizations that meet this threshold to have the federal financial reporting forms the organization normally files to be completed or reviewed by a third party who normally prepares or reviews the forms in the ordinary course of their business. These forms must be submitted to the secretary; and

(3) A financial reporting requirement for charitable organizations with more than three million dollars in annual gross revenue averaged over the last three fiscal years. The secretary may require charitable

organizations that meet this threshold to submit to the secretary audited financial statements prepared by an independent certified public accountant.

**NEW SECTION. Sec. 16.** A new section is added to chapter 19.09 RCW to read as follows:

(1) The secretary is authorized to create a charitable advisory council to consist of at least eleven, but not more than twenty-one, members. Members of a charitable advisory council shall:

(a) Be appointed by the secretary, with all members serving at the pleasure of the secretary and all terms expiring no later than the term of the appointing secretary;

(b) Represent a broad range of charities by size, purpose, geographic region of the state, and general expertise in the management and leadership of charitable organizations; and

(c) Annually vote to elect one of its members to serve as chairperson.

(2) The secretary shall not compensate members of the charitable advisory council but may provide reimbursement to members for expenses that are incurred in the conduct of their official duties.

(3) The charitable advisory council shall advise the secretary in determining training and educational needs of charitable organizations and model policies related to governance and administration of charitable organizations in accordance with fiduciary principles, assist the secretary in identifying emerging issues and trends affecting charitable organizations, and advise the secretary on other related issues at the request of the secretary.

**NEW SECTION. Sec. 17.** A new section is added to chapter 19.09 RCW to read as follows:

(1) The secretary may enter into reciprocal agreements with the appropriate authority of any other state for the purpose of exchanging information with respect to charitable organizations and commercial fund raisers.

(2) Pursuant to such agreements the secretary may:

(a) Accept information filed by a charitable organization or commercial fund raisers with the appropriate authority of another state in lieu of the information required to be filed in accordance with this chapter, if the information is substantially similar to the information required under this chapter; and

(b) Grant exemptions from the requirements for the filing of annual registration statements with the office to charitable organizations organized under the laws of another state having their principal place of business outside this state whose funds are derived principally from sources outside this state and that have been exempted from the filing of registration statements by the statute under whose laws they are organized if such a state has a statute similar in substance to this chapter.

(3) The secretary may adopt rules relating to reciprocal agreements consistent with this section.

**NEW SECTION. Sec. 18.** RCW 19.09.095 (Subsidiary organizations--Requirement to register--Exemptions) and 1986 c 230 s 9 & 1983 c 265 s 6 are each repealed."

On page 1, line 2 of the title, after "public;" strike the remainder of the title and insert "amending RCW 19.09.010, 19.09.020, 19.09.075, 19.09.076, 19.09.079, 19.09.085, 19.09.097, 19.09.100, 19.09.210, and 19.09.440; adding new sections to chapter 19.09 RCW; prescribing penalties; and repealing RCW 19.09.095."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1777 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representative Goodman spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1777, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Substitute House Bill No. 1777, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 1777, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 13, 2007

Mr. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1413, with the following amendment:

On page 4, line 10, after "indicators of" strike "past flooding" and insert "flooding that occurs with reasonable regularity, although not necessarily annually"

and the same is herewith transmitted.

Thomas Hoemann, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1413 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representative Eddy spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed House Bill No. 1413, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed House Bill No. 1413, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

ENGROSSED HOUSE BILL NO. 1413, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 12, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1476, with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) The legislature finds that:

(a) Seven rockfish stocks, including canary and yelloweye rockfish, have been designated under federal law by the national marine fisheries services as overfished on the west coast.

(b) The department of fish and wildlife has classified certain rockfish species within Puget Sound as critically depressed. These common species of rockfish have undergone dramatic declines in Puget Sound and the coast during the past three decades.

(c) The Pacific fishery management council and the department of fish and wildlife have eliminated the directed commercial fisheries and greatly reduced the recreational fishing opportunity for these species.

(d) Due to the interactions of these depleted stocks with the healthier ones, commercial and recreational fisheries have been severely constrained in recent years in order to rebuild the populations of these overfished rockfish. For many of these stocks there have been no recent stock assessments, or the current assessments are based on poor data. Improved survey information is essential for assessing abundance and to monitor progress toward rebuilding efforts on the coast and in Puget Sound.

(e) Department of fish and wildlife staff have been developing underwater robot technology or remote operated vehicles to scientifically estimate the abundance of rockfish populations in both the nearshore and in deep waters. These new assessment techniques, coupled with existing bottom trawl surveys, will be used to estimate current abundance and future recovery of rockfish populations along the coast of Washington and in Puget Sound.

(2) Therefore, the legislature intends to implement a targeted surcharge on commercial licenses issued by the department of fish and wildlife that provides for the retention or landing of ground fish, and a targeted surcharge on recreational saltwater fishing licenses. Funds derived from the surcharge will be used by the department of fish and wildlife solely for the purpose of conducting rockfish research and stock assessments.

**NEW SECTION. Sec. 2.** A new section is added to chapter 77.12 RCW to read as follows:

(1) The department is directed to develop and implement a rockfish research and stock assessment program. Using funds from the rockfish research account created in subsection (2) of this section, the department must conduct Puget Sound basin and coastal surveys with new and existing technology to estimate the current abundance and future recovery of rockfish populations and other groundfish species. The stock assessment must include an evaluation of the potential for marine fish enhancement. Beginning December 2008, and every two years thereafter, the department shall report to the appropriate committees of the legislature on the status of the stock assessment program.

(2) The rockfish research account is created in the custody of the state treasurer. All receipts from surcharges assessed on commercial and recreational fishing licenses for the purposes of rockfish research must be deposited into the account. Expenditures from the account may be used only for rockfish research, including stock assessments. Only the director of the department or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

**Sec. 3.** RCW 77.65.150 and 2006 c 186 s 1 are each amended to read as follows:

(1) The director shall issue the charter licenses and angler permits listed in this section according to the requirements of this title. The licenses and permits and their annual fees and surcharges are:

License or Permit	Annual Fee (RCW 77.95.090 Surcharge)		Governing Section
	<u>(Section 2 of this act Surcharge)</u>		
	Resident	Nonresident	

(a)	Nonsalmon charter	\$225 (plus \$35 for section 2 of this act Surcharge)	\$375 (plus \$35 for section 2 of this act Surcharge)	
(b)	Salmon charter	\$380 (plus \$100) (plus \$35 for section 2 of this act Surcharge)	\$685 (plus \$100) (plus \$35 for section 2 of this act Surcharge)	RCW 77.70.050
(c)	Salmon angler	\$ 0	\$ 0	RCW 77.70.060
(d)	Salmon roe	\$ 95	\$ 95	RCW 77.65.350

(2) A salmon charter license designating a vessel is required to operate a charter boat from which persons may, for a fee, fish for salmon, other food fish, and shellfish. The director may issue a salmon charter license only to a person who meets the qualifications of RCW 77.70.050.

(3) A nonsalmon charter license designating a vessel is required to operate a charter boat from which persons may, for a fee, fish for food fish other than salmon, albacore tuna, and shellfish.

(4)(a) "Charter boat" means a vessel from which persons may, for a fee, fish for food fish or shellfish for personal use in those state waters set forth in (b) of this subsection. "Charter boat" also means a vessel from which persons may, for a fee, fish for food fish or shellfish for personal use in offshore waters or in the waters of other states. The director may specify by rule when a vessel is a "charter boat" within this definition.

(b) A person may not operate a vessel from which persons may, for a fee, fish for food fish or shellfish in Puget Sound, Grays Harbor, Willapa Bay, Pacific Ocean waters, Lake Washington, or the Columbia river below the bridge at Longview unless the vessel is designated on a charter boat license.

(5) A charter boat licensed in Oregon may fish without a Washington charter license under the same rules as Washington charter boat operators in ocean waters within the jurisdiction of Washington state from the southern border of the state of Washington to Leadbetter Point, as long as the Oregon vessel does not take on or discharge passengers for any purpose from any Washington port, the Washington shore, or a dock, landing, or other point in Washington. The provisions of this subsection shall be in effect as long as the state of Oregon has reciprocal laws and regulations.

(6) A salmon charter license under subsection (1)(b) of this section may be renewed if the license holder notifies the department by May 1st of that year that he or she will not participate in the fishery during that calendar year. The license holder must pay the one hundred-dollar enhancement surcharge and a thirty-five dollar surcharge to be deposited in the rockfish research account created in section 2 of this act, plus a fifteen-dollar handling charge, in order to be considered a valid renewal and eligible to renew the license the following year.

**Sec. 4.** RCW 77.65.210 and 2005 c 20 s 4 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, a person may not use a commercial fishing vessel to deliver food fish or shellfish taken for commercial purposes in offshore waters to a port in the state without a nonlimited entry delivery license. As used in this section, "deliver" and "delivery" mean arrival at a place or port, and include arrivals from offshore waters to waters within the state and arrivals ashore from offshore waters. As used in this section, "food fish" does not include salmon. As

used in this section, "shellfish" does not include ocean pink shrimp, coastal crab, or fish or shellfish taken under an emerging commercial fisheries license if taken from off-shore waters. The annual license fee for a nonlimited entry delivery license is one hundred ten dollars for residents and two hundred dollars for nonresidents, and an additional thirty-five dollar surcharge for both residents and nonresidents to be deposited in the rockfish research account created in section 2 of this act.

(2) Holders of salmon troll fishery licenses issued under RCW 77.65.160, salmon delivery licenses issued under RCW 77.65.170, crab pot fishery licenses issued under RCW 77.65.220, food fish trawl--Non-Puget Sound fishery licenses, and emerging commercial fishery licenses issued under RCW 77.65.200, Dungeness crab--coastal fishery licenses, ocean pink shrimp delivery licenses, shrimp trawl--Non-Puget Sound fishery licenses, and emerging commercial fishery licenses issued under RCW 77.65.220 may deliver food fish or shellfish taken in offshore waters without a nonlimited entry delivery license.

(3) A nonlimited entry delivery license authorizes no taking of food fish or shellfish from state waters.

**Sec. 5.** RCW 77.32.470 and 2005 c 192 s 1 are each amended to read as follows:

(1) A personal use saltwater, freshwater, combination, temporary, or family fishing weekend license is required for all persons fifteen years of age or older to fish for or possess fish taken for personal use from state waters or offshore waters.

(2) The fees for annual personal use saltwater, freshwater, or combination licenses are as follows:

(a) A combination license allows the holder to fish for or possess fish, shellfish, and seaweed from state waters or offshore waters. The fee for this license is thirty-six dollars for residents, seventy-two dollars for nonresidents, and five dollars for youth. There is an additional fifty-cent surcharge for this license, to be deposited in the rockfish research account created section 2 of this act.

(b) A saltwater license allows the holder to fish for or possess fish taken from saltwater areas. The fee for this license is eighteen dollars for residents, thirty-six dollars for nonresidents, and five dollars for resident seniors. There is an additional fifty-cent surcharge for this license, to be deposited in the rockfish research account created section 2 of this act.

(c) A freshwater license allows the holder to fish for, take, or possess food fish or game fish species in all freshwater areas. The fee for this license is twenty dollars for residents, forty dollars for nonresidents, and five dollars for resident seniors.

(3)(a) A temporary combination fishing license is valid for one to five consecutive days and allows the holder to fish for or possess fish, shellfish, and seaweed taken from state waters or offshore waters. The fee for this temporary fishing license is:

(i) One day - Seven dollars for residents and fourteen dollars for nonresidents;

(ii) Two days - Ten dollars for residents and twenty dollars for nonresidents;

(iii) Three days - Thirteen dollars for residents and twenty-six dollars for nonresidents;

(iv) Four days - Fifteen dollars for residents and thirty dollars for nonresidents; and

(v) Five days - Seventeen dollars for residents and thirty-four dollars for nonresidents.

(b) The fee for a charter stamp is seven dollars for a one-day temporary combination fishing license for residents and nonresidents for use on a charter boat as defined in RCW 77.65.150.

(c) A transaction fee to support the automated licensing system will be taken from the amounts set forth in this subsection for temporary licenses.

(d) Except for active duty military personnel serving in any branch of the United States armed forces, the temporary combination fishing license is not valid on game fish species for an eight-consecutive-day period beginning on the opening day of the lowland lake fishing season.

(e) There is an additional fifty-cent surcharge on the temporary combination fishing license and the associated charter stamp, to be deposited in the rockfish research account created in section 2 of this act.

(4) A family fishing weekend license allows for a maximum of six anglers: One resident and five youth; two residents and four youth; or one resident, one nonresident, and four youth. This license allows the holders to fish for or possess fish taken from state waters or offshore waters. The fee for this license is twenty dollars. This license is only valid during periods as specified by rule of the department.

(5) The commission may adopt rules to create and sell combination licenses for all hunting and fishing activities at or below a fee equal to the total cost of the individual license contained within any combination.

**NEW SECTION. Sec. 6.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 1 of the title, after "licenses;" strike the remainder of the title and insert "amending RCW 77.65.150, 77.65.210, and 77.32.470; adding a new section to chapter 77.12 RCW; creating a new section; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1476 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Blake and Kretz spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 1476, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1476, as amended by the Senate and the bill passed the House by the following vote: Yeas - 91, Nays - 7, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, Dickerson, Dunshee, Eddy, Eickmeyer, Ericks, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz,

Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 91.

Voting nay: Representatives Bailey, DeBolt, Dunn, Ericksen, Hinkle, Roach and Strow - 7.

HOUSE BILL NO. 1476, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 9, 2007

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 2135, with the following amendment:

On page 5, beginning on line 17, strike all of section 2

On page 1, line 2 of the title, after "consumers;" strike the remainder of the title and insert "and amending RCW 19.118.021."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 2135 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Wood spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 2135, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2135, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy,

McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

HOUSE BILL NO. 2135, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 12, 2007

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 2209, with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 68.50.105 and 1987 c 331 s 58 are each amended to read as follows:

Reports and records of autopsies or post mortems shall be confidential, except that the following persons may examine and obtain copies of any such report or record: The personal representative of the decedent as defined in RCW 11.02.005, any family member, the attending physician or advanced registered nurse practitioner, the prosecuting attorney or law enforcement agencies having jurisdiction, public health officials, or to the department of labor and industries in cases in which it has an interest under RCW 68.50.103.

The coroner, the medical examiner, or the attending physician shall, upon request, meet with the family of the decedent to discuss the findings of the autopsy or post mortem. For the purposes of this section, the term "family" means the surviving spouse, or any child, parent, grandparent, grandchild, brother, or sister of the decedent, or any person who was guardian of the decedent at the time of death."

On page 1, line 2 of the title, after "records;" strike the remainder of the title and insert "and amending RCW 68.50.105."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 2209 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Seaquist spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 2209, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Substitute House Bill No. 2209, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 2209, as amended by the Senate having received the constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 5, 2007

Mr. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1506, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 39.10.010 and 1994 c 132 s 1 are each amended to read as follows:

The legislature finds that the traditional process of awarding public works contracts in lump sum to the lowest responsible bidder is a fair and objective method of selecting a contractor. However, under certain circumstances, alternative public works contracting procedures may best serve the public interest if such procedures are implemented in an open and fair process based on objective and equitable criteria. The purpose of this chapter is to authorize the use of certain supplemental alternative public works contracting procedures (~~by state agencies and large municipalities under limited circumstances~~), to prescribe appropriate requirements to ensure that such contracting procedures serve the public interest, and to establish a process for evaluation of such contracting procedures.

**PART 1  
GENERAL PROVISIONS**

**Sec. 101.** RCW 39.10.020 and 2005 c 469 s 3 are each amended to read as follows:

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

(1) "Alternative public works contracting procedure" means the design-build (~~and the~~) general contractor/construction manager, and job order contracting procedures authorized in RCW 39.10.051 (~~and~~), 39.10.061, and 39.10.130 (as recodified by this act), respectively. (~~Public bodies eligible to enter into agreements with service providers for the furnishing of services in connection with water pollution control facilities under the authority of chapter 70.150 RCW may elect to use either RCW 39.10.051 and 39.10.061 or chapter 70.150 RCW as their method of procurement for such services.~~)

(2) (~~"Public body" means the state department of general administration; the University of Washington; Washington State University; every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755 and specifically authorized as provided in RCW 39.10.120(4); every county with a population greater than four hundred fifty thousand; every port district with total revenues greater than fifteen million dollars per year; every public hospital district with total revenues greater than fifteen million dollars per year utilizing the design-build procedure authorized by RCW 39.10.051 and every public hospital district, regardless of total revenues, proposing projects that are considered and approved by the public hospital district project review board under RCW 39.10.117; every public utility district with revenues from energy sales greater than twenty-three million dollars per year; those school districts proposing projects that are considered and approved by the school district project review board under RCW 39.10.115; and the state ferry system.~~) "Board" means the capital projects advisory review board.

(3) (~~"Public works project" means any work for a public body within the definition of the term public work in RCW 39.04.010.~~) "Committee" means the project review committee.

(4) "Design-build procedure" means a contract between a public body and another party in which the party agrees to both design and build the facility, portion of the facility, or other item specified in the contract.

(5) "Total contract cost" means the fixed amount for the detailed specified general conditions work, the negotiated maximum allowable construction cost, and the percent fee on the negotiated maximum allowable construction cost.

(6) "General contractor/construction manager" means a firm with which a public body has selected and negotiated a maximum allowable construction cost to provide services during the design phase and to act as construction manager and general contractor during the construction phase.

(7) "Job order contract" means a contract (~~between a public body or any school district and a registered or licensed contractor~~) in which the contractor agrees to a fixed period, indefinite quantity delivery order contract which provides for the use of negotiated, definitive work orders for public works as defined in RCW 39.04.010.

~~((5))~~ (8) "Job order contractor" means a registered or licensed contractor awarded a job order contract.

~~((6))~~ (9) "Maximum allowable construction cost" means the maximum cost of the work to construct the project including a percentage for risk contingency, negotiated support services, and approved change orders.

(10) "Negotiated support services" means items a general contractor would normally manage or perform on a construction project including, but not limited to surveying, hoisting, safety enforcement, provision of toilet facilities, temporary heat, cleanup, and trash removal.

(11) "Percent fee" means the percentage amount to be earned by the general contractor/construction manager as overhead and profit.

(12) "Public body" means any general or special purpose government, including but not limited to state agencies, institutions of higher education, counties, cities, towns, ports, school districts, and special purpose districts.

(13) "Certified public body" means a public body certified to use design-build or general contractor/construction manager contracting procedures, or both, under section 107 of this act.

(14) "Public works project" means any work for a public body within the definition of "public work" in RCW 39.04.010.

(15) "Total project cost" means the cost of the project less financing and land acquisition costs.

(16) "Unit price book" means a book containing specific prices, based on generally accepted industry standards and information, where available, for various items of work to be performed by the job order contractor. The prices may include: All the costs of materials; labor; equipment; overhead, including bonding costs; and profit for performing the items of work. The unit prices for labor must be at the rates in effect at the time the individual work order is issued.

((7)) (17) "Work order" means an order issued for a definite scope of work to be performed pursuant to a job order contract.

**Sec. 102.** RCW 39.10.800 and 2005 c 377 s 1 are each amended to read as follows:

(1) The ~~((capital projects advisory review))~~ board is created in the department of general administration to provide an evaluation of public capital projects construction processes, including the impact of contracting methods on project outcomes, and to advise the legislature on policies related to ~~((alternative))~~ public works delivery methods.

(2)(a) The ~~((capital projects advisory review))~~ board shall consist of the following members appointed by the governor: ~~((One))~~ Two representatives from construction general contracting; one representative from the ~~((design industries))~~ architectural profession; one representative from the engineering profession; two representatives from construction specialty subcontracting; ~~((one))~~ two representatives from ~~((a))~~ construction trades labor organizations; one representative from the office of minority and women's business enterprises; one representative from a higher education institution; one representative from the department of general administration; two representatives from private industry; and one representative of a domestic insurer authorized to write surety bonds for contractors in Washington state. All appointed members must be ~~((actively engaged in or authorized to use alternative))~~ knowledgeable about public works contracting procedures.

(b) ~~((Two))~~ Three members shall be ~~((at-large))~~ positions representing different local public owners ~~((The two at-large positions shall serve on a rotating basis to be determined and appointed)),~~ selected by the association of Washington cities, the Washington state association of counties, and the Washington public ports association, respectively.

(c) One member shall be a ~~((member of))~~ representative from the public hospital districts ~~((project review board)),~~ selected by ~~((that board, who shall be nonvoting))~~ the association of Washington public hospital districts.

(d) One member shall be a ~~((member of the))~~ representative from school districts ~~((project review board)),~~ selected by ~~((that board, who shall be nonvoting))~~ the Washington state school directors' association.

(e) The ~~((advisory review))~~ board shall include two members of the house of representatives, one from each major caucus, appointed by the speaker of the house of representatives, and two members of the senate, one from each major caucus, appointed by the president of the senate. Legislative members are nonvoting.

(3) Members selected under subsection (2)(a) of this section shall serve for terms of four years, with the terms expiring on June 30th on the fourth year of the term. ~~((However, in the case of the initial members, four members shall serve four-year terms, four members shall serve three-year terms, and three members shall serve a two-year term, with each of the terms expiring on June 30th of the applicable year. Appointees may be reappointed to serve more than one term.))~~

(4) The ~~((capital projects advisory review))~~ board chair is selected from among the appointed members by the majority vote of the voting members.

(5) Legislative members of the ~~((capital projects advisory review))~~ board shall be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members of the ~~((capital projects advisory review))~~ board, ~~((including any subcommittee members, except those representing an employer or organization.))~~ project review committee members, and subcommittee chairs shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(6) If a vacancy occurs of the appointive members of the board, the governor shall fill the vacancy for the unexpired term. Members of the board may be removed for malfeasance or misfeasance in office, upon specific written charges by the governor, under chapter 34.05 RCW.

(7) The ~~((capital projects advisory review))~~ board shall ~~((convene as soon as practical after July 1, 2005, and may))~~ meet as often as necessary ~~((thereafter)).~~

(8) ~~((Capital projects advisory review))~~ Board members are expected to consistently attend ~~((review))~~ board meetings. The chair of the ~~((capital projects advisory review))~~ board may ask the governor to remove any member who misses more than two meetings in any calendar year without cause.

(9) The department of general administration shall provide staff support as may be required for the proper discharge of the function of the ~~((capital projects advisory review))~~ board.

(10) The ~~((capital projects advisory review))~~ board may establish subcommittees as it desires and may invite nonmembers of the ~~((capital projects advisory review))~~ board to serve as committee members.

(11) The board shall encourage participation from persons and entities not represented on the ~~((capital projects advisory review))~~ board.

**Sec. 103.** RCW 39.10.810 and 2005 c 377 s 2 are each amended to read as follows:

The ~~((capital projects advisory review))~~ board has the following powers and duties:

(1) ~~((Develop and recommend to the legislature criteria that may be used to determine effective and feasible use of alternative contracting procedures;~~

~~((2) Develop and recommend to the legislature qualification standards for general contractors bidding on alternative public works projects;~~

~~((3))~~ Develop and recommend to the legislature policies to further enhance the quality, efficiency, and accountability of capital construction projects through the use of traditional and alternative delivery methods in Washington, and make recommendations regarding expansion, continuation, elimination, or modification of the alternative public works contracting methods;

~~((4))~~ (2) Evaluate the use of existing contracting procedures and potential future use of other alternative contracting procedures including competitive negotiation contracts;

(3) Appoint members of the committee; and

(4) Develop and administer questionnaires designed to provide quantitative and qualitative data on alternative public works contracting procedures on which evaluations are based.

**NEW SECTION. Sec. 104.** PROJECT REVIEW COMMITTEE--CREATED. (1) The board shall establish a project review committee to review and approve public works projects using the design-build and general contractor/construction manager contracting procedures authorized in RCW 39.10.051 and 39.10.061 (as recodified by this act) and to certify public bodies as provided in section 107 of this act.

(2) The board shall, by a majority vote of the board, appoint persons to the committee who are knowledgeable in the use of the design-build and

general contractor/construction manager contracting procedures. Appointments must represent a balance among the industries and public owners on the board listed in RCW 39.10.800 (as recodified by this act).

(a) When making initial appointments to the committee, the board shall consider for appointment former members of the school district project review board and the public hospital district project review board.

(b) Each member of the committee shall be appointed for a term of three years. However, for initial appointments, the board shall stagger the appointment of committee members so that the first members are appointed to serve terms of one, two, or three years from the date of appointment. Appointees may be reappointed to serve more than one term.

(c) The committee shall, by a majority vote, elect a chair and vice-chair for the committee.

(d) The committee chair may select a person or persons on a temporary basis as a nonvoting member if project specific expertise is needed to assist in a review.

(3) The chair of the committee, in consultation with the vice-chair, may appoint one or more panels of at least six committee members to carry out the duties of the committee. Each panel shall have balanced representation of the private and public sector representatives serving on the committee.

(4) Any member of the committee directly or indirectly affiliated with a submittal before the committee must recuse himself or herself from the committee consideration of that submittal.

(5) Any person who sits on the committee or panel is not precluded from subsequently bidding on or participating in projects that have been reviewed by the committee.

(6) The committee shall meet as often as necessary to ensure that certification and approvals are completed in a timely manner.

**NEW SECTION. Sec. 105. PROJECT REVIEW COMMITTEE DUTIES.** The committee shall:

(1) Certify, or recertify, public bodies for a period of three years to use the design-build or general contractor/construction manager, or both, contracting procedures for projects with a total project cost of ten million dollars or more;

(2) Review and approve the use of the design-build or general contractor/construction manager contracting procedures on a project by project basis for public bodies that are not certified under section 107 of this act; and

(3) Review and approve the use of the general contractor/construction manager contracting procedure by certified public bodies for projects with a total project cost under ten million dollars.

**NEW SECTION. Sec. 106. PROJECT REVIEW COMMITTEE MEETINGS--OPEN AND PUBLIC.** (1) The committee shall hold regular public meetings to carry out its duties as described in section 105 of this act. Committee meetings are subject to chapter 42.30 RCW.

(2) The committee shall publish notice of its public meetings at least twenty days before the meeting in a legal newspaper circulated in the area where the public body seeking certification is located, or where each of the proposed projects under consideration will be constructed. All meeting notices must be posted on the committee's web site.

(3) The meeting notice must identify the public body that is seeking certification or project approval, and where applicable, a description of projects to be considered at the meeting. The notice must indicate when, where, and how the public may present comments regarding the committee's certification of a public body or approval of a project. Information submitted by a public body to be reviewed at the meeting shall be available on the committee's web site at the time the notice is published.

(4) The committee must allow for public comment on the appropriateness of certification of a public body or on the appropriateness of the use of the proposed contracting procedure and the qualifications of a public body to use the contracting procedure. The committee shall receive and record both written and oral comments at the public hearing.

**NEW SECTION. Sec. 107. PROJECT REVIEW COMMITTEE--CERTIFICATION OF PUBLIC BODIES.** (1) A public body may apply for certification to use the design-build or general contractor/construction manager contracting procedure, or both. Once certified, a public body may use the contracting procedure for which it is certified on individual projects with a total project cost over ten million dollars without seeking committee approval. The certification period is three years. A public body seeking certification must submit to the committee an application in a format and manner as prescribed by the committee. The application must include a description of the public body's qualifications, its capital plan during the certification period, and its intended use of alternative contracting procedures.

(2) To certify a public body, the committee shall determine that the public body:

(a) Has the necessary experience and qualifications to determine which projects are appropriate for using alternative contracting procedures;

(b) Has the necessary experience and qualifications to carry out the alternative contracting procedure including, but not limited to: (i) Project delivery knowledge and experience; (ii) personnel with appropriate construction experience; (iii) a management plan and rationale for its alternative public works projects; (iv) demonstrated success in managing public works projects; (v) demonstrated success in managing at least one general contractor/construction manager or design-build project within the previous five years; (vi) the ability to properly manage its capital facilities plan including, but not limited to, appropriate project planning and budgeting experience; and (vii) the ability to meet requirements of this chapter; and

(c) Has resolved any audit findings on previous public works projects in a manner satisfactory to the committee.

(3) The committee shall, if practicable, make its determination at the public meeting during which an application for certification is reviewed. Public comments must be considered before a determination is made. Within ten business days of the public meeting, the committee shall provide a written determination to the public body, and make its determination available to the public on the committee's web site.

(4) The committee may revoke any public body's certification upon a finding, after a public hearing, that its use of design-build or general contractor/construction manager contracting procedures no longer serves the public interest.

(5) The committee may renew the certification of a public body for one additional three-year period. The public body must submit an application for recertification at least three months before the initial certification expires. The application shall include updated information on the public body's capital plan for the next three years, its intended use of the procedures, and any other information requested by the committee. The committee must review the application for recertification at a meeting held before expiration of the applicant's initial certification period. A public body must reapply for certification under the process described in subsection (1) of this section once the period of recertification expires.

(6) Certified public bodies must submit project data information as required in RCW 39.10.070 (as recodified by this act) and section 302 of this act.

**NEW SECTION. Sec. 108. PROJECT REVIEW COMMITTEE--PROJECT APPROVAL PROCESS.** (1) A public body not certified under section 107 of this act must apply for approval from the committee to use

the design-build or general contractor/construction manager contracting procedure on a project. A public body seeking approval must submit to the committee an application in a format and manner as prescribed by the committee. The application must include a description of the public body's qualifications, a description of the project, and its intended use of alternative contracting procedures.

(2) To approve a proposed project, the committee shall determine that:

(a) The alternative contracting procedure will provide a substantial fiscal benefit or the use of the traditional method of awarding contracts in lump sum to the low responsive bidder is not practical for meeting desired quality standards or delivery schedules;

(b) The proposed project meets the requirements for using the alternative contracting procedure as described in section 201 or 301 of this act;

(c) The public body has the necessary experience or qualified team to carry out the alternative contracting procedure including, but not limited to: (i) Project delivery knowledge and experience; (ii) sufficient personnel with construction experience to administer the contract; (iii) a written management plan that shows clear and logical lines of authority; (iv) the necessary and appropriate funding and time to properly manage the job and complete the project; (v) continuity of project management team, including personnel with experience managing projects of similar scope and size to the project being proposed; and (vi) necessary and appropriate construction budget;

(d) For design-build projects, construction personnel independent of the design-build team are knowledgeable in the design-build process and are able to oversee and administer the contract; and

(e) The public body has resolved any audit findings related to previous public works projects in a manner satisfactory to the committee.

(3) The committee shall, if practicable, make its determination at the public meeting during which a submittal is reviewed. Public comments must be considered before a determination is made.

(4) Within ten business days after the public meeting, the committee shall provide a written determination to the public body, and make its determination available to the public on the committee's web site. If the committee fails to make a written determination within ten business days of the public meeting, the request of the public body to use the alternative contracting procedure on the requested project shall be deemed approved.

(5) The requirements of subsection (1) of this section also apply to certified public bodies seeking to use the general contractor/construction manager contracting procedure on projects with a total project cost of less than ten million dollars.

(6) Failure of the committee to meet within sixty calendar days of a public body's application to use an alternative contracting procedure on a project shall be deemed an approval of the application.

**NEW SECTION. Sec. 109. APPEAL PROCESS.** Final determinations by the committee may be appealed to the board within seven days by the public body or by an interested party. A written notice of an appeal must be provided to the committee and, as applicable, to the public body. The board shall resolve an appeal within forty-five days of receipt of the appeal and shall send a written determination of its decision to the party making the appeal and to the appropriate public body, as applicable. The public body shall comply with the determination of the board.

## PART 2 DESIGN-BUILD

**Sec. 201.** RCW 39.10.051 and 2003 c 352 s 2 and 2003 c 300 s 4 are each reenacted and amended to read as follows:

~~(1) ((Notwithstanding any other provision of law, and after complying with RCW 39.10.030, the following public bodies may utilize the design-build procedure of public works contracting for public works projects authorized under this section: The state department of general administration; the state ferry system; the University of Washington; Washington State University; every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755 and specifically authorized as provided in RCW 39.10.120(4); every county with a population greater than four hundred fifty thousand; every public utility district with revenues from energy sales greater than twenty-three million dollars per year; every public hospital district with total revenues greater than fifteen million dollars per year; and every port district with total revenues greater than fifteen million dollars per year. The authority granted to port districts in this section is in addition to and does not affect existing contracting authority under RCW 53.08.120 and 53.08.130. For the purposes of this section, "design-build procedure" means a contract between a public body and another party in which the party agrees to both design and build the facility, portion of the facility, or other item specified in the contract.~~

~~—(2) Public bodies authorized under this section)) Subject to the process in section 107 or 108 of this act, public bodies may utilize the design-build procedure for public works projects ((valued)) in which the total project cost is over ten million dollars and where:~~

~~(a) The design and construction activities ((or)), technologies, or schedule to be used are highly specialized and a design-build approach is critical in developing the construction methodology or implementing the proposed technology; or~~

~~(b) The project design is repetitive in nature and is an incidental part of the installation or construction; or~~

~~(c) Regular interaction with and feedback from facilities users and operators during design is not critical to an effective facility design.~~

~~(2) Subject to the process in section 107 or 108 of this act, public bodies may use the design-build procedure for parking garages, regardless of cost.~~

~~(3) ((Public bodies authorized under this section may also use)) The design-build procedure also may be used for the ((following projects that meet the criteria in subsection (2)(b) and (c) of this section:~~

~~—(a) The)) construction or erection of preengineered metal buildings or prefabricated modular buildings, regardless of cost((; or~~

~~—(b) The construction of new student housing projects valued over five million dollars.~~

~~—(4) Contracts for design-build services shall be awarded through a competitive process utilizing public solicitation of proposals for design-build services. The public body shall publish at least once in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public work will be done, a notice of its request for proposals for design-build services and the availability and location of the request for proposal documents. The request for proposal documents shall include:~~

~~—(a) A detailed description of the project including programmatic, performance, and technical requirements and specifications, functional and operational elements, minimum and maximum net and gross areas of any building, and, at the discretion of the public body, preliminary engineering and architectural drawings;~~

~~—(b) The reasons for using the design-build procedure;~~

~~—(c) A description of the qualifications to be required of the proposer including, but not limited to, submission of the proposer's accident prevention program;~~

~~—(d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. Evaluation factors shall include, but not be limited to: Proposal price; ability of professional personnel; past performance on~~

similar projects; ability to meet time and budget requirements; ability to provide a performance and payment bond for the project; recent, current, and projected work loads of the firm; location; and the concept of the proposal;

~~— (c) The form of the contract to be awarded;~~

~~— (f) The amount to be paid to finalists submitting best and final proposals who are not awarded a design-build contract; and~~

~~— (g) Other information relevant to the project.~~

~~— (5) The public body shall establish a committee to evaluate the proposals based on the factors, weighting, and process identified in the request for proposals. Based on its evaluation, the public body shall select not fewer than three nor more than five finalists to submit best and final proposals. The public body may, in its sole discretion, reject all proposals. Design-build contracts shall be awarded using the procedures in (a) or (b) of this subsection:~~

~~— (a) Best and final proposals shall be evaluated and scored based on the factors, weighting, and process identified in the initial request for proposals. The public body may score the proposals using a system that measures the quality and technical merits of the proposal on a unit price basis. Final proposals may not be considered if the proposal cost is greater than the maximum allowable construction cost identified in the initial request for proposals. The public body shall initiate negotiations with the firm submitting the highest scored best and final proposal. If the public body is unable to execute a contract with the firm submitting the highest scored best and final proposal, negotiations with that firm may be suspended or terminated and the public body may proceed to negotiate with the next highest scored firm. Public bodies shall continue in accordance with this procedure until a contract agreement is reached or the selection process is terminated.~~

~~— (b) If the public body determines that all finalists are capable of producing plans and specifications that adequately meet project requirements, the public body may award the contract to the firm that submits the responsive best and final proposal with the lowest price.~~

~~— (6) The firm awarded the contract shall provide a performance and payment bond for the contracted amount. The public body shall provide appropriate honorarium payments to finalists submitting best and final proposals who are not awarded a design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on design-build projects.~~

~~— (7) The authority provided to the state ferry system in this section is limited to projects concerning construction, renovation, preservation, demolition, and reconstruction of ferry terminals and associated land-based facilities) and is not subject to approval by the committee.~~

~~(4) Except for utility projects, the design-build procedure may not be used to procure operations and maintenance services for a period longer than three years. State agency projects that propose to use the design-build-operate-maintain procedure shall submit cost estimates for the construction portion of the project consistent with the office of financial management's capital budget requirements. Operations and maintenance costs must be shown separately and must not be included as part of the capital budget request.~~

**Sec. 202.** RCW 39.10.080 and 1994 c 132 s 8 are each amended to read as follows:

Notwithstanding the provisions of RCW 39.04.015, a public body using the design-build contracting procedure is authorized to negotiate an adjustment to the lowest bid or proposal price for a public works project ~~((awarded under RCW 39.10.050 and 39.10.060))~~ based upon agreed changes to the contract plans and specifications under the following conditions:

(1) All responsive bids or proposal prices exceed the available funds, as certified by an appropriate fiscal officer;

(2) The apparent low-responsive bid or proposal does not exceed the available funds by the greater of one hundred twenty-five thousand dollars or two percent for projects valued over ten million dollars; and

(3) The negotiated adjustment will bring the bid or proposal price within the amount of available funds.

**Sec. 203.** RCW 39.10.070 and 1994 c 132 s 7 are each amended to read as follows:

(1) A public body utilizing the ~~((alternative public works))~~ design-build contracting procedure ~~((s authorized under RCW 39.10.050 and 39.10.060))~~ shall provide for:

~~(a) ((The preparation of appropriate, complete, and coordinated design documents consistent with the procedure utilized;~~

~~— (b) To the extent appropriate, an independent review of the contract documents through value engineering or constructability studies prior to bid or proposal solicitation;~~

~~— (c)) Reasonable budget contingencies totaling not less than five percent of the anticipated contract value;~~

~~((d) To the extent appropriate, on-site architectural or engineering representatives during major construction or installation phases;~~

~~— (e)) (b) Employment of staff or consultants with expertise and prior experience in the management of comparable projects; ((and~~

~~— (f)) (c) Contract documents that include alternative dispute resolution procedures to be attempted prior to the initiation of litigation;~~

~~(d) Submission of project information, as required by the board; and~~

~~(e) Contract documents that require the contractor, subcontractors, and designers to submit project information required by the board.~~

(2) A public body utilizing the ~~((alternative public works))~~ design-build contracting procedure ~~((s under RCW 39.10.050 and 39.10.060))~~ may provide incentive payments to contractors for early completion, cost savings, or other goals if such payments are identified in the request for proposals.

**NEW SECTION. Sec. 204. DESIGN-BUILD CONTRACT**

**AWARD.** (1) Contracts for design-build services shall be awarded through a competitive process using public solicitation of proposals for design-build services. The public body shall publish at least once in a legal newspaper of general circulation published in, or as near as possible to, that part of the county in which the public work will be done, a notice of its request for qualifications from proposers for design-build services, and the availability and location of the request for proposal documents. The request for qualifications documents shall include:

(a) A general description of the project that provides sufficient information for proposers to submit qualifications;

(b) The reasons for using the design-build procedure;

(c) A description of the qualifications to be required of the proposer including, but not limited to, submission of the proposer's accident prevention program;

(d) A description of the process the public body will use to evaluate qualifications and finalists' proposals, including evaluation factors and the relative weight of factors and any specific forms to be used by the proposers;

(i) Evaluation factors for request for qualifications shall include, but not be limited to, technical qualifications, such as specialized experience and technical competence; capability to perform; past performance of the proposers' team, including the architect-engineer and construction members; and other appropriate factors. Cost or price-related factors are not permitted in the request for qualifications phase;

(ii) Evaluation factors for finalists' proposals shall include, but not be limited to, the factors listed in (d)(i) of this subsection, as well as technical approach design concept; proposal price; ability of professional personnel; past performance on similar projects; ability to meet time and budget

requirements; ability to provide a performance and payment bond for the project; recent, current, and projected work loads of the firm; and location. Alternatively, if the public body determines that all finalists will be capable of producing a design that adequately meets project requirements, the public body may award the contract to the firm that submits the responsive proposal with the lowest price;

(e) The form of the contract to be awarded;

(f) The amount to be paid to finalists submitting responsive proposals and who are not awarded a design-build contract;

(g) The schedule for the procurement process and the project; and

(h) Other information relevant to the project.

(2) The public body shall establish an evaluation committee to evaluate the responses to the request for qualifications based on the factors, weighting, and process identified in the request for qualifications. Based on the evaluation committee's findings, the public body shall select not more than five responsive and responsible finalists to submit proposals. The public body may, in its sole discretion, reject all proposals and shall provide its reasons for rejection in writing to all proposers.

(3) Upon selection of the finalists, the public body shall issue a request for proposals to the finalists, which shall provide the following information:

(a) A detailed description of the project including programmatic, performance, and technical requirements and specifications; functional and operational elements; minimum and maximum net and gross areas of any building; and, at the discretion of the public body, preliminary engineering and architectural drawings; and

(b) The target budget for the design-build portion of the project.

(4) The public body shall establish an evaluation committee to evaluate the proposals submitted by the finalists. Design-build contracts shall be awarded using the procedures in (a) or (b) of this subsection. The public body must identify in the request for qualifications which procedure will be used.

(a) The finalists' proposals shall be evaluated and scored based on the factors, weighting, and process identified in the initial request for qualifications and in any addenda published by the public body. Public bodies may request best and final proposals from finalists. The public body shall initiate negotiations with the firm submitting the highest scored proposal. If the public body is unable to execute a contract with the firm submitting the highest scored proposal, negotiations with that firm may be suspended or terminated and the public body may proceed to negotiate with the next highest scored firm. Public bodies shall continue in accordance with this procedure until a contract agreement is reached or the selection process is terminated.

(b) If the public body determines that all finalists are capable of producing a design that adequately meets project requirements, the public body may award the contract to the firm that submits the responsive proposal with the lowest price.

(5) The firm awarded the contract shall provide a performance and payment bond for the contracted amount. The public body shall provide appropriate honorarium payments to finalists submitting best and final proposals that are not awarded a design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on design-build projects. In determining the amount of the honorarium, the public body shall consider the level of effort required to meet the selection criteria.

### PART 3

#### GENERAL CONTRACTOR/CONSTRUCTION MANAGER

**Sec. 301.** RCW 39.10.061 and 2003 c 352 s 3 and 2003 c 300 s 5 are each reenacted and amended to read as follows:

~~((1) Notwithstanding any other provision of law, and after complying with RCW 39.10.030, a public body may utilize the general contractor/construction manager procedure of public works contracting for public works projects authorized under subsection (2) of this section. For the purposes of this section, "general contractor/construction manager" means a firm with which a public body has selected and negotiated a maximum allowable construction cost to be guaranteed by the firm, after competitive selection through formal advertisement and competitive bids, to provide services during the design phase that may include life-cycle cost design considerations, value engineering, scheduling, cost estimating, constructability, alternative construction options for cost savings, and sequencing of work, and to act as the construction manager and general contractor during the construction phase.~~

~~(2) Except those school districts proposing projects that are considered and approved by the school district project review board and those public hospital districts proposing projects that are considered and approved by the public hospital district project review board) Subject to the process in section 107 or 108 of this act, public bodies ((authorized under this section)) may utilize the general contractor/construction manager procedure for public works projects ((valued over ten million dollars)) where:~~

~~((a)) (1) Implementation of the project involves complex scheduling ((requirements)), phasing, or coordination; ((or~~

~~(b)) (2) The project involves construction at an ((existing)) occupied facility which must continue to operate during construction; ((or~~

~~(c)) (3) The involvement of the general contractor/construction manager during the design stage is critical to the success of the project((=~~

~~(3) Public bodies should select general contractor/construction managers early in the life of public works projects, and in most situations no later than the completion of schematic design.~~

~~(4) Contracts for the services of a general contractor/construction manager under this section shall be awarded through a competitive process requiring the public solicitation of proposals for general contractor/construction manager services. The public solicitation of proposals shall include: A description of the project, including programmatic, performance, and technical requirements and specifications when available; the reasons for using the general contractor/construction manager procedure; a description of the qualifications to be required of the proposer, including submission of the proposer's accident prevention program; a description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors; the form of the contract to be awarded; the estimated maximum allowable construction cost; and the bid instructions to be used by the general contractor/construction manager finalists. Evaluation factors shall include, but not be limited to: Ability of professional personnel, past performance in negotiated and complex projects, and ability to meet time and budget requirements; the scope of work the general contractor/construction manager proposes to self-perform and its ability to perform it; location; recent, current, and projected work loads of the firm; and the concept of their proposal. A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, these finalists shall submit final proposals, including sealed bids for the percent fee, which is the percentage amount to be earned by the general contractor/construction manager as overhead and profit, on the estimated maximum allowable construction cost and the fixed amount for the detailed specified general conditions work. The public body shall select the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public solicitation of proposals.~~

~~(5) The maximum allowable construction cost may be negotiated between the public body and the selected firm after the scope of the project is adequately determined to establish a guaranteed contract cost for which~~

the general contractor/construction manager will provide a performance and payment bond. The guaranteed contract cost includes the fixed amount for the detailed specified general conditions work, the negotiated maximum allowable construction cost, the percent fee on the negotiated maximum allowable construction cost, and sales tax. If the public body is unable to negotiate a satisfactory maximum allowable construction cost with the firm selected that the public body determines to be fair, reasonable, and within the available funds, negotiations with that firm shall be formally terminated and the public body shall negotiate with the next highest scored firm and continue until an agreement is reached or the process is terminated. If the maximum allowable construction cost varies more than fifteen percent from the bid estimated maximum allowable construction cost due to requested and approved changes in the scope by the public body, the percent fee shall be renegotiated.

(6) All subcontract work shall be competitively bid with public bid openings. When critical to the successful completion of a subcontractor bid package and after publication of notice of intent to determine bidder eligibility in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public work will be done at least twenty days before requesting qualifications from interested subcontract bidders, the owner and general contractor/construction manager may determine subcontractor bidding eligibility using the following evaluation criteria:

- (a) Adequate financial resources or the ability to secure such resources;
- (b) History of successful completion of a contract of similar type and scope;
- (c) Project management and project supervision personnel with experience on similar projects and the availability of such personnel for the project;
- (d) Current and projected workload and the impact the project will have on the subcontractor's current and projected workload;
- (e) Ability to accurately estimate the subcontract bid package scope of work;
- (f) Ability to meet subcontract bid package shop drawing and other coordination procedures;
- (g) Eligibility to receive an award under applicable laws and regulations; and
- (h) Ability to meet subcontract bid package scheduling requirements.

The owner and general contractor/construction manager shall weigh the evaluation criteria and determine a minimum acceptable score to be considered an eligible subcontract bidder.

After publication of notice of intent to determine bidder eligibility, subcontractors requesting eligibility shall be provided the evaluation criteria and weighting to be used by the owner and general contractor/construction manager to determine eligible subcontract bidders. After the owner and general contractor/construction manager determine eligible subcontract bidders, subcontractors requesting eligibility shall be provided the results and scoring of the subcontract bidder eligibility determination.

Subcontract bid packages shall be awarded to the responsible bidder submitting the low responsive bid. The requirements of RCW 39.30.060 apply to each subcontract bid package. All subcontractors who bid work over three hundred thousand dollars shall post a bid bond and all subcontractors who are awarded a contract over three hundred thousand dollars shall provide a performance and payment bond for their contract amount. All other subcontractors shall provide a performance and payment bond if required by the general contractor/construction manager. If a general contractor/construction manager receives a written protest from a subcontractor bidder, the general contractor/construction manager shall not execute a contract for the subcontract bid package with anyone other than the protesting bidder without first providing at least two full

business days' written notice of the general contractor/construction manager's intent to execute a contract for the subcontract bid package; provided that the protesting bidder submits notice in writing of its protest no later than two full business days following bid opening. Intermediate Saturdays, Sundays, and legal holidays are not counted. A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project. Except as provided for under subsection (7) of this section, bidding on subcontract work by the general contractor/construction manager or its subsidiaries is prohibited. The general contractor/construction manager may negotiate with the low-responsive bidder in accordance with RCW 39.10.080 or, if unsuccessful in such negotiations, rebid.

(7) The general contractor/construction manager, or its subsidiaries, may bid on subcontract work if:

- (a) The work within the subcontract bid package is customarily performed by the general contractor/construction manager;
- (b) The bid opening is managed by the public body; and
- (c) Notification of the general contractor/construction manager's intention to bid is included in the public solicitation of bids for the bid package.

In no event may the value of subcontract work performed by the general contractor/construction manager exceed thirty percent of the negotiated maximum allowable construction cost.

(8) A public body may include an incentive clause in any contract awarded under this section for savings of either time or cost or both from that originally negotiated. No incentives granted may exceed five percent of the maximum allowable construction cost. If the project is completed for less than the agreed upon maximum allowable construction cost, any savings not otherwise negotiated as part of an incentive clause shall accrue to the public body. If the project is completed for more than the agreed upon maximum allowable construction cost, excepting increases due to any contract change orders approved by the public body, the additional cost shall be the responsibility of the general contractor/construction manager.

(9) The authority provided to the state ferry system in this section is limited to projects concerning construction, renovation, preservation, demolition, and reconstruction of ferry terminals and associated land-based facilities);

(4) The project encompasses a complex or technical work environment; or

(5) The project requires specialized work on a building that has historic significance.

NEW SECTION. Sec. 302. PROJECT MANAGEMENT AND CONTRACTING REQUIREMENTS. (1) A public body using the general contractor/construction manager contracting procedure shall provide for:

- (a) The preparation of appropriate, complete, and coordinated design documents;
- (b) Confirmation that a constructability analysis of the design documents has been performed prior to solicitation of a subcontract bid package;
- (c) Reasonable budget contingencies totaling not less than five percent of the anticipated contract value;
- (d) To the extent appropriate, on-site architectural or engineering representatives during major construction or installation phases;
- (e) Employment of staff or consultants with expertise and prior experience in the management of comparable projects, critical path method schedule review and analysis, and the administration, pricing, and negotiation of change orders;
- (f) Contract documents that include alternative dispute resolution procedures to be attempted before the initiation of litigation;

(g) Contract documents that: (i) Obligate the public owner to accept or reject a request for equitable adjustment, change order, or claim within a specified time period but no later than sixty calendar days after the receipt by the public body of related documentation; and (ii) provide that if the public owner does not respond in writing to a request for equitable adjustment, change order, or claim within the specified time period, the request is deemed denied;

(h) Submission of project information, as required by the board; and

(i) Contract documents that require the contractor, subcontractors, and designers to submit project information required by the board.

(2) A public body using the general contractor/construction manager contracting procedure may include an incentive clause for early completion, cost savings, or other performance goals if such incentives are identified in the request for proposals. No incentives granted may exceed five percent of the maximum allowable construction cost. No incentives may be paid from any contingency fund established for coordination of the construction documents or coordination of the work.

(3) If the construction is completed for less than the maximum allowable construction cost, any savings not otherwise negotiated as part of an incentive clause shall accrue to the public body. If the construction is completed for more than the maximum allowable construction cost, the additional cost is the responsibility of the general contractor/construction manager.

(4) If the public body and the general contractor/construction manager agree, in writing, on a price for additional work, the public body must issue a change order within thirty days of the written agreement. If the public body does not issue a change order within the thirty days, interest shall accrue on the dollar amount of the additional work satisfactorily completed until a change order is issued. The public body shall pay this interest at a rate of one percent per month.

**NEW SECTION. Sec. 303. CONTRACT AWARD.** (1) Public bodies should select general contractor/construction managers early in the life of public works projects, and in most situations no later than the completion of schematic design.

(2) Contracts for the services of a general contractor/ construction manager under this section shall be awarded through a competitive process requiring the public solicitation of proposals for general contractor/construction manager services. The public solicitation of proposals shall include:

(a) A description of the project, including programmatic, performance, and technical requirements and specifications when available;

(b) The reasons for using the general contractor/construction manager procedure;

(c) A description of the qualifications to be required of the firm, including submission of the firm's accident prevention program;

(d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors;

(e) The form of the contract, including any contract for preconstruction services, to be awarded;

(f) The estimated maximum allowable construction cost; and

(g) The bid instructions to be used by the general contractor/construction manager finalists.

(3) Evaluation factors for selection of the general contractor/construction shall include, but not be limited to:

(a) Ability of the firm's professional personnel;

(b) The firm's past performance in negotiated and complex projects;

(c) The firm's ability to meet time and budget requirements;

(d) The scope of work the firm proposes to self-perform and its ability to perform that work;

(e) The firm's proximity to the project location;

(f) Recent, current, and projected work loads of the firm; and

(g) The firm's approach to executing the project.

(4) A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, these finalists shall submit final proposals, including sealed bids for the percent fee on the estimated maximum allowable construction cost and the fixed amount for the general conditions work specified in the request for proposal. The public body shall select the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public solicitation of proposals. A public body shall not evaluate or disqualify a proposal based on the terms of a collective bargaining agreement.

(5) Public bodies may contract with the selected firm to provide services during the design phase that may include life-cycle cost design considerations, value engineering, scheduling, cost estimating, constructability, alternative construction options for cost savings, and sequencing of work, and to act as the construction manager and general contractor during the construction phase.

**NEW SECTION. Sec. 304. MAXIMUM ALLOWABLE CONSTRUCTION COST.** (1) The maximum allowable construction cost shall be used to establish a total contract cost for which the general contractor/construction manager shall provide a performance and payment bond. The maximum allowable construction cost shall be negotiated between the public body and the selected firm when the construction documents and specifications are at least ninety percent complete.

(2) Major bid packages may be bid in accordance with section 305 of this act before agreement on the maximum allowable construction cost between the public body and the selected general contractor/construction manager. The general contractor/construction manager may issue an intent to award to the responsible bidder submitting the lowest responsive bid.

(3) The public body may, at its option, authorize the general contractor/construction manager to proceed with the bidding and award of bid packages and construction before receipt of complete project plans and specifications. Any contracts awarded under this subsection shall be incorporated in the negotiated maximum allowable construction cost.

(4) The total contract cost includes the fixed amount for the detailed specified general conditions work, the negotiated maximum allowable construction cost, the negotiated support services, and the percent fee on the negotiated maximum allowable construction cost. Negotiated support services may be included in the specified general conditions at the discretion of the public body.

(5) If the public body is unable to negotiate a satisfactory maximum allowable construction cost with the firm selected that the public body determines to be fair, reasonable, and within the available funds, negotiations with that firm shall be formally terminated and the public body shall negotiate with the next highest scored firm and continue until an agreement is reached or the process is terminated.

(6) If the maximum allowable construction cost varies more than fifteen percent from the bid estimated maximum allowable construction cost due to requested and approved changes in the scope by the public body, the percent fee shall be renegotiated.

**NEW SECTION. Sec. 305. SUBCONTRACT BIDDING PROCEDURE.** (1) All subcontract work and equipment and material purchases shall be competitively bid with public bid openings. Subcontract bid packages and equipment and materials purchases shall be awarded to the responsible bidder submitting the lowest responsive bid. In preparing subcontract bid packages, the general contractor/construction manager shall not be required to violate or waive terms of a collective bargaining agreement.

(2) All subcontract bid packages in which bidder eligibility was not determined in advance shall include the specific objective criteria that will be used by the general contractor/construction manager and the public body to evaluate bidder responsibility. If the lowest bidder submitting a responsive bid is determined by the general contractor/construction manager and the public body not to be responsible, the general contractor/construction manager and the public body must provide written documentation to that bidder explaining their intent to reject the bidder as not responsible and afford the bidder the opportunity to establish that it is a responsible bidder. Responsibility shall be determined in accordance with criteria listed in the bid documents. Protests concerning bidder responsibility determination by the general contractor/construction manager and the public body shall be in accordance with subsection (4) of this section.

(3) All subcontractors who bid work over three hundred thousand dollars shall post a bid bond. All subcontractors who are awarded a contract over three hundred thousand dollars shall provide a performance and payment bond for the contract amount. All other subcontractors shall provide a performance and payment bond if required by the general contractor/construction manager.

(4) If the general contractor/construction manager receives a written protest from a subcontractor bidder or an equipment or material supplier, the general contractor/construction manager shall not execute a contract for the subcontract bid package or equipment or material purchase order with anyone other than the protesting bidder without first providing at least two full business days' written notice to all bidders of the intent to execute a contract for the subcontract bid package. The protesting bidder must submit written notice of its protest no later than two full business days following the bid opening. Intermediate Saturdays, Sundays, and legal holidays are not counted.

(5) A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project.

(6) The general contractor/construction manager may negotiate with the lowest responsible and responsive bidder to negotiate an adjustment to the lowest bid or proposal price based upon agreed changes to the contract plans and specifications under the following conditions:

(a) All responsive bids or proposal prices exceed the available funds, as certified by an appropriate fiscal officer;

(b) The apparent low responsive bid or proposal does not exceed the available funds by the greater of one hundred twenty-five thousand dollars or two percent for projects valued over ten million dollars; and

(c) The negotiated adjustment will bring the bid or proposal price within the amount of available funds.

(7) If the negotiation is unsuccessful, the subcontract work or equipment or material purchases must be rebid.

(8) The general contractor/construction manager must provide a written explanation if all bids are rejected.

**NEW SECTION. Sec. 306. GENERAL CONTRACTOR/CONSTRUCTION MANAGER SELF PERFORMANCE OF SUBCONTRACT WORK.** (1) Except as provided in this section, bidding on subcontract work or for the supply of equipment or materials by the general contractor/construction manager or its subsidiaries is prohibited.

(2) The general contractor/construction manager, or its subsidiaries, may bid on subcontract work or for the supply of equipment or materials if:

(a) The work within the subcontract bid package or equipment or materials is customarily performed or supplied by the general contractor/construction manager;

(b) The bid opening is managed by the public body and is in compliance with section 305 of this act; and

(c) Notification of the general contractor/construction manager's intention to bid is included in the public solicitation of bids for the bid package or for the equipment or materials.

(3) In no event may the general contractor/construction manager or its subsidiaries purchase equipment or materials for assignment to subcontract bid package bidders for installation or warranty. The value of subcontract work performed and equipment and materials supplied by the general contractor/construction manager may not exceed thirty percent of the negotiated maximum allowable construction cost. Negotiated support services performed by the general contractor/construction manager shall not be considered subcontract work for purposes of this subsection.

**NEW SECTION. Sec. 307. PREBID DETERMINATION OF SUBCONTRACTOR ELIGIBILITY.** (1) If determination of subcontractor eligibility prior to seeking bids is in the best interest of the project and critical to the successful completion of a subcontract bid package, the general contractor/construction manager and the public body may determine subcontractor eligibility to bid. The general contractor/construction manager and the public body must:

(a) Conduct a hearing and provide an opportunity for any interested party to submit written and verbal comments regarding the justification for conducting bidder eligibility, the evaluation criteria, and weights for each criteria and subcriteria;

(b) Publish a notice of intent to evaluate and determine bidder eligibility in a legal newspaper published in or as near as possible to that part of the county where the public work will be constructed at least fourteen calendar days before conducting a public hearing;

(c) Ensure the public hearing notice includes the date, time, and location of the hearing, a statement justifying the basis and need for performing eligibility analysis before bid opening, and specific eligibility criteria and applicable weights given to each criteria and subcriteria that will be used during evaluation;

(d) After the public hearing, consider written and verbal comments received and determine if establishing bidder eligibility in advance of seeking bids is in the best interests of the project and critical to the successful completion of a subcontract bid package; and

(e) Issue a written final determination to all interested parties. All protests of the decision to establish bidder eligibility before issuing a subcontractor bid package must be filed with the superior court within seven calendar days of the final determination. Any modifications to the eligibility criteria and weights shall be based on comments received during the public hearing process and shall be included in the final determination.

(2) Determinations of bidder eligibility shall be in accordance with the evaluation criteria and weights for each criteria established in the final determination and shall be provided to interested persons upon request. Any potential bidder determined not to meet eligibility criteria must be afforded the opportunity to establish its eligibility. Protests concerning bidder eligibility determinations shall be in accordance with subsection (1) of this section.

**NEW SECTION. Sec. 308. SUBCONTRACT AGREEMENTS.** Subcontract agreements used by the general contractor/construction manager shall not:

(1) Delegate, restrict, or assign the general contractor/construction manager's implied duty not to hinder or delay the subcontractor. Nothing in this subsection (1) prohibits the general contractor/construction manager from requiring subcontractors not to hinder or delay the work of the general contractor/construction manager or other subcontractors and to hold subcontractors responsible for such damages;

(2) Delegate, restrict, or assign the general contractor/construction manager's authority to resolve subcontractor conflicts. The general contractor/construction manager may delegate or assign coordination of specific elements of the work, including: (a) The coordination of shop drawings among subcontractors; (b) the coordination among subcontractors in ceiling spaces and mechanical rooms; and (c) the coordination of a subcontractor's lower tier subcontractors. Nothing in this subsection prohibits the general contractor/construction manager from imposing a duty on its subcontractors to cooperate with the general contractor/construction manager and other subcontractors in the coordination of the work;

(3) Restrict the subcontractor's right to damages for changes to the construction schedule or work to the extent that the delay or disruption is caused by the general contractor/construction manager or entities acting for it. The general contractor/construction manager may require the subcontractor to provide notice that rescheduling or resequencing will result in delays or additional costs;

(4) Require the subcontractor to bear the cost of trade damage repair except to the extent the subcontractor is responsible for the damage. Nothing in this subsection (4) precludes the general contractor/construction manager from requiring the subcontractor to take reasonable steps to protect the subcontractor's work from trade damage; or

(5) Require the subcontractor to execute progress payment applications that waive claims for additional time or compensation or bond or retainage rights as a condition of receipt of progress payment, except to the extent the subcontractor has received or will receive payment. Nothing in this section precludes the general contractor/construction manager from requiring the subcontractor to provide notice of claims for additional time or compensation as a condition precedent to right of recovery or to execute a full and final release, including a waiver of bond and retainage rights, as a condition of final payment.

#### PART 4 JOB ORDER CONTRACTING

**Sec. 401.** RCW 39.10.130 and 2003 c 301 s 1 are each amended to read as follows:

(1) The following public bodies are authorized to use the job order contracting procedure:

- (a) The department of general administration;
- (b) The University of Washington;
- (c) Washington State University;
- (d) Every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755;
- (e) Every county with a population greater than four hundred fifty thousand;
- (f) Every port district with total revenues greater than fifteen million dollars per year;
- (g) Every public utility district with revenues from energy sales greater than twenty-three million dollars per year;
- (h) Every school district; and
- (i) The state ferry system.

(2) The department of general administration may issue job order contract work orders for Washington state parks department projects.

(3) Public bodies may use a job order contract for public works projects when(:

- (a) A public body has made)) a determination is made that the use of job order contracts will benefit the public by providing an effective means of reducing the total lead-time and cost for the construction of public works projects (or) for repair and renovation required at public facilities through the use of unit price books and work orders by eliminating time-

consuming, costly aspects of the traditional public works process, which require separate contracting actions for each small project(;

~~— (b) The work order to be issued for a particular project does not exceed two hundred thousand dollars;~~

~~— (c) Less than twenty percent of the dollar value of the work order consists of items of work not contained in the unit price book; and~~

~~— (d) At least eighty percent of the job order contract must be subcontracted to entities other than the job order contractor.~~

~~— (2) Public bodies shall award job order contracts through a competitive process utilizing public requests for proposals. Public bodies shall make an effort to solicit proposals from a certified minority or certified woman-owned contractor to the extent permitted by the Washington state civil rights act, RCW 49.60.400. The public body shall publish, at least once in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public works will be done, a request for proposals for job order contracts and the availability and location of the request for proposal documents. The public body shall ensure that the request for proposal documents at a minimum includes:~~

~~— (a) A detailed description of the scope of the job order contract including performance, technical requirements and specifications; functional and operational elements, minimum and maximum work order amounts, duration of the contract, and options to extend the job order contract;~~

~~— (b) The reasons for using job order contracts;~~

~~— (c) A description of the qualifications required of the proposer;~~

~~— (d) The identity of the specific unit price book to be used;~~

~~— (e) The minimum contracted amount committed to the selected job order contractor;~~

~~— (f) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. The public body shall ensure that evaluation factors include, but are not limited to, proposal price and the ability of the proposer to perform the job order contract. In evaluating the ability of the proposer to perform the job order contract, the public body may consider: The ability of the professional personnel who will work on the job order contract; past performance on similar contracts; ability to meet time and budget requirements; ability to provide a performance and payment bond for the job order contract; recent, current, and projected work loads of the proposer; location; and the concept of the proposal;~~

~~— (g) The form of the contract to be awarded;~~

~~— (h) The method for pricing renewals of or extensions to the job order contract;~~

~~— (i) A notice that the proposals are subject to the provisions of RCW 39.10.100; and~~

~~— (j) Other information relevant to the project.~~

~~— (3) A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, the finalists shall submit final proposals, including sealed bids based upon the identified unit price book. Such bids may be in the form of coefficient markups from listed price book costs. The public body shall award the contract to the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public request for proposals.~~

~~— (4) The public body shall provide a protest period of at least ten business days following the day of the announcement of the apparent successful proposal to allow a protester to file a detailed statement of the grounds of the protest. The public body shall promptly make a determination on the merits of the protest and provide to all proposers a written decision of denial or acceptance of the protest. The public body shall not execute the contract until two business days following the public body's decision on the protest.~~

~~— (5) The public body shall issue no work orders until it has approved, in consultation with the office of minority and women's business enterprises or the equivalent local agency, a plan prepared by the job order contractor that equitably spreads certified women and minority business enterprise subcontracting opportunities, to the extent permitted by the Washington state civil rights act, RCW 49.60.400, among the various subcontract disciplines.~~

~~— (6) Job order contracts may be executed for an initial contract term of not to exceed two years, with the option of extending or renewing the job order contract for one year. All extensions or renewals must be priced as provided in the request for proposals. The extension or renewal must be mutually agreed to by the public body and the job order contractor.~~

~~— (7) The maximum total dollar amount that may be awarded under a job order contract shall not exceed three million dollars in the first year of the job order contract, five million dollars over the first two years of the job order contract, and, if extended or renewed, eight million dollars over the three years of the job order contract.~~

~~— (8) For each job order contract, public bodies shall not issue more than two work orders equal to or greater than one hundred fifty thousand dollars in a twelve-month contract performance period.~~

~~— (9) All work orders issued for the same project shall be treated as a single work order for purposes of the one hundred fifty thousand dollar limit on work orders in subsection (8) of this section and the two hundred thousand dollar limit on work orders in subsection (1)(b) of this section.~~

~~— (10) Any new permanent, enclosed building space constructed under a work order shall not exceed two thousand gross square feet.~~

~~— (11) Each public body may have no more than two job order contracts in effect at any one time.~~

~~— (12) For purposes of chapters 39.08, 39.12, 39.76, and 60.28 RCW, each work order issued shall be treated as a separate contract. The alternate filing provisions of RCW 39.12.040(2) shall apply to each work order that otherwise meets the eligibility requirements of RCW 39.12.040(2).~~

~~— (13) The requirements of RCW 39.30.060 do not apply to requests for proposals for job order contracts.~~

~~— (14) Job order contractors shall pay prevailing wages for all work that would otherwise be subject to the requirements of chapter 39.12 RCW. Prevailing wages for all work performed pursuant to each work order must be the rates in effect at the time the individual work order is issued.~~

~~— (15) If, in the initial contract term, the public body, at no fault of the job order contractor, fails to issue the minimum amount of work orders stated in the public request for proposals, the public body shall pay the contractor an amount equal to the difference between the minimum work order amount and the actual total of the work orders issued multiplied by an appropriate percentage for overhead and profit contained in the general conditions for Washington state facility construction. This will be the contractor's sole remedy.~~

~~— (16) All job order contracts awarded under this section must be executed before July 1, 2007, however the job order contract may be extended or renewed as provided for in this section.~~

~~— (17) For purposes of this section, "public body" includes any school district).~~

**NEW SECTION. Sec. 402. CONTRACT AWARD.** (1) Job order contracts shall be awarded through a competitive process using public requests for proposals.

(2) The public body shall make an effort to solicit proposals from certified minority or certified woman-owned contractors to the extent permitted by the Washington state civil rights act, RCW 49.60.400.

(3) The public body shall publish, at least once in a statewide publication and legal newspaper of general circulation published in every county in which the public works project is anticipated, a request for

proposals for job order contracts and the availability and location of the request for proposal documents. The public body shall ensure that the request for proposal documents at a minimum includes:

(a) A detailed description of the scope of the job order contract including performance, technical requirements and specifications, functional and operational elements, minimum and maximum work order amounts, duration of the contract, and options to extend the job order contract;

(b) The reasons for using job order contracts;

(c) A description of the qualifications required of the proposer;

(d) The identity of the specific unit price book to be used;

(e) The minimum contracted amount committed to the selected job order contractor;

(f) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. The public body shall ensure that evaluation factors include, but are not limited to, proposal price and the ability of the proposer to perform the job order contract. In evaluating the ability of the proposer to perform the job order contract, the public body may consider: The ability of the professional personnel who will work on the job order contract; past performance on similar contracts; ability to meet time and budget requirements; ability to provide a performance and payment bond for the job order contract; recent, current, and projected work loads of the proposer; location; and the concept of the proposal;

(g) The form of the contract to be awarded;

(h) The method for pricing renewals of or extensions to the job order contract;

(i) A notice that the proposals are subject to RCW 39.10.100 (as recodified by this act); and

(j) Other information relevant to the project.

(4) A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, the finalists shall submit final proposals, including sealed bids based upon the identified unit price book. Such bids may be in the form of coefficient markups from listed price book costs. The public body shall award the contract to the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public request for proposals and will notify the board of the award of the contract.

(5) The public body shall provide a protest period of at least ten business days following the day of the announcement of the apparent successful proposal to allow a protester to file a detailed statement of the grounds of the protest. The public body shall promptly make a determination on the merits of the protest and provide to all proposers a written decision of denial or acceptance of the protest. The public body shall not execute the contract until two business days following the public body's decision on the protest.

(6) The requirements of RCW 39.30.060 do not apply to requests for proposals for job order contracts.

**NEW SECTION. Sec. 403. JOB ORDER CONTRACT REQUIREMENTS.** (1) The maximum total dollar amount that may be awarded under a job order contract is four million dollars per year for a maximum of three years.

(2) Job order contracts may be executed for an initial contract term of not to exceed two years, with the option of extending or renewing the job order contract for one year. All extensions or renewals must be priced as provided in the request for proposals. The extension or renewal must be mutually agreed to by the public body and the job order contractor.

(3) A public body may have no more than two job order contracts in effect at any one time, with the exception of the department of general administration, which may have four job order contracts in effect at any one time.

(4) At least ninety percent of work contained in a job order contract must be subcontracted to entities other than the job order contractor. The job order contractor must distribute contracts as equitably as possible among qualified and available subcontractors including minority and woman-owned subcontractors to the extent permitted by law.

(5) The job order contractor shall publish notification of intent to perform public works projects at the beginning of each contract year in a statewide publication and in a legal newspaper of general circulation in every county in which the public works projects are anticipated.

(6) Job order contractors shall pay prevailing wages for all work that would otherwise be subject to the requirements of chapter 39.12 RCW. Prevailing wages for all work performed pursuant to each work order must be the rates in effect at the time the individual work order is issued.

(7) If, in the initial contract term, the public body, at no fault of the job order contractor, fails to issue the minimum amount of work orders stated in the public request for proposals, the public body shall pay the contractor an amount equal to the difference between the minimum work order amount and the actual total of the work orders issued multiplied by an appropriate percentage for overhead and profit contained in the contract award coefficient for services as specified in the request for proposals. This is the contractor's sole remedy.

(8) All job order contracts awarded under this section must be signed before July 1, 2013; however the job order contract may be extended or renewed as provided for in this section.

(9) Public bodies may amend job order contracts awarded prior to July 1, 2007, in accordance with this chapter.

**NEW SECTION. Sec. 404. WORK ORDERS.** (1) The maximum dollar amount for a work order is three hundred fifty thousand dollars. For each job order contract, public bodies shall not issue more than two work orders equal to or greater than three hundred thousand dollars in a twelve-month contract period.

(2) All work orders issued for the same project shall be treated as a single work order for purposes of the dollar limit on work orders.

(3) No more than twenty percent of the dollar value of a work order may consist of items of work not contained in the unit price book.

(4) Any new permanent, enclosed building space constructed under a work order shall not exceed two thousand gross square feet.

(5) A public body may issue no work orders under a job order contract until it has approved, in consultation with the office of minority and women's business enterprises or the equivalent local agency, a plan prepared by the job order contractor that equitably spreads certified women and minority business enterprise subcontracting opportunities, to the extent permitted by the Washington state civil rights act, RCW 49.60.400, among the various subcontract disciplines.

(6) For purposes of chapters 39.08, 39.12, 39.76, and 60.28 RCW, each work order issued shall be treated as a separate contract. The alternate filing provisions of RCW 39.12.040(2) apply to each work order that otherwise meets the eligibility requirements of RCW 39.12.040(2).

(7) The job order contract shall not be used for the procurement of architectural or engineering services not associated with specific work orders. Architectural and engineering services shall be procured in accordance with RCW 39.80.040.

**NEW SECTION. Sec. 405.** A public body shall provide to the board the following information for each job order contract at the end of each contract year:

- (1) A list of work orders issued;
- (2) The cost of each work order;
- (3) A list of subcontractors hired under each work order;
- (4) If requested by the board, a copy of the intent to pay prevailing wage and the affidavit of wages paid for each work order subcontract; and

- (5) Any other information requested by the board.

## PART 5 OTHER PROVISIONS

**Sec. 501.** RCW 39.10.120 and 2001 c 328 s 5 are each amended to read as follows:

~~((1) Except as provided in subsections (2) and (3) of this section,))~~  
The alternative public works contracting procedures authorized under this chapter are limited to public works contracts signed before July 1, ~~((2007))~~ 2013. Methods of public works contracting authorized ~~((by RCW 39.10.050 and 39.10.060 or 39.10.051 and 39.10.061))~~ under this chapter shall remain in full force and effect until completion of contracts signed before July 1, ~~((2007))~~ 2013.

~~((2) For the purposes of a baseball stadium as defined in RCW 82.14.0485, the design-build contracting procedures under RCW 39.10.050 shall remain in full force and effect until completion of contracts signed before December 31, 1997:~~

~~((3) For the purposes of a stadium and exhibition center, as defined in RCW 36.102.010, the design-build contracting procedures under RCW 39.10.050 or 39.10.051 shall remain in full force and effect until completion of contracts signed before December 31, 2002:~~

~~((4) A public authority chartered by a city that is a public body may utilize an alternative public works contracting procedure under this chapter only after receiving specific authorization on a project-by-project basis from the governing body of the city. For purposes of public authorities authorized to use alternative public works contracting procedures under this chapter, the city chartering any such public authority shall itself comply with RCW 39.10.030 on behalf of the public authority.))~~

**NEW SECTION. Sec. 502.** Projects approved by the school district project review board established under RCW 39.10.115, and the hospital district project review board established under RCW 39.10.117 before July 1, 2007, may proceed without the approval of the committee established in section 104 of this act. The board may grant an exemption from any provision of this act for projects advertised before the effective date of this section. A public body seeking an exemption must submit a request in writing to the board no later than December 31, 2007. The board must respond to the request within sixty calendar days.

**NEW SECTION. Sec. 503.** Projects using the design-build or general contractor/construction manager contracting procedures in which advertising for selection of a contractor has begun by the effective date of this section but no contract has been awarded may proceed without seeking approval of the committee under the processes in sections 107 and 108 of this act.

**Sec. 504.** RCW 60.28.011 and 2003 c 301 s 7 are each amended to read as follows:

(1) Public improvement contracts shall provide, and public bodies shall reserve, a contract retainage not to exceed five percent of the moneys earned by the contractor as a trust fund for the protection and payment of: (a) The claims of any person arising under the contract; and (b) the state with respect to taxes imposed pursuant to Title 82 RCW which may be due from such contractor.

(2) Every person performing labor or furnishing supplies toward the completion of a public improvement contract shall have a lien upon moneys reserved by a public body under the provisions of a public improvement contract. However, the notice of the lien of the claimant shall be given within forty-five days of completion of the contract work, and in the manner provided in RCW 39.08.030.

(3) The contractor at any time may request the contract retainage be reduced to one hundred percent of the value of the work remaining on the project.

(a) After completion of all contract work other than landscaping, the contractor may request that the public body release and pay in full the amounts retained during the performance of the contract, and sixty days thereafter the public body must release and pay in full the amounts retained (other than continuing retention of five percent of the moneys earned for landscaping) subject to the provisions of chapters 39.12 and 60.28 RCW.

(b) Sixty days after completion of all contract work the public body must release and pay in full the amounts retained during the performance of the contract subject to the provisions of chapters 39.12 and 60.28 RCW.

(4) The moneys reserved by a public body under the provisions of a public improvement contract, at the option of the contractor, shall be:

(a) Retained in a fund by the public body;

(b) Deposited by the public body in an interest bearing account in a bank, mutual savings bank, or savings and loan association. Interest on moneys reserved by a public body under the provision of a public improvement contract shall be paid to the contractor;

(c) Placed in escrow with a bank or trust company by the public body. When the moneys reserved are placed in escrow, the public body shall issue a check representing the sum of the moneys reserved payable to the bank or trust company and the contractor jointly. This check shall be converted into bonds and securities chosen by the contractor and approved by the public body and the bonds and securities shall be held in escrow. Interest on the bonds and securities shall be paid to the contractor as the interest accrues.

(5) The contractor or subcontractor may withhold payment of not more than five percent from the moneys earned by any subcontractor or sub-subcontractor or supplier contracted with by the contractor to provide labor, materials, or equipment to the public project. Whenever the contractor or subcontractor reserves funds earned by a subcontractor or sub-subcontractor or supplier, the contractor or subcontractor shall pay interest to the subcontractor or sub-subcontractor or supplier at a rate equal to that received by the contractor or subcontractor from reserved funds.

(6) A contractor may submit a bond for all or any portion of the contract retainage in a form acceptable to the public body and from a bonding company meeting standards established by the public body. The public body shall accept a bond meeting these requirements unless the public body can demonstrate good cause for refusing to accept it. This bond and any proceeds therefrom are subject to all claims and liens and in the same manner and priority as set forth for retained percentages in this chapter. The public body shall release the bonded portion of the retained funds to the contractor within thirty days of accepting the bond from the contractor. Whenever a public body accepts a bond in lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier to the subcontractor or supplier within thirty days of accepting the bond from the subcontractor or supplier.

(7) If the public body administering a contract, after a substantial portion of the work has been completed, finds that an unreasonable delay will occur in the completion of the remaining portion of the contract for any reason not the result of a breach thereof, it may, if the contractor agrees, delete from the contract the remaining work and accept as final the improvement at the stage of completion then attained and make payment in proportion to the amount of the work accomplished and in this case any amounts retained and accumulated under this section shall be held for a period of sixty days following the completion. In the event that the work is terminated before final completion as provided in this section, the public

body may thereafter enter into a new contract with the same contractor to perform the remaining work or improvement for an amount equal to or less than the cost of the remaining work as was provided for in the original contract without advertisement or bid. The provisions of this chapter are exclusive and shall supersede all provisions and regulations in conflict herewith.

(8) Whenever the department of transportation has contracted for the construction of two or more ferry vessels, sixty days after completion of all contract work on each ferry vessel, the department must release and pay in full the amounts retained in connection with the construction of the vessel subject to the provisions of RCW 60.28.020 and chapter 39.12 RCW. However, the department of transportation may at its discretion condition the release of funds retained in connection with the completed ferry upon the contractor delivering a good and sufficient bond with two or more sureties, or with a surety company, in the amount of the retained funds to be released to the contractor, conditioned that no taxes shall be certified or claims filed for work on the ferry after a period of sixty days following completion of the ferry; and if taxes are certified or claims filed, recovery may be had on the bond by the department of revenue and the materialmen and laborers filing claims.

(9) Except as provided in subsection (1) of this section, reservation by a public body for any purpose from the moneys earned by a contractor by fulfilling its responsibilities under public improvement contracts is prohibited.

(10) Contracts on projects funded in whole or in part by farmers home administration and subject to farmers home administration regulations are not subject to subsections (1) through (9) of this section.

(11) This subsection applies only to a public body that has contracted for the construction of a facility using the general contractor/construction manager procedure, as defined under RCW ((39.10.061)) 39.10.020 (as recodified by this act). If the work performed by a subcontractor on the project has been completed within the first half of the time provided in the general contractor/construction manager contract for completing the work, the public body may accept the completion of the subcontract. The public body must give public notice of this acceptance. After a forty-five day period for giving notice of liens, and compliance with the retainage release procedures in RCW 60.28.021, the public body may release that portion of the retained funds associated with the subcontract. Claims against the retained funds after the forty-five day period are not valid.

(12) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this section.

(a) "Contract retainage" means an amount reserved by a public body from the moneys earned by a person under a public improvement contract.

(b) "Person" means a person or persons, mechanic, subcontractor, or materialperson who performs labor or provides materials for a public improvement contract, and any other person who supplies the person with provisions or supplies for the carrying on of a public improvement contract.

(c) "Public body" means the state, or a county, city, town, district, board, or other public body.

(d) "Public improvement contract" means a contract for public improvements or work, other than for professional services, or a work order as defined in RCW 39.10.020 (as recodified by this act).

**Sec. 505.** RCW 70.150.070 and 2005 c 469 s 2 are each amended to read as follows:

RCW 70.150.030 through 70.150.060 shall be deemed to provide an additional method for the provision of services from and in connection with facilities and shall be regarded as supplemental and additional to powers conferred by other state laws and by federal laws. ((A public body that is also eligible to enter into agreements with service providers under the alternative public works contracting procedures in chapter 39.10 RCW

may elect to use either RCW 39.10.051 and 39.10.061 or this chapter as its method of procurement for such services:))

**NEW SECTION. Sec. 506.** A new section is added to chapter 43.131 RCW to read as follows:

The alternative works contracting procedures under chapter 39.10 RCW shall be terminated June 30, 2013, as provided in section 507 of this act.

**NEW SECTION. Sec. 507.** A new section is added to chapter 43.131 RCW to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, 2014:

- (1) RCW 39.10.010 (as recodified by this act) and section 1 of this act & 1994 c 132 s 1;
  - (2) RCW 39.10.020 (as recodified by this act) and section 101 of this act & 2005 c 469 s 3;
  - (3) RCW 39.10.800 (as recodified by this act) and section 102 of this act & 2005 c 377 s 1;
  - (4) RCW 39.10.810 (as recodified by this act) and section 103 of this act & 2005 c 377 s 2;
  - (5) RCW 39.10.--- and section 104 of this act;
  - (6) RCW 39.10.--- and section 105 of this act;
  - (7) RCW 39.10.--- and section 106 of this act;
  - (8) RCW 39.10.--- and section 107 of this act;
  - (9) RCW 39.10.--- and section 108 of this act;
  - (10) RCW 39.10.--- and section 109 of this act;
  - (11) RCW 39.10.051 (as recodified by this act) and section 201 of this act, 2003 c 352 s 2, 2003 c 300 s 4, 2002 c 46 s 1, & 2001 c 328 s 2;
  - (12) RCW 39.10.080 (as recodified by this act) and section 202 of this act & 1994 c 132 s 8;
  - (13) RCW 39.10.070 (as recodified by this act) and section 203 of this act & 1994 c 132 s 7;
  - (14) RCW 39.10.--- and section 204 of this act;
  - (15) RCW 39.10.061 (as recodified by this act) and section 301 of this act, 2003 c 352 s 3, 2003 c 300 s 5, 2002 c 46 s 2, & 2001 c 328 s 3;
  - (16) RCW 39.10.--- and section 302 of this act;
  - (17) RCW 39.10.--- and section 303 of this act;
  - (18) RCW 39.10.--- and section 304 of this act;
  - (19) RCW 39.10.--- and section 305 of this act;
  - (20) RCW 39.10.--- and section 306 of this act;
  - (21) RCW 39.10.--- and section 307 of this act;
  - (22) RCW 39.10.--- and section 308 of this act;
  - (23) RCW 39.10.130 (as recodified by this act) and section 401 of this act & 2003 c 301 s 1;
  - (24) RCW 39.10.--- and section 402 of this act;
  - (25) RCW 39.10.--- and section 403 of this act;
  - (26) RCW 39.10.--- and section 404 of this act;
  - (27) RCW 39.10.--- and section 405 of this act;
  - (28) RCW 39.10.100 (as recodified by this act) and 2005 c 274 s 275 & 1994 c 132 s 10;
  - (29) RCW 39.10.090 (as recodified by this act) and 1994 c 132 s 9;
  - (30) RCW 39.10.120 (as recodified by this act) and section 501 of this act & 2001 c 328 s 5;
  - (31) RCW 39.10.--- and section 502 of this act;
  - (32) RCW 39.10.--- and section 503 of this act;
  - (33) RCW 39.10.900 (as recodified by this act) and 1994 c 132 s 13;
  - (34) RCW 39.10.901 (as recodified by this act) and 1994 c 132 s 14;
- and
- (35) RCW 39.10.--- and section 510 of this act.

**NEW SECTION. Sec. 508.** RCW 39.10.902 (Repealer) and 2006 c 261 s 3 & 2005 c 469 s 5 are each repealed.

**NEW SECTION. Sec. 509.** The following acts or parts of acts are each repealed:

- (36) RCW 39.10.030 (Public notification and review process) and 1997 c 376 s 2 & 1994 c 132 s 3;
- (37) RCW 39.10.040 (Baseball stadium project--Alternative procedure may be used) and 1994 c 132 s 4;
- (38) RCW 39.10.063 (City demonstration projects--Conditions--Contract deadline) and 2005 c 377 s 3;
- (39) RCW 39.10.065 (Demonstration projects--Contract deadline--Transfer of authority to other public body) and 1997 c 376 s 5;
- (40) RCW 39.10.067 (School district capital demonstration projects--Conditions) and 2006 c 261 s 1, 2003 c 301 s 3, 2002 c 46 s 3, & 2000 c 209 s 3;
- (41) RCW 39.10.068 (Public hospital district capital demonstration projects--Conditions) and 2003 c 300 s 6;
- (42) RCW 39.10.115 (School district project review board--Established--Procedures) and 2006 c 261 s 2, 2001 c 328 s 4, & 2000 c 209 s 4; and
- (43) RCW 39.10.117 (Public hospital district project review board--Established--Procedures) and 2003 c 300 s 7.

**NEW SECTION. Sec. 510. PART HEADINGS AND CAPTIONS NOT LAW.** Part headings and captions used in this act are not any part of the law.

**NEW SECTION. Sec. 511.** The following sections are codified or recodified in chapter 39.10 RCW in the following order:

RCW 39.10.010  
 RCW 39.10.020  
 RCW 39.10.800  
 RCW 39.10.810  
 Section 104 of this act  
 Section 105 of this act  
 Section 106 of this act  
 Section 107 of this act  
 Section 108 of this act  
 Section 109 of this act  
 RCW 39.10.051  
 RCW 39.10.080  
 RCW 39.10.070  
 Section 204 of this act  
 RCW 39.10.061  
 Section 302 of this act  
 Section 303 of this act  
 Section 304 of this act  
 Section 305 of this act  
 Section 306 of this act  
 Section 307 of this act  
 Section 308 of this act  
 RCW 39.10.130  
 Section 402 of this act  
 Section 403 of this act  
 Section 404 of this act  
 Section 405 of this act  
 RCW 39.10.100  
 RCW 39.10.090  
 RCW 39.10.120  
 Section 502 of this act  
 Section 503 of this act

RCW 39.10.900  
RCW 39.10.901  
Section 510 of this act

**NEW SECTION. Sec. 512.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2007, except for section 104 of this act, which takes effect immediately, and section 508 of this act, which takes effect June 30, 2007.

**NEW SECTION. Sec. 513.** 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."

On page 1, line 1 of the title, after "works;" strike the remainder of the title and insert "amending RCW 39.10.010, 39.10.020, 39.10.800, 39.10.810, 39.10.080, 39.10.070, 39.10.130, 39.10.120, 60.28.011, and 70.150.070; reenacting and amending RCW 39.10.051 and 39.10.061; adding new sections to chapter 43.131 RCW; adding new sections to chapter 39.10 RCW; recodifying RCW 39.10.010, 39.10.020, 39.10.800, 39.10.810, 39.10.051, 39.10.080, 39.10.070, 39.10.061, 39.10.130, 39.10.100, 39.10.090, 39.10.120, 39.10.900, and 39.10.901; repealing RCW 39.10.902, 39.10.030, 39.10.040, 39.10.063, 39.10.065, 39.10.067, 39.10.068, 39.10.115, and 39.10.117; providing effective dates; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1506 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Haigh spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Second Substitute House Bill No. 1506, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1506, as amended by the Senate 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, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney,

Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SECOND SUBSTITUTE HOUSE BILL NO. 1506, as amended by the Senate having received the constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 14, 2007

Mr. Speaker:

The Senate refuses to concur in the House amendment to SUBSTITUTE SENATE BILL NO. 5412 and asks the House to recede therefrom, and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

There being no objection, the rules were suspended and SUBSTITUTE SENATE BILL NO. 5412 was returned to second reading for purpose of amendment.

#### SECOND READING

**SUBSTITUTE SENATE BILL NO. 5412, By Senate Committee on Transportation (originally sponsored by Senators Murray, Swecker, Marr, Clements and Haugen)**

**Clarifying goals, objectives, and responsibilities of certain transportation agencies.**

Representative Jarrett moved the adoption of amendment (868):

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The legislature finds and declares that the citizens of the state expect clear and concise goals, objectives, and responsibilities regarding the operation of the statewide transportation system. Furthermore, the state's citizens expect that the state periodically receive clear and streamlined information that measures whether the goals and objectives are being satisfied. Therefore, it is the intent of the legislature that this act serve to clarify existing goals, objectives, and responsibilities related to the operation of an efficient statewide transportation system.

**Sec. 2.** RCW 47.01.011 and 1977 ex.s. c 151 s 1 are each amended to read as follows:

The legislature hereby recognizes the following imperative needs within the state: To create a statewide transportation development plan which identifies present status and sets goals for the future; to coordinate transportation modes; to promote and protect land use programs required in local, state, and federal law; to coordinate transportation with the economic development of the state; to supply a broad framework in which regional, metropolitan, and local transportation needs can be related; to

facilitate the supply of federal and state aid to those areas which will most benefit the state as a whole; to provide for public involvement in the transportation planning and development process; to administer programs within the jurisdiction of this title relating to the safety of the state's transportation systems; and to coordinate and implement national transportation policy with the state transportation planning program.

The legislature finds and declares that placing all elements of transportation in a single department is fully consistent with and shall in no way impair the use of moneys in the motor vehicle fund exclusively for highway purposes.

Through this chapter, a unified department of transportation is created. To the jurisdiction of this department will be transferred the present powers, duties, and functions of the department of highways, the highway commission, the toll bridge authority, the aeronautics commission, and the canal commission, and the transportation related powers, duties, and functions of the planning and community affairs agency. The powers, duties, and functions of the department of transportation must be performed in a manner consistent with the policy goals set forth in RCW 47.01.012 (as recodified by this act).

**Sec. 3.** RCW 47.01.012 and 2002 c 5 s 101 are each amended to read as follows:

(1) It is the intent of the legislature to establish policy goals for the planning, operation, performance of, and investment in, the state's transportation system. The policy goals ((shall consist of, but not be limited to, the following)) established under this section are deemed consistent with the benchmark categories((s)) adopted by the state's blue ribbon commission on transportation on November 30, 2000. ((In addition to improving safety;)) Public investments in transportation ((shall) should support achievement of these ((and other priority)) policy goals:

((No interstate highways, state routes, and local arterials shall be in poor condition; no bridges shall be structurally deficient, and safety retrofits shall be performed on those state bridges at the highest seismic risk levels; traffic congestion on urban state highways shall be significantly reduced and be no worse than the national mean; delay per driver shall be significantly reduced and no worse than the national mean; per capita vehicle miles traveled shall be maintained at 2000 levels; the nonauto share of commuter trips shall be increased in urban areas; administrative costs as a percentage of transportation spending shall achieve the most efficient quartile nationally; and the state's public transit agencies shall achieve the median cost per vehicle revenue hour of peer transit agencies, adjusting for the regional cost-of-living.))

(a) Preservation: To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services;

(b) Safety: To provide for and improve the safety and security of transportation customers and the transportation system;

(c) Mobility: To improve the predictable movement of goods and people throughout Washington state;

(d) Environment: To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment; and

(e) Stewardship: To continuously improve the quality, effectiveness, and efficiency of the transportation system.

(2) The powers, duties, and functions of state transportation agencies must be performed in a manner consistent with the policy goals set forth in subsection (1) of this section.

(3) These policy goals ((shall) are intended to be the basis for ((establishment of)) establishing detailed and measurable objectives and related performance ((benchmarks)) measures.

(4) It is the intent of the legislature that the ((transportation commission)) office of financial management establish objectives and performance measures for the department of transportation and other state

agencies with transportation-related responsibilities to ensure transportation system performance at local, regional, and state government levels((, and the transportation commission should work with appropriate government entities to accomplish this)) progresses toward the attainment of the policy goals set forth in subsection (1) of this section. The office of financial management shall submit initial objectives and performance measures to the legislature for its review and shall provide copies of the same to the commission during the 2008 legislative session. The office of financial management shall submit objectives and performance measures to the legislature for its review and shall provide copies of the same to the commission during each regular session of the legislature during an even-numbered year thereafter.

(5) This section does not create a private right of action.

**Sec. 4.** RCW 47.01.071 and 2006 c 334 s 3 are each amended to read as follows:

The transportation commission shall have the following functions, powers, and duties:

(1) To propose policies to be adopted by the governor and the legislature designed to assure the development and maintenance of a comprehensive and balanced statewide transportation system which will meet the needs of the people of this state for safe and efficient transportation services. Wherever appropriate, the policies shall provide for the use of integrated, intermodal transportation systems ((to implement the social, economic, and environmental policies, goals, and objectives of the people of the state, and especially to conserve nonrenewable natural resources including land and energy)). The policies must be aligned with the goals established in RCW 47.01.012 (as recodified by this act). To this end the commission shall:

(a) Develop transportation policies which are based on the policies, goals, and objectives expressed and inherent in existing state laws;

(b) Inventory the adopted policies, goals, and objectives of the local and area-wide governmental bodies of the state and define the role of the state, regional, and local governments in determining transportation policies, in transportation planning, and in implementing the state transportation plan;

(c) ((Propose a transportation policy for the state; —(d)) Establish a procedure for review and revision of the state transportation policy and for submission of proposed changes to the governor and the legislature; and

((e) To)) (d) Integrate the statewide transportation plan with the needs of the elderly and ((handicapped)) persons with disabilities, and ((to)) coordinate federal and state programs directed at assisting local governments to answer such needs;

(2) To provide for the effective coordination of state transportation planning with national transportation policy, state and local land use policies, and local and regional transportation plans and programs;

(3) In conjunction with the provisions under RCW 47.01.075, to provide for public involvement in transportation designed to elicit the public's views both with respect to adequate transportation services and appropriate means of minimizing adverse social, economic, environmental, and energy impact of transportation programs;

(4) By December 2010, to prepare a comprehensive and balanced statewide transportation plan ((which shall be) consistent with the state's growth management goals and based on the transportation policy ((adopted by the governor and the legislature;)) goals provided under RCW 47.01.012 (as recodified by this act) and applicable state and federal laws.

The plan must reflect the priorities of government developed by the office of financial management and address regional needs, including multimodal transportation planning. The plan must, at a minimum: (a) Establish a vision for the development of the statewide transportation system; (b) identify significant statewide transportation policy issues; and (c)

recommend statewide transportation policies and strategies to the legislature to fulfill the requirements of subsection (1) of this section. The plan must be the product of an ongoing process that involves representatives of significant transportation interests and the general public from across the state. Every four years, the plan shall be reviewed and revised, and submitted to the governor and the house of representatives and senate standing committees on transportation (prior to each regular session of the legislature during an even-numbered year thereafter. The plan shall be subject to the approval of the legislature in the biennial transportation budget act).

The plan shall take into account federal law and regulations relating to the planning, construction, and operation of transportation facilities;

(5) By December 2007, the office of financial management shall submit a baseline report on the progress toward attaining the policy goals under RCW 47.01.012 (as recodified by this act) in the 2005-2007 fiscal biennium. By October 1, 2008, beginning with the development of the 2009-2011 biennial transportation budget, and by October 1st biennially thereafter, the office of financial management shall submit to the legislature and the governor a report on the progress toward the attainment by state transportation agencies of the state transportation policy goals and objectives prescribed by statute, appropriation, and governor directive. The report must, at a minimum, include the degree to which state transportation programs have progressed toward the attainment of the policy goals established under RCW 47.01.012 (as recodified by this act), as measured by the objectives and performance measures established by the office of financial management under RCW 47.01.012 (as recodified by this act);

(6) To propose to the governor and the legislature prior to the convening of each regular session held in an odd-numbered year a recommended budget for the operations of the commission as required by RCW 47.01.061;

(7) To adopt such rules as may be necessary to carry out reasonably and properly those functions expressly vested in the commission by statute;

(8) To contract with the office of financial management or other appropriate state agencies for administrative support, accounting services, computer services, and other support services necessary to carry out its other statutory duties;

(9) To conduct transportation-related studies and policy analysis to the extent directed by the legislature or governor in the biennial transportation budget act, or as otherwise provided in law, and subject to the availability of amounts appropriated for this specific purpose; and

(10) To exercise such other specific powers and duties as may be vested in the transportation commission by this or any other provision of law.

**Sec. 5.** RCW 47.01.075 and 2006 c 334 s 4 are each amended to read as follows:

(1) The transportation commission shall provide a public forum for the development of transportation policy in Washington state to include coordination with regional transportation planning organizations, transportation stakeholders, counties, cities, and citizens. ~~(It may recommend to the secretary of transportation, the governor, and the legislature means for obtaining appropriate citizen and professional involvement in all transportation policy formulation and other matters related to the powers and duties of the department. It may further hold hearings and explore ways to improve the mobility of the citizenry.)~~ At least every five years, the commission shall convene regional forums to gather citizen input on transportation issues. The commission shall consider the input gathered at the forums as it establishes the statewide transportation plan under RCW 47.01.071(4).

~~(2) ((Every two years, in coordination with the development of the state biennial budget, the commission shall prepare the statewide multimodal transportation progress report and propose to the office of financial management transportation priorities for the ensuing biennium. The report must:~~

~~— (a) Consider the citizen input gathered at the forums;~~

~~— (b) Be developed with the assistance of state transportation-related agencies and organizations;~~

~~— (c) Be developed with the input from state, local, and regional jurisdictions, transportation service providers, key transportation stakeholders, and the office of financial management;~~

~~— (d) Be considered by the secretary of transportation and other state transportation-related agencies in preparing proposed agency budgets and executive request legislation;~~

~~— (e) Be submitted by the commission to the governor and the legislature by October 1st of each even-numbered year for consideration by the governor.~~

~~(3)) In fulfilling its responsibilities under this section, the commission may create ad hoc committees or other such committees of limited duration as necessary.~~

~~((4)) (3) In order to promote a better transportation system, the commission ((shall)) may offer policy guidance and make recommendations to the governor and the legislature in key issue areas, including but not limited to:~~

~~(a) Transportation finance;~~

~~(b) Preserving, maintaining, and operating the statewide transportation system;~~

~~(c) Transportation infrastructure needs;~~

~~(d) Promoting best practices for adoption and use by transportation-related agencies and programs;~~

~~(e) Transportation efficiencies that will improve service delivery and/or coordination;~~

~~(f) Improved planning and coordination among transportation agencies and providers; and~~

~~(g) Use of intelligent transportation systems and other technology-based solutions((and~~

~~— (h) Reporting of performance against goals, targets, and benchmarks)).~~

**NEW SECTION. Sec. 6.** A new section is added to chapter 47.01 RCW to read as follows:

To support achievement of the policy goals described in RCW 47.01.012, the department shall:

(1) Maintain an inventory of the condition of structures and corridors in most urgent need of retrofit or rehabilitation;

(2) Develop long-term financing tools that reliably provide ongoing maintenance and preservation of the transportation infrastructure;

(3) Balance system safety and convenience through all phases of a project to accommodate all users of the transportation system to safely, reliably, and efficiently provide mobility to people and goods;

(4) Develop strategies to gradually reduce the per capita vehicle miles traveled based on consideration of a range of reduction methods;

(5) Consider efficiency tools, including high-occupancy vehicle and high-occupancy toll lanes, corridor-specific and systemwide pricing strategies, active traffic management, commute trip reduction, and other demand management tools;

(6) Promote integrated multimodal planning; and

(7) Consider engineers and architects to design environmentally sustainable, context-sensitive transportation systems.

**Sec. 7.** RCW 47.05.030 and 2006 c 334 s 45 are each amended to read as follows:

~~(1) The ((transportation commission)) office of financial management shall ((develop)) propose a comprehensive ten-year investment program ((specifying program objectives and performance measures)) for the preservation and improvement programs defined in this section, consistent with the policy goals described under RCW 47.01.012 (as recodified by this act). The ~~((adopted))~~ proposed ten-year investment program must be forwarded as a recommendation ~~((to))~~ by the ((governor and)) office of financial management to the legislature, and ~~((is subject to the approval of the legislature in the biennial transportation budget act. In the specification of investment program objectives and performance measures, the transportation commission, in consultation with the Washington state department of transportation, shall define and adopt standards for effective programming and prioritization practices including a needs analysis process. The analysis process must ensure the identification of problems and deficiencies, the evaluation of alternative solutions and trade-offs, and estimations of the costs and benefits of prospective projects. The investment program))~~ must be based upon the needs identified in the ~~((state-owned highway component of the))~~ statewide ((comprehensive)) transportation plan established under RCW 47.01.071(4).~~

~~((H))~~ (2) The preservation program consists of those investments necessary to preserve the existing state highway system and to restore existing safety features, giving consideration to lowest life cycle costing. ~~((The preservation program must require use of the most cost-effective pavement surfaces, considering:~~

- ~~— (a) Life-cycle cost analysis;~~
- ~~— (b) Traffic volume;~~
- ~~— (c) Subgrade soil conditions;~~
- ~~— (d) Environmental and weather conditions;~~
- ~~— (e) Materials available; and~~
- ~~— (f) Construction factors.~~

~~The comprehensive ten-year investment program for preservation must identify projects for two years and an investment plan for the remaining eight years.~~

~~—(2))~~ (3) The improvement program consists of investments needed to address identified deficiencies on the state highway system to ~~((increase mobility, address congestion, and improve safety, support for the economy, and protection of the environment. The ten-year investment program for improvements must identify projects for two years and major deficiencies proposed to be addressed in the ten-year period giving consideration to relative benefits and life cycle costing. The transportation commission shall give higher priority for correcting identified deficiencies on those facilities classified as facilities of statewide significance as defined in RCW 47.06.140. Project prioritization must be based primarily upon cost-benefit analysis, where appropriate))~~ meet the goals established in RCW 47.01.012 (as recodified by this act).

**Sec. 8.** RCW 47.05.035 and 2006 c 334 s 46 are each amended to read as follows:

(1) The department shall use the transportation demand modeling tools developed under subsection (2) of this section to evaluate investments based on the best mode or improvement, or mix of modes and improvements, to meet current and future long-term demand within a corridor or system for the lowest cost. The end result of these demand modeling tools is to provide a cost-benefit analysis by which the department can determine the relative mobility improvement and congestion relief each mode or improvement under consideration will provide and the relative investment each mode or improvement under consideration will need to achieve that relief.

(2) The department will participate in the refinement, enhancement, and application of existing transportation demand modeling tools to be used to evaluate investments. This participation and use of transportation demand modeling tools will be phased in.

~~((3))~~ In developing program objectives and performance measures, the department shall evaluate investment trade-offs between the preservation and improvement programs. In making these investment trade-offs, the department shall evaluate, using cost-benefit techniques, roadway and bridge maintenance activities as compared to roadway and bridge preservation program activities and adjust those programs accordingly.

~~— (4) The department shall allocate the estimated revenue between preservation and improvement programs giving primary consideration to the following factors:~~

~~— (a) The relative needs in each of the programs and the system performance levels that can be achieved by meeting these needs;~~

~~— (b) The need to provide adequate funding for preservation to protect the state's investment in its existing highway system;~~

~~— (c) The continuity of future transportation development with those improvements previously programmed; and~~

~~— (d) The availability of dedicated funds for a specific type of work.~~

~~— (5) The department shall consider the findings in this section in the development of the ten-year investment program.)~~

**Sec. 9.** RCW 47.06.020 and 1993 c 446 s 2 are each amended to read as follows:

The specific role of the department in transportation planning ~~((shall))~~ must be, consistent with the policy goals described under RCW 47.01.012 (as recodified by this act): (1) Ongoing coordination and development of statewide transportation policies that guide all Washington transportation providers; (2) ongoing development of a statewide multimodal transportation plan that includes both state-owned and state-interest facilities and services; (3) coordinating the state high-capacity transportation planning and regional transportation planning programs; ~~((and))~~ (4) conducting special transportation planning studies that impact state transportation facilities or relate to transportation facilities and services of statewide significance; and (5) assisting the transportation commission in the development of the statewide transportation plan required under RCW 47.01.071(4). Specific requirements for each of these state transportation planning components are described in this chapter.

**Sec. 10.** RCW 47.06.050 and 2002 c 5 s 413 are each amended to read as follows:

The state-owned facilities component of the statewide multimodal transportation plan shall consist of:

(1) The state highway system plan, which identifies program and financing needs and recommends specific and financially realistic improvements to preserve the structural integrity of the state highway system, ensure acceptable operating conditions, and provide for enhanced access to scenic, recreational, and cultural resources. The state highway system plan shall contain the following elements:

(a) A system preservation element, which shall establish structural preservation objectives for the state highway system including bridges, identify current and future structural deficiencies based upon analysis of current conditions and projected future deterioration, and recommend program funding levels and specific actions necessary to preserve the structural integrity of the state highway system consistent with adopted objectives. Lowest life cycle cost methodologies must be used in developing a pavement management system. This element shall serve as the basis for the preservation component of the six-year highway program and the two-year biennial budget request to the legislature;

(b) A highway maintenance element, establishing service levels for highway maintenance on state-owned highways ~~((that meet benchmarks established by the transportation commission))~~. The highway maintenance element must include an estimate of costs for achieving those service levels over twenty years. This element will serve as the basis for the maintenance

component of the six-year highway program and the two-year biennial budget request to the legislature;

(c) A capacity and operational improvement element, which shall establish operational objectives, including safety considerations, for moving people and goods on the state highway system, identify current and future capacity, operational, and safety deficiencies, and recommend program funding levels and specific improvements and strategies necessary to achieve the operational objectives. In developing capacity and operational improvement plans the department shall first assess strategies to enhance the operational efficiency of the existing system before recommending system expansion. Strategies to enhance the operational efficiencies include but are not limited to access management, transportation system management, demand management, and high-occupancy vehicle facilities. The capacity and operational improvement element must conform to the state implementation plan for air quality and be consistent with regional transportation plans adopted under chapter 47.80 RCW, and shall serve as the basis for the capacity and operational improvement portions of the six-year highway program and the two-year biennial budget request to the legislature;

(d) A scenic and recreational highways element, which shall identify and recommend designation of scenic and recreational highways, provide for enhanced access to scenic, recreational, and cultural resources associated with designated routes, and recommend a variety of management strategies to protect, preserve, and enhance these resources. The department, affected counties, cities, and towns, regional transportation planning organizations, and other state or federal agencies shall jointly develop this element;

(e) A paths and trails element, which shall identify the needs of nonmotorized transportation modes on the state transportation systems and provide the basis for the investment of state transportation funds in paths and trails, including funding provided under chapter 47.30 RCW.

(2) The state ferry system plan, which shall guide capital and operating investments in the state ferry system. The plan shall establish service objectives for state ferry routes, forecast travel demand for the various markets served in the system, develop strategies for ferry system investment that consider regional and statewide vehicle and passenger needs, support local land use plans, and assure that ferry services are fully integrated with other transportation services. The plan must provide for maintenance of capital assets. The plan must also provide for preservation of capital assets based on lowest life cycle cost methodologies. The plan shall assess the role of private ferries operating under the authority of the utilities and transportation commission and shall coordinate ferry system capital and operational plans with these private operations. The ferry system plan must be consistent with the regional transportation plans for areas served by the state ferry system, and shall be developed in conjunction with the ferry advisory committees.

**Sec. 11.** RCW 47.06.140 and 1998 c 171 s 7 are each amended to read as follows:

The legislature declares the following transportation facilities and services to be of statewide significance: Highways of statewide significance as designated by the legislature under chapter 47.05 RCW, the interstate highway system, interregional state principal arterials including ferry connections that serve statewide travel, intercity passenger rail services, intercity high-speed ground transportation, major passenger intermodal terminals excluding all airport facilities and services, the freight railroad system, the Columbia/Snake navigable river system, marine port facilities and services that are related solely to marine activities affecting international and interstate trade, and high-capacity transportation systems serving regions as defined in RCW 81.104.015. The department, in cooperation with regional transportation planning organizations, counties, cities, transit agencies, public ports, private

railroad operators, and private transportation providers, as appropriate, shall plan for improvements to transportation facilities and services of statewide significance in the statewide multimodal transportation plan. Improvements to facilities and services of statewide significance identified in the statewide multimodal transportation plan, or to highways of statewide significance designated by the legislature under chapter 47.05 RCW, are essential state public facilities under RCW 36.70A.200.

The department of transportation, in consultation with local governments, shall set level of service standards for state highways and state ferry routes of statewide significance. Although the department shall consult with local governments when setting level of service standards, the department retains authority to make final decisions regarding level of service standards for state highways and state ferry routes of statewide significance. In establishing level of service standards for state highways and state ferry routes of statewide significance, the department shall consider the necessary balance between providing for the free interjurisdictional movement of people and goods and the needs of local communities using these facilities.

**Sec. 12.** RCW 35.95A.120 and 2003 c 147 s 14 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the city transportation authority may be dissolved by a vote of the people residing within the boundaries of the authority if the authority is faced with significant financial problems. However, the authority may covenant with holders of its bonds that it may not be dissolved and shall continue to exist solely for the purpose of continuing to levy and collect any taxes or assessments levied by it and pledged to the repayment of debt and to take other actions, including the appointment of a trustee, as necessary to allow it to repay any remaining debt. No such debt may be incurred by the authority on a project until thirty days after a final environmental impact statement on that project has been issued as required by chapter 43.21C RCW. The amount of the authority's initial bond issue is limited to the amount of the project costs in the subsequent two years as documented by a certified engineer or by submitted bids, plus any reimbursable capital expenses already incurred at the time of the bond issue. The authority may size the first bond issue consistent with the internal revenue service five-year spend down schedule if an independent financial advisor recommends such an approach is financially advisable. Any referendum petition to dissolve the city transportation authority must be filed with the city council and contain provisions for dissolution of the authority. Within seven days, the city prosecutor must review the validity of the petition and submit its report to the petitioner and city council. If the petitioner's claims are deemed valid by the city prosecutor, within ten days of the petitioner's filing, the city council will confer with the petitioner concerning the form and style of the petition, issue an identification number for the petition, and write a ballot title for the measure. The ballot title must be posed as a question and an affirmative vote on the measure results in authority retention and a negative vote on the measure results in the authority's dissolution. The petitioner will be notified of the identification number and ballot title within this ten-day period.

After this notification, the petitioner has ninety days in which to secure on petition forms, the signatures of not less than fifteen percent of the registered voters in the authority area and to file the signed petitions with the filing officer. Each petition form must contain the ballot title and the full text of the measure to be referred. The filing officer will verify the sufficiency of the signatures on the petitions. If sufficient valid signatures are properly submitted, the filing officer shall submit the initiative to the authority area voters at a general or special election held on one of the dates provided in RCW ((29.13.010) 29A.04.321 as determined by the city council, which election will not take place later than one hundred twenty days after the signed petition has been filed with the filing officer.

(2) A city transportation authority is dissolved and terminated if all of the following events occur before or after the effective date of this section:

(a) A majority of the qualified electors voting at a regular or special election determine that new public monorail transportation facilities must not be built;

(b) The governing body of the authority adopts a resolution and publishes a notice of the proposed dissolution at least once every week for three consecutive weeks in a newspaper of general circulation published in the authority area. The resolution and notice must:

(i) Describe information that must be included in a notice of claim against the authority including, but not limited to, any claims for refunds of special motor vehicle excise tax levied under RCW 35.95A.080 and collected by or on behalf of the authority;

(ii) Provide a mailing address where a notice of claim may be sent;

(iii) State the deadline, which must be at least ninety days from the date of the third publication, by which the authority must receive a notice of claim; and

(iv) State that a claim will be barred if a notice of claim is not received by the deadline;

(c) The authority resolves all claims timely made under (b) of this subsection; and

(d) The governing body adopts a resolution (i) finding that the conditions of (a) through (c) of this subsection have been met and (ii) dissolving and terminating the authority.

(3) A claim against a city transportation authority is barred if (a) a claimant does not deliver a notice of claim to the authority by the deadline stated in subsection (2)(b)(iii) of this section or (b) a claimant whose claim was rejected by the authority does not commence a proceeding to enforce the claim within sixty days from receipt of the rejection notice. For purposes of this subsection, "claim" includes, but is not limited to, any right to payment, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, or the right to an equitable remedy for breach of performance if the breach gives rise to a right to payment, whether or not the right to an equitable remedy is fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, including, but not limited to, any claim for a refund of special motor vehicle excise tax levied under RCW 35.95A.080 and collected by or on behalf of the authority.

(4) The governing body of the authority may transfer any net assets to one or more other political subdivisions with instructions as to their use or disposition. The governing body shall authorize this transfer in the resolution that dissolves and terminates the authority under subsection (2)(d) of this section.

(5) Upon the dissolution and termination of the authority, the former officers, directors, employees, and agents of the authority shall be immune from personal liability in connection with any claims brought against them arising from or relating to their service to the authority, and any claim brought against any of them is barred.

(6) Upon satisfaction of the conditions set forth in subsection (2)(a) and (b) of this section, the terms of all members of the governing body of the city transportation authority, whether elected or appointed, who are serving as of the date of the adoption of the resolution described in subsection (2)(b) of this section, shall be extended, and incumbent governing body members shall remain in office until dissolution of the authority, notwithstanding any provision of any law to the contrary.

**NEW SECTION. Sec. 13.** The following acts or parts of acts are each repealed:

(44) RCW 47.01.370 (Review of performance and outcome measures of transportation-related agencies--Definition) and 2006 c 334 s 44;

(45) RCW 47.05.051 (Ten-year comprehensive investment program--Priority selection criteria--Improvement program criteria) and 2006 c 334 s 47, 2005 c 319 s 11, 2002 c 189 s 3, 2002 c 5 s 406, 1998 c 175 s 12, 1993 c 490 s 5, 1987 c 179 s 5, 1979 ex.s. c 122 s 5, & 1975 1st ex.s. c 143 s 4; and

(46) RCW 47.06.030 (Transportation policy plan) and 1997 c 369 s 8 and 1993 c 446 s 3.

**NEW SECTION. Sec. 14.** RCW 47.01.012 is recodified as a section in chapter 47.04 RCW."

Correct the title.

Representatives Jarrett and Simpson spoke in favor of the adoption of the amendment.

The amendment was adopted.

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

Representatives Simpson and Jarrett 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 Senate Bill No. 5412, as amended by the House.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5412, as amended by the House and the bill passed the House by the following vote: Yeas - 97, Nays - 1, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 97.

Voting nay: Representative Ericksen - 1.

SUBSTITUTE SENATE BILL NO. 5412, as amended by the House, having received the necessary constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 14, 2007

Mr. Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5627 and asks the House to recede therefrom, and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

There being no objection, the rules were suspended and ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5627 was returned to second reading for purpose of amendment.

## SECOND READING

**ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5627, By Senate Committee on Ways & Means (originally sponsored by Senators McAuliffe, Clements, Tom, Weinstein, Rockefeller, Oemig, Kastama, Hobbs, Pridemore, Eide, Franklin, Shin, Regala, Marr, Murray, Spanel, Hargrove, Kline, Kilmer, Haugen, Kohl-Welles and Rasmussen)**

### **Requiring a review and development of basic education funding.**

Representative Haigh moved the adoption of amendment (871):

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The state's definition of basic education and the corresponding funding formulas must be regularly updated in order to keep pace with evolving educational practices and increasing state and federal requirements and to ensure that all schools have the resources they need to help give all students the opportunity to be fully prepared to compete in a global economy. The work of Washington learns steering committee and the K-12 advisory committee provides a valuable starting point from which to evaluate the current educational system and develop a unique, transparent, and stable educational funding system for Washington that supports the goals and the vision of a world-class learner-focused K-12 educational system that were established in the final Washington learns report.

This act is intended to make provision for some significant steps towards a new basic education funding system and establishes a joint task force to address the details and next steps beyond the 2007-2009 biennium that will be necessary to implement a new comprehensive K-12 finance formula or formulas that will provide Washington schools with stable and adequate funding as the expectations for the K-12 system continue to evolve.

**NEW SECTION. Sec. 2.** (1) The joint task force on basic education finance established under this section, with research support from the Washington state institute for public policy, shall review the definition of basic education and all current basic education funding formulas, develop options for a new funding structure and all necessary formulas, and propose a new definition of basic education that is realigned with the new expectations of the state's education system as established in the November 2006 final report of the Washington learns steering committee and the basic education provisions established in chapter 28A.150 RCW.

(2) The joint task force on basic education finance shall consist of fourteen members:

(a) A chair of the task force with experience with Washington finance issues including knowledge of the K-12 funding formulas, appointed by the governor;

(b) Eight legislators, with two members from each of the two largest caucuses of the senate appointed by the president of the senate and two members from each of the two largest caucuses of the house of representatives appointed by the speaker of the house of representatives;

(c) A representative of the governor's office or the office of financial management, designated by the governor;

(d) The superintendent of public instruction or the superintendent's designee; and

(e) Three individuals with significant experience with Washington K-12 finance issues, including the use and application of the current basic education funding formulas, appointed by the governor. Each of the two largest caucuses of the house of representatives and the senate may submit names to the governor for consideration.

(3) In conducting research directed by the task force and developing options for consideration by the task force, the Washington state institute for public policy shall consult with stakeholders and experts in the field. The institute may also request assistance from the legislative evaluation and accountability program committee, the office of the superintendent of public instruction, the office of financial management, the house office of program research, and senate committee services.

(4) In developing recommendations, the joint task force shall review and build upon the following:

(a) Reports related to K-12 finance produced at the request of or as a result of the Washington learns study, including reports completed for or by the K-12 advisory committee;

(b) High-quality studies that are available; and

(c) Research and evaluation of the cost-benefits of various K-12 programs and services developed by the institute as directed by the legislature in section 607(15), chapter 372, Laws of 2006.

(5) The Washington state institute for public policy shall provide the following reports to the joint task force:

(a) An initial report by September 15, 2007, proposing an initial plan of action, reporting dates, timelines for fulfilling the requirements of section 3 of this act, and an initial timeline for a phased-in implementation of a new funding system that does not exceed six years;

(b) A second report by December 1, 2007, including implementing legislation as necessary, for at least two but no more than four options for allocating school employee compensation. One of the options must be a redirection and prioritization within existing resources based on research-proven education programs. The report must also include a projection of the expected effect of the investment made under the new funding structure. The second report shall also include a finalized timeline and plan for addressing the remaining components of a new funding system; and

(c) A final report with at least two but no more than four options for revising the remaining K-12 funding structure, including implementing legislation as necessary, and a timeline for phasing in full adoption of the new funding structure. The final report shall be submitted to the joint task force by September 15, 2008. One of the options must be a redirection and prioritization within existing resources based on research-proven education programs. The final report must also include a projection of the expected effect of the investment made under the new funding structure.

**NEW SECTION. Sec. 3.** (1) The funding structure alternatives developed by the joint task force under section 2 of this act shall take into consideration the legislative priorities in this section, to the maximum extent possible and as appropriate to each formula.

(2) The funding structure should reflect the most effective instructional strategies and service delivery models and be based on research-proven education programs and activities with demonstrated cost benefits. In reviewing the possible strategies and models to include in the funding structure the task force shall, at a minimum, consider the following issues:

- (a) Professional development for all staff;
  - (b) Whether the compensation system for instructional staff shall include pay for performance, knowledge, and skills elements; regional cost-of-living elements; elements to recognize assignments that are difficult; recognition for the professional teaching level certificate in the salary allocation model; and a plan to implement the pay structure;
  - (c) Voluntary all-day kindergarten;
  - (d) Optimum class size, including different class sizes based on grade level and ways to reduce class size;
  - (e) Focused instructional support for students and schools;
  - (f) Extended school day and school year options; and
  - (g) Health and safety requirements.
- (3) The recommendations should provide maximum transparency of the state's educational funding system in order to better help parents, citizens, and school personnel in Washington understand how their school system is funded.
- (4) The funding structure should be linked to accountability for student outcomes and performance.

**NEW SECTION. Sec. 4.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

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

Representative Priest spoke against the adoption of the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Lovick presiding) divided the House. The result was 62 - YEAS; 36 -NAYS.

The amendment was adopted.

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

Representative Haigh spoke in favor of passage of the bill.

Representative Priest 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 Second Substitute Senate Bill No. 5627, as amended by the House.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5627, as amended by the House and the bill passed the House by the following vote: Yeas - 64, Nays - 34, Absent - 0, Excused - 0.

Voting yea: Representatives Appleton, Barlow, Blake, Campbell, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Eickmeyer, Ericks, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Morrell, Morris, O'Brien, Ormsby, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Schual-Berke, Seaquist, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Van De Wege, Wallace, Williams, Wood and Mr. Speaker - 64.

Voting nay: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buri, Chandler, Condotta, Crouse, Curtis, DeBolt, Dunn, Ericksen, Hailey, Haler, Hankins, Hinkle, Kretz, Kristiansen, McCune, McDonald, Newhouse, Orcutt, Pearson, Priest, Roach, Rodne, Ross, Schindler, Skinner, Strow, Sump, Walsh, and Warnick - 34.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5627, as amended by the House, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 14, 2007

Mr. Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5841 and asks the House to recede therefrom, and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

There being no objection, the rules were suspended and ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5841 was returned to second reading for purpose of amendment.

#### SECOND READING

**ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5841, By Senate Committee on Ways & Means (originally sponsored by Senators Hobbs, McAuliffe, Rockefeller, Tom, Oemig, Kauffman, Regala, Kohl-Welles and Rasmussen)**

#### Enhancing student learning opportunities and achievement.

Representative Santos moved the adoption of amendment (867):

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 28A.150.210 and 1993 c 336 s 101 are each amended to read as follows:

~~((The goal of the Basic Education Act for the schools of the state of Washington set forth in this chapter shall be to provide students with the opportunity to become responsible citizens, to contribute to their own economic well-being and to that of their families and communities, and to enjoy productive and satisfying lives. To these ends, the goals of each school district, with the involvement of parents and community members, shall be to provide opportunities for all students to develop the knowledge and skills essential to:~~

~~—(1) Read with comprehension, write with skill, and communicate effectively and responsibly in a variety of ways and settings;~~

~~—(2) Know and apply the core concepts and principles of mathematics; social, physical, and life sciences; civics and history; geography; arts; and health and fitness;~~

~~—(3) Think analytically, logically, and creatively, and to integrate experience and knowledge to form reasoned judgments and solve problems; and~~

~~—(4) Understand the importance of work and how performance, effort, and decisions directly affect future career and educational opportunities:))~~

The goal of the basic education act for the schools of the state of Washington set forth in this chapter shall be to provide students with the opportunity to become responsible and respectful global citizens, to contribute to their economic well-being and that of their families and communities, to explore and understand different perspectives, and to enjoy productive and satisfying lives. Additionally, the state of Washington intends to provide for a public school system that is able to evolve and adapt in order to better focus on strengthening the educational achievement of all students, which includes high expectations for all students and gives all students the opportunity to achieve personal and academic success. To these ends, the goals of each school district, with the involvement of parents and community members, shall be to provide opportunities for every student to develop the knowledge and skills essential to:

—(1) Read with comprehension, write effectively, and communicate successfully in a variety of ways and settings and with a variety of audiences;

—(2) Know and apply the core concepts and principles of mathematics; social, physical, and life sciences; civics and history, including different cultures and participation in representative government; geography; arts; and health and fitness;

—(3) Think analytically, logically, and creatively, and to integrate different experiences and knowledge to form reasoned judgments and solve problems; and

—(4) Understand the importance of work and finance and how performance, effort, and decisions directly affect future career and educational opportunities.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.150 RCW to read as follows:

ALL-DAY KINDERGARTEN PROGRAMS--FUNDING. (1) Beginning with the 2007-08 school year, funding for voluntary all-day kindergarten programs shall be phased-in beginning with schools with the highest poverty levels, defined as those schools with the highest percentages of students qualifying for free and reduced-price lunch support in the prior school year. Once a school receives funding for the all-day kindergarten program, that school shall remain eligible for funding in subsequent school years regardless of changes in the school's percentage of students eligible for free and reduced-price lunches as long as other program requirements are fulfilled. Additionally, schools receiving all-day kindergarten program support shall agree to the following conditions:

(a) Provide at least a one thousand-hour instructional program;

(b) Provide a curriculum that offers a rich, varied set of experiences that assist students in:

(i) Developing initial skills in the academic areas of reading, mathematics, and writing;

(ii) Developing a variety of communication skills;

(iii) Providing experiences in science, social studies, arts, health and physical education, and a world language other than English;

(iv) Acquiring large and small motor skills;

(v) Acquiring social and emotional skills including successful participation in learning activities as an individual and as part of a group; and

(vi) Learning through hands-on experiences;

(c) Establish learning environments that are developmentally appropriate and promote creativity;

(d) Demonstrate strong connections and communication with early learning community providers; and

(e) Participate in kindergarten program readiness activities with early learning providers and parents.

(2) Subject to funds appropriated for this purpose, the superintendent of public instruction shall designate one or more school districts to serve as resources and examples of best practices in designing and operating a high-quality all-day kindergarten program. Designated school districts shall serve as lighthouse programs and provide technical assistance to other school districts in the initial stages of implementing an all-day kindergarten program. Examples of topics addressed by the technical assistance include strategic planning, developing the instructional program and curriculum, working with early learning providers to identify students and communicate with parents, and developing kindergarten program readiness activities.

(3) Any funds allocated to support all-day kindergarten programs under this section shall not be considered as basic education funding.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.630 RCW to read as follows:

PRIMARY LEVEL EDUCATION PROJECTS. Subject to funds appropriated for the purposes of this section:

(1) Four demonstration projects are authorized for schools serving kindergarten through third grade students to develop, implement, and document the effects of a comprehensive K-3 foundations program. At least two demonstration projects shall be in schools that are participating in the public-private early learning partnerships in the Highline and Yakima school districts. A third demonstration project shall be in the Spokane school district.

(2) The superintendent of public instruction shall select project participants based on the criteria in this section, the commitment to a school-wide program, and the degree to which applicants articulate an understanding of development and implementation of a comprehensive K-3 foundations program.

(3) Successful school applicants shall:

(a) Demonstrate that there is engaged and committed school and district leadership and support for the project;

(b) Demonstrate that school staff is engaged and committed and believes in high expectations for all students;

(c) Have a history of successfully using data to guide decision making for students and the program;

(d) Plan for the use of staff learning improvement days to support project implementation;

(e) Demonstrate successful linkages with the early learning providers in their communities;

(f) Outline the steps taken to develop this application and the general plan for implementation of a comprehensive K-3 foundations program; and

(g) Commit to individualized learning opportunities in early grades by using district resources, such as funding under RCW 28A.505.210, to reduce class sizes in grades kindergarten through three.

- (4) Program resources provided to demonstration projects are:
- (a) Support to implement an all-day kindergarten program;
  - (b) Support for class sizes at a ratio of one teacher to eighteen students, and the additional resources for materials generated by that ratio through associated nonemployee-related costs;
  - (c) Support for a one-half full-time equivalent instructional coach; and
  - (d) Support for professional development time related to program implementation.
- (5) Demonstration projects shall provide:
- (a) A program that implements an educational philosophy that supports child-centered learning;
  - (b) Learning opportunities through personal exploration and discovery, hands-on experiences, and by working independently, in small groups and in large groups;
  - (c) Rich and varied subject matter that includes: Reading, writing, mathematics, science, social studies, a world language other than English, the arts, and health and physical education;
  - (d) Opportunities to learn and feel accomplishment, diligence, creativity, and confidence;
  - (e) Social and emotional development opportunities;
  - (f) Personalized assessment for each student that addresses academic knowledge and skill development, social and emotional skill development, critical thinking and decision-making skills, large and fine motor skill development, and knowledge of personal interests, strengths, and goals;
  - (g) For students to progress to the upper elementary grades when a solid foundation is in place and reading and mathematics primary skills have been mastered;
  - (h) Class sizes that do not exceed one certificated instructional staff to eighteen students; and
  - (i) Cooperation with project evaluators in an evaluation of the demonstration projects, including providing the data necessary to complete the work.
- (6) The office of the superintendent of public instruction shall contract with the Northwest regional educational laboratory to conduct an evaluation of the demonstration projects under this section. Student, staff, program, and parent data shall be collected using various instruments including surveys, program and activity descriptions, student performance measures, observations, and other processes.
- (7) Within available funding, findings from the evaluation under this section shall include conclusions regarding the degree to which students thrive in the education environment; student progress in academic, social, and emotional areas; the program components that have been most important to student success; the degree to which educational staff feel accomplished in their work and satisfied with student progress; and recommendations for continued implementation and expansion of the program.
- (8) Findings shall be reported to the governor, the office of the superintendent of public instruction, and the appropriate early learning, education, and fiscal committees of the legislature. An interim report is due November 1, 2008. The final report is due December 1, 2009.
- (9) This section expires September 1, 2010.

**NEW SECTION. Sec. 4.** A new section is added to chapter 28A.630 RCW to read as follows:

**ENGLISH AS A SECOND LANGUAGE PROJECTS.** (1) The goals of the English as a second language demonstration project are to develop recommendations:

- (a) Identifying foundational competencies for developing academic English skills in English language learner students that all teachers should acquire in initial teacher preparation programs;

- (b) Identifying components of a professional development program that builds classroom teacher competence for developing academic English skills in English language learner students; and

- (c) Identifying job-embedded practices that connect the English language learner teacher and classroom teachers to coordinate instruction to support the work of the student.

(2) The English as a second language demonstration project shall use two field strategies in the development of recommendations.

- (a) The first strategy is to conduct a field study of an ongoing project in a number of schools and school districts in which Spanish is the predominate language other than English.

- (b) The second strategy is to conduct a project that provides professional development and planning time resources to approximately three large schools in which there are many first languages among the students. The participants of this project shall partner with an institution of higher education or a professional development provider with expertise in supporting student acquisition of academic English. The superintendent of public instruction shall select the participants in the project under this subsection (2)(b).

(3)(a) The office of the superintendent of public instruction shall contract with the Northwest regional educational laboratory to conduct the field study work and collect additional information from the project schools. In conducting its work, the laboratory shall review current literature regarding best practices and consult with state and national experts as appropriate.

- (b) The laboratory shall report its findings to the governor, the office of the superintendent of public instruction, and the education and fiscal committees of the legislature. An interim report is due November 1, 2008. The final report is due December 1, 2009.

(4) This section expires September 1, 2010.

**NEW SECTION. Sec. 5.** A new section is added to chapter 28A.215 RCW to read as follows:

**COMMUNITY LEARNING CENTER PROGRAM.** (1) The Washington community learning center program is established. The program shall be administered by the office of the superintendent of public instruction. The purposes of the program include:

- (a) Supporting the creation or expansion of community learning centers that provide students with tutoring and educational enrichment when school is not in session;

- (b) Providing training and professional development for community learning center program staff;

- (c) Increasing public awareness of the availability and benefits of after-school programs; and

- (d) Supporting statewide after-school intermediary organizations in their efforts to provide leadership, coordination, technical assistance, advocacy, and programmatic support to after-school programs throughout the state.

(2)(a) Subject to funds appropriated for this purpose, the office of the superintendent of public instruction may provide community learning center grants to any public or private organization that meets the eligibility criteria of the federal twenty-first century community learning centers program.

- (b) Priority may be given to grant requests submitted jointly by one or more schools or school districts and one or more community-based organizations or other nonschool partners.

- (c) Priority may also be given to grant requests for after-school programs focusing on improving mathematics achievement, particularly for middle and junior high school students.

- (d) Priority shall be given to grant requests that:

- (i) Focus on improving reading and mathematics proficiency for students who attend schools that have been identified as being in need of

improvement under section 1116 of Title I of the federal no child left behind act of 2001; and

(ii) Include a public/private partnership agreement or proposal for how to provide free transportation for those students in need that are involved in the program.

(3) Community learning center grant funds may be used to carry out a broad array of out-of-school activities that support and enhance academic achievement. The activities may include but need not be limited to:

- (a) Remedial and academic enrichment;
- (b) Mathematics, reading, and science education;
- (c) Arts and music education;
- (d) Entrepreneurial education;
- (e) Community service;
- (f) Tutoring and mentoring programs;
- (g) Programs enhancing the language skills and academic achievement of limited English proficient students;
- (h) Recreational and athletic activities;
- (i) Telecommunications and technology education;
- (j) Programs that promote parental involvement and family literacy;
- (k) Drug and violence prevention, counseling, and character education programs; and
- (l) Programs that assist students who have been truant, suspended, or expelled, to improve their academic achievement.

(4) Each community learning center grant may be made for a maximum of five years. Each grant recipient shall report annually to the office of the superintendent of public instruction on what transportation services are being used to assist students in accessing the program and how those services are being funded. Based on this information, the office of the superintendent of public instruction shall compile a list of transportation service options being used and make that list available to all after-school program providers that were eligible for the community learning center program grants.

(5) To the extent that funding is available for this purpose, the office of the superintendent of public instruction may provide grants or other support for the training and professional development of community learning center staff, the activities of intermediary after-school organizations, and efforts to increase public awareness of the availability and benefits of after-school programs.

(6) Schools or school districts that receive a community learning center grant under this section may seek approval from the office of the superintendent of public instruction for flexibility to use a portion of their state transportation funds for the costs of transporting students to and from the community learning center program.

(7) The office of the superintendent of public instruction shall evaluate program outcomes and report to the governor and the education committees of the legislature on the outcomes of the grants and make recommendations related to program modification, sustainability, and possible expansion. An interim report is due November 1, 2008. A final report is due December 1, 2009.

**NEW SECTION. Sec. 6. CAREER PATHWAYS PROGRAMS.** (1) Subject to funds appropriated for this purpose, the superintendent of public instruction shall provide grants to support development of career pathways programs in high-demand fields. A portion of the appropriated funds shall be administered by an experienced nonprofit health organization and be used to create health care career pathways with geographically dispersed high school partnerships. The remaining funds shall be used to provide grants to geographically dispersed high school partnerships to create career pathways in the trades, mechanics and engineering, or other field identified by the partnership as high demand and appropriate to meet the workforce education needs in its region.

(2) To be eligible for a grant, high schools must form partnerships of parents, students, special populations, academic and career and technical education teachers and administrators, workforce development faculty and administrators, career guidance and academic counselors, representatives of tech-prep consortia, local workforce development councils, representatives of local skill centers and local skills panels, apprenticeship councils, and business and labor organizations in the community.

(3) Grant recipients must develop and implement a model curriculum for their selected career pathway. Grant funds shall be used for start-up costs, primarily for the development of the curriculum and assessments described in this section and for professional development for teachers. If sufficient funds remain, grant funds may be used to upgrade equipment within the program to meet industry standards.

(4) A career pathways program shall:

(a) Integrate core academic standards for reading, writing, and mathematics with high-quality career and technical preparation based on accepted industry standards in the field;

(b) Incorporate secondary and postsecondary education elements;

(c) Be coherent, sequenced, and articulated to community and technical college courses to provide high school students with dual credit for both high school graduation and college, and to prepare students to succeed in postsecondary education programs in the field;

(d) Lead to an industry-recognized credential or certificate at the postsecondary level or an associate or baccalaureate degree; and

(e) Emphasize projects and application of knowledge and skills and provide extensive opportunities for work-based learning and internships.

(5) Students who are struggling with core academic skills, including the Washington assessment of student learning, shall receive supplemental assistance and instruction within the program, including assistance to create a career and technical collection of evidence as an alternative to the Washington assessment of learning.

(6) Participants in a high-demand career pathways program should expect to complete a high school diploma and the appropriate courses in a high-quality career and technical program and graduate ready to pursue postsecondary education.

(7) With assistance from the office of the superintendent of public instruction and the workforce training and education coordinating board, grant recipients shall develop end-of-program assessments for their high-demand career pathways program. The assessments shall be integrated to include academic, work readiness, and technical knowledge and skills. The legislature's intent is to use these assessments as prototypes for possible future additional alternative assessments for career and technical education students to demonstrate they meet the state's learning standards.

(8) Grant recipients must develop a communications strategy for parents and students in other area high schools and middle schools to promote the model career pathways programs as a high-quality learning option for students and prepare plans for replication of the programs.

(9) For the purposes of this section, "career pathways program" has the same meaning as a career and technical program of study under P.L. 109-270, the Carl D. Perkins career and technical education improvement act of 2006.

(10) This section expires July 1, 2009.

**NEW SECTION. Sec. 7.** A new section is added to chapter 28A.300 RCW to read as follows:

**WORLD LANGUAGES.** Subject to funds appropriated for this purpose, the superintendent of public instruction shall assign at least one full-time equivalent staff position within the office of the superintendent of public instruction to serve as the world language supervisor. The world language supervisor shall have the following duties and responsibilities:

(1) Develop, conduct, and oversee professional development for teachers on grade level expectations, state and national standards, and best practices in instruction for world languages;

(2) Provide technical assistance to schools in designing elementary and middle school language programs, selecting and designing high quality curriculum, and providing professional development;

(3) Advise in the development of online world language courses;

(4) Create a clearinghouse of information and materials to support high quality world language instruction at the elementary and secondary levels;

(5) Secure and implement grants, including federal grants, to enhance world language programs;

(6) Encourage and foster an articulated curriculum for world languages through elementary, secondary, and postsecondary grades;

(7) Establish and maintain a state database for world language course offerings in schools and school districts;

(8) Implement memoranda of understanding with ministries of education in other countries, including interviewing, selecting, securing visas for, and providing orientation for visiting teachers;

(9) Serve in an advisory capacity on committees or work groups regarding teacher certification, advanced placement programs, and textbook publishing and selection; and

(10) Serve as an education liaison with the business, trade, and economic development communities.

**NEW SECTION. Sec. 8.** A new section is added to chapter 28A.155 RCW to read as follows:

**SAFETY NET.** The office of the superintendent of public instruction shall review and streamline the application process to access special education safety net funds, provide technical assistance to school districts, and annually survey school districts regarding improvements to the process.

**NEW SECTION. Sec. 9.** Captions used in this act are not any part of the law."

Correct the title.

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

Representative Priest spoke against the adoption of the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Lovick presiding) divided the House. The result was 61 - YEAS; 37 -NAYS.

The amendment was adopted.

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

Representative Santos 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 Second Substitute Senate Bill No. 5841, as amended by the House.

## ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5841, as amended by the House and the bill passed the House by the following vote: Yeas - 62, Nays - 36, Absent - 0, Excused - 0.

Voting yea: Representatives Appleton, Barlow, Blake, Campbell, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Eickmeyer, Ericks, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Kagi, Kelley, Kenney, Kessler, Kirby, Linville, Lovick, McCoy, McDermott, McIntire, Miloscia, Moeller, Morrell, Morris, O'Brien, Ormsby, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Schual-Berke, Seaquist, Sells, Simpson, Sommers, Springer, Sullivan, B., Sullivan, P., Takko, Upthegrove, Van De Wege, Wallace, Williams, Wood and Mr. Speaker - 62.

Voting nay: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buri, Chandler, Condotta, Crouse, Curtis, DeBolt, Dunn, Ericksen, Hailey, Haler, Hankins, Hinkle, Jarrett, Kretz, Kristiansen, Lantz, McCune, McDonald, Newhouse, Orcutt, Pearson, Priest, Roach, Rodne, Ross, Schindler, Skinner, Strow, Sump, Walsh and Warnick - 36.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5841, as amended by the House, having received the necessary constitutional majority, was declared passed.

## MESSAGE FROM THE SENATE

April 16, 2007

Mr. Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 6032 and asks the House for a Conference thereon. The President has appointed the following members as Conferees: Senators Keiser, Kohl-Wells and Carrell.

There being no objection, the House granted the Senate's request for a conference on ENGROSSED SUBSTITUTE SENATE BILL NO. 6032. The Speaker (Representative Lovick presiding) appointed the following conferees: Representatives Cody, Curtis and Hudgins.

There being no objection, the Rules Committee was relieved of SUBSTITUTE SENATE BILL NO. 5009, and the bill was placed on the Second Reading calendar.

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., April 18, 2007, the 101st Day of the Regular Session.

FRANK CHOPP, Speaker

RICHARD NAFZIGER, Chief Clerk

Draft