

FIFTY FOURTH DAY

House Chamber, Olympia, Friday, March 4, 2011

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

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Alex Krause and Jacinta Clay. The Speaker (Representative Moeller presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Pastor Dan Shelly, United Methodist Church, Kent Washington.

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

RESOLUTION

HOUSE RESOLUTION NO. 2011-4635, by Representatives Zeiger, Anderson, Dammeier, Overstreet, McCune, Hargrove, Johnson, Orcutt, Harris, Chandler, Hope, Klippert, Asay, Bailey, Rodne, Kristiansen, Warnick, Angel, Ross, Parker, Haler, Dahlquist, Alexander, Schmick, Buys, Fagan, and Pearson

WHEREAS, Abraham Lincoln was inaugurated as President of the United States on March 4, 1861; and

WHEREAS, Lincoln was a champion of the American experiment in self-government, a student of the Declaration of Independence and the Constitution, who said in his First Inaugural Address, "This country, with its institutions, belongs to the people who inhabit it"; and

WHEREAS, Lincoln was a child of the frontier, a self-taught lawyer, and an Illinois legislator whose example of honesty, work, and discipline epitomize the American character; and

WHEREAS, Lincoln found that the practice of slavery violated the equal rights of human beings, and sought through reasoned debate to persuade his fellow citizens of its injustice; and

WHEREAS, In his First Inaugural Address, Lincoln called Americans back to their tradition of deliberation and discourse, instead of to war, saying, "My countrymen, one and all, think calmly and well upon this whole subject. Nothing valuable can be lost by taking time"; and

WHEREAS, Lincoln subsequently led the nation through Civil War, giving himself to the cause of national Union, and displaying throughout those terrible days the virtues of wisdom, courage, justice, and moderation; and

WHEREAS, Lincoln proclaimed emancipation for slaves in the American South and maintained throughout his public service a steady defense of human equality; and

WHEREAS, Lincoln looked forward from his Inauguration to a time when "the mystic chords of memory, stretching from every battlefield and patriot grave to every living heart and hearthstone all over this broad land, will yet swell the chorus of the Union, when again touched, as surely they will be, by the better angels of our nature";

NOW, THEREFORE, BE IT RESOLVED, That the Washington State House of Representatives take inspiration from the life and legacy of Abraham Lincoln, and that we seek in our own ways to be champions of liberty and equality.

The Speaker (Representative Moeller presiding) stated the question before the House to be adoption of House Resolution No. 4635.

HOUSE RESOLUTION NO. 4635 was adopted.

MESSAGES FROM THE SENATE

March 3, 2011

MR. SPEAKER:

The Senate has passed:

- ENGROSSED SECOND SUBSTITUTE SENATE BILL 5000
- ENGROSSED SUBSTITUTE SENATE BILL 5021
- SENATE BILL 5044
- SUBSTITUTE SENATE BILL 5156
- SENATE BILL 5161
- SUBSTITUTE SENATE BILL 5250
- SENATE BILL 5304
- SUBSTITUTE SENATE BILL 5337
- ENGROSSED SUBSTITUTE SENATE BILL 5366
- SUBSTITUTE SENATE BILL 5386
- SECOND SUBSTITUTE SENATE BILL 5427
- SUBSTITUTE SENATE BILL 5432
- ENGROSSED SUBSTITUTE SENATE BILL 5449
- SUBSTITUTE SENATE BILL 5556
- ENGROSSED SENATE BILL 5575
- SENATE BILL 5589
- SENATE BILL 5633
- SUBSTITUTE SENATE BILL 5658
- SECOND SUBSTITUTE SENATE BILL 5662
- SUBSTITUTE SENATE BILL 5791
- SUBSTITUTE SENATE BILL 5796
- SUBSTITUTE SENATE BILL 5797
- SUBSTITUTE SENATE BILL 5836

and the same are herewith transmitted.

Thomas Hoemann, Secretary

March 3, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SENATE BILL 5377 and the same is herewith transmitted.

Thomas Hoemann, Secretary

March 4, 2011

MR. SPEAKER:

The Senate has passed:

- SUBSTITUTE SENATE BILL 5222
- SUBSTITUTE SENATE BILL 5300
- SUBSTITUTE SENATE BILL 5423
- SUBSTITUTE SENATE BILL 5452
- SUBSTITUTE SENATE BILL 5545
- SUBSTITUTE SENATE BILL 5546
- SUBSTITUTE SENATE BILL 5576
- SENATE BILL 5631
- SUBSTITUTE SENATE BILL 5691
- SENATE BILL 5731

SUBSTITUTE SENATE BILL 5741
 SUBSTITUTE SENATE BILL 5785
 SENATE JOINT RESOLUTION 8206

and the same are herewith transmitted.

Thomas Hoemann, Secretary

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

SECOND READING

HOUSE BILL NO. 1220, by Representatives Rolfes, Cody, Appleton, Frockt, Hinkle, Liias, Fitzgibbon, Jinkins, Hunt, Van De Wege, Moeller and Kenney

Regulating insurance rates.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1220 was substituted for House Bill No. 1220 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1220 was read the second time.

With the consent of the house, amendments (89) and (152) to amendment (262) were withdrawn.

Representative Rolfes moved the adoption of amendment (262).

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 48.02.120 and 1985 c 264 s 2 are each amended to read as follows:

(1) The commissioner shall preserve in permanent form records of his or her proceedings, hearings, investigations, and examinations, and shall file such records in his or her office.

(2) The records of the commissioner and insurance filings in his or her office shall be open to public inspection, except as otherwise provided by this code.

(3) Except as provided in subsection (4) of this section, actuarial formulas, statistics, and assumptions submitted in support of a rate or form filing by an insurer, health care service contractor, or health maintenance organization or submitted to the commissioner upon his or her request shall be withheld from public inspection in order to preserve trade secrets or prevent unfair competition.

(4)(a) Except as provided in (b) of this subsection, for a rate filing for an individual or small group health benefit plan with an effective date on or after January 1, 2012, subsection (3) of this section applies only to the numeric values of each rating factor used by a health carrier. The remainder of the rate filing shall be open to public inspection subject to subsection (5) of this section.

(b) Subsection (3) of this section shall continue to apply for a period of one year from the date a new individual or small group product filing is submitted or until the next rate filing for the product, whichever occurs earlier, if the commissioner determines that the proposed rate filing is for a new product that is distinct and unique from any of the carrier's currently or previously offered health benefit plans. A carrier must make a written request for a product classification as a new product under this subsection (4)(b) and must receive subsequent written approval by the commissioner for this subsection (4)(b) to apply.

(5) Unless the commissioner has determined that a filing is for a new product pursuant to subsection (4) of this section, for individual

or small group health benefit rate filings with an effective date on or after January 1, 2012, the commissioner shall:

(a) Make the portions of each rate filing that are open to public inspection available for public inspection on the tenth calendar day after the commissioner determines that the rate filing is complete and accepts the filing for review through the electronic rate and form filing system;

(b) Prepare a rate disclosure summary form in a standard format that is written in plain language easily understood by the general public. The summary must allow carriers to explain the relationship between premium and health care cost drivers. The summary must set forth, at a minimum, the following: (i) The rate increase, year over year, for annual increases, including historic rate adjustments for at least the past three years; (ii) any percent increase to current rates attributed to mandated changes, not including changes due to demographics; (iii) the number of members impacted by the rate; (iv) the impact of benefit changes on the rate; (v) the products' filed health care trend; (vi) the projected medical loss ratio for the rating period; (vii) the top three drivers contributing to the change in premiums; and (viii) other information added to the summary form by rule that the commissioner, in consultation with carriers, finds reasonably necessary to help consumers understand the reasons for proposed and accepted rates. A carrier shall complete the disclosure summary form and submit it electronically to the commissioner along with each individual or small group health benefit plan rate filing; and

(c) Prepare a standardized rate summary form to explain his or her findings after the rate review process is completed. The commissioner's summary form must be included as part of the rate filing documentation available to the public electronically.

(6) The commissioner shall adopt rules to implement and administer this section. The rules must include, but are not limited to, a process for updating the summary form content in subsection (5)(b) of this section. In adopting rules under this section, the commissioner shall consult with carriers, as defined in RCW 48.43.005, and consumers in the development of the summary forms."

Correct the title.

Representative Schmick moved the adoption of amendment (263) to amendment (262).

On page 2, beginning on line 9 of the striking amendment, after "the" strike all material through "system" on line 12 and insert "effective date set forth in the filing"

Representative Schmick spoke in favor of the adoption of the amendment to the amendment.

Representative Rolfes spoke against the adoption of the amendment to the amendment.

A roll call vote was demanded and the demand was sustained.

The Speaker (Representative Moeller presiding) stated the question before the House to be the adoption of amendment (263) to amendment (262).

ROLL CALL

The Clerk called the roll on the adoption of amendment (263) to amendment (262), and the amendment was not adopted by the following vote: Yeas, 45; Nays, 52; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Morris, Nealey, Orcutt, Overstreet, Parker,

Pearson, Rivers, Ross, Schmick, Shea, Short, Smith, Stanford, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Voting nay: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Excused: Representative Rodne.

Amendment (263) was not adopted.

Representative Hinkle moved the adoption of amendment (317) to amendment (262).

On page 3, after line 3 of the striking amendment, insert the following:

"**NEW SECTION. Sec. 2.** A new section is added to chapter 48.43 RCW to read as follows:

A health carrier offering a health plan to a small group may not require an employer to pay more than forty percent of the employee's premium."

Representatives Hinkle and Cody spoke in favor of the adoption of the amendment to the amendment.

Amendment (317) to amendment (262) was adopted.

Representative Rolfes and Rolfes (again) spoke in favor of the adoption of the amendment as amended.

Representatives Schmick and Parker spoke against the adoption of the amendment as amended.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 56 - YEAS; 41 - NAYS.

Amendment (262) was adopted as amended.

The bill was ordered engrossed.

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

Representative Rolfes spoke in favor of the passage of the bill.

Representatives Schmick, Ahern and Overstreet spoke against the passage of the bill.

MOTION

On motion of Representative Hinkle, Representative Rodne was excused.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1220.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1220, and the bill passed the House by the following vote: Yeas, 57; Nays, 40; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Excused: Representative Rodne.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1220, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1517, by Representatives Jinkins, Hinkle, Green, Harris and Stanford

Requiring comparable coverage for patients who require orally administered anticancer medication.

The bill was read the second time.

With the consent of the house, amendment (122) was withdrawn.

Representative Jinkins moved the adoption of amendment (223).

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 2.** The Washington state legislature finds that for cancer patients, there is an inequity in how much they have to pay toward the cost of a self administered oral medication and how much they have to pay for an intravenous product that is administered in a physician's office or clinic. The legislature further finds that when these inequities exist, patients' access to medically necessary, appropriate treatment is often unfairly restricted. The legislature also acknowledges that self administered chemotherapy is the only treatment for some types of cancer where there is no intravenous alternative. The legislature declares that in order to reduce the out-of-pocket costs for cancer patients whose diagnosis requires treatment through self administered anticancer medication, the cost-sharing responsibilities for these patients must be on a basis at least comparable to those of patients receiving intravenously administered anticancer medication.

NEW SECTION. Sec. 3. A new section is added to chapter 41.05 RCW to read as follows:

(1) Each health plan offered to public employees and their covered dependents under this chapter, including those subject to the provision of Title 48 RCW, and is issued or renewed beginning January 1, 2012, and provides coverage for cancer chemotherapy treatment must provide coverage for prescribed, self administered anticancer medication that is used to kill or slow the growth of cancerous cells on a basis at least comparable to cancer chemotherapy

medications administered by a health care provider or facility as defined in RCW 48.43.005(15) and (16).

(2) Nothing in this section may be interpreted to prohibit a health plan from administering a formulary or preferred drug list, requiring prior authorization, or imposing other appropriate utilization controls in approving coverage for any chemotherapy.

NEW SECTION. Sec. 4. A new section is added to chapter 48.20 RCW to read as follows:

(1) Each health plan issued or renewed on or after January 1, 2012, that provides coverage for cancer chemotherapy treatment must provide coverage for prescribed, self administered anticancer medication that is used to kill or slow the growth of cancerous cells on a basis at least comparable to cancer chemotherapy medications administered by a health care provider or facility as defined in RCW 48.43.005(15) and (16).

(2) Nothing in this section may be interpreted to prohibit a health plan from administering a formulary or preferred drug list, requiring prior authorization, or imposing other appropriate utilization controls in approving coverage for any chemotherapy.

NEW SECTION. Sec. 5. A new section is added to chapter 48.21 RCW to read as follows:

(1) Each health plan issued or renewed on or after January 1, 2012, that provides coverage for cancer chemotherapy treatment must provide coverage for prescribed, self administered anticancer medication that is used to kill or slow the growth of cancerous cells on a basis at least comparable to cancer chemotherapy medications administered by a health care provider or facility as defined in RCW 48.43.005(15) and (16).

(2) Nothing in this section may be interpreted to prohibit a health plan from administering a formulary or preferred drug list, requiring prior authorization, or imposing other appropriate utilization controls in approving coverage for any chemotherapy.

NEW SECTION. Sec. 6. A new section is added to chapter 48.44 RCW to read as follows:

(1) Each health plan issued or renewed on or after January 1, 2012, that provides coverage for cancer chemotherapy treatment must provide coverage for prescribed, self administered anticancer medication that is used to kill or slow the growth of cancerous cells on a basis at least comparable to cancer chemotherapy medications administered by a health care provider or facility as defined in RCW 48.43.005(15) and (16).

(2) Nothing in this section may be interpreted to prohibit a health plan from administering a formulary or preferred drug list, requiring prior authorization, or imposing other appropriate utilization controls in approving coverage for any chemotherapy.

NEW SECTION. Sec. 7. A new section is added to chapter 48.46 RCW to read as follows:

(1) Each health plan issued or renewed on or after January 1, 2012, that provides coverage for cancer chemotherapy treatment must provide coverage for prescribed, self administered anticancer medication that is used to kill or slow the growth of cancerous cells on a basis at least comparable to cancer chemotherapy medications administered by a health care provider or facility as defined in RCW 48.43.005(15) and (16).

(2) Nothing in this section may be interpreted to prohibit a health plan from administering a formulary or preferred drug list, requiring prior authorization, or imposing other appropriate utilization controls in approving coverage for any chemotherapy."

Representative Schmick moved the adoption of amendment (281) to amendment (223).

On page 1, line 5 of the striking amendment, after "is" strike "an" and insert "sometimes"

On page 1, beginning on line 10 of the striking amendment, after "treatment" strike all material through "receiving" on line 17 and

insert "may be restricted. The legislature declares that the cost-sharing responsibilities for a covered self administered anticancer medication must be on a basis at least comparable to"

On page 1, beginning on line 25 of the striking amendment after "for" strike all material through "for" on line 26 and insert "a"

On page 1, line 27 of the striking amendment, after "cells" insert "must provide such coverage"

On page 2, line 4 of the striking amendment, after "to" insert "require the use of a self administered medication as a replacement for other cancer medications,"

On page 2, beginning on line 12 of the striking amendment, after "for" strike all material through "for" on line 13 and insert "a"

On page 2, line 14 of the striking amendment, after "cells" insert "must provide such coverage"

On page 2, line 18 of the striking amendment, after "to" insert "require the use of a self administered medication as a replacement for other cancer medications,"

On page 2, beginning on line 26, after "for" strike all material through "for" on line 27 and insert "a"

On page 2, line 28 of the striking amendment, after "cells" insert "must provide such coverage"

On page 2, line 32 of the striking amendment, after "to" insert "require the use of a self administered medication as a replacement for other cancer medications,"

On page 3, beginning on line 7 of the striking amendment, after "for" strike all material through "for" on line 8 and insert "a"

On page 3, line 9 of the striking amendment, after "cells" insert "must provide such coverage"

On page 3, line 13 of the striking amendment, after "to" insert "require the use of a self administered medication as a replacement for other cancer medications,"

On page 3, beginning on line 21 of the striking amendment, after "for" strike all material through "for" on line 22 and insert "a"

On page 3, line 23 of the striking amendment, after "cells" insert "must provide such coverage"

On page 3, line 27 of the striking amendment, after "to" insert "require the use of a self administered medication as a replacement for other cancer medications,"

Representatives Schmick and Parker spoke in favor of the adoption of the amendment.

Representative Cody spoke against the adoption of the amendment.

A roll call vote was demanded and the demand was sustained.

ROLL CALL

The Clerk called the roll on the adoption of amendment (281), and the amendment was not adopted by the following vote: Yeas, 46; Nays, 51; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Dunshee, Fagan, Haler, Hargrove, Hasegawa, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Ross, Santos, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Voting nay: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Harris, Hudgins, Hunt, Hunter, Jacks, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu,

Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Excused: Representative Rodne.

Amendment (281) was not adopted.

STATEMENT FOR THE JOURNAL

I intended to vote NAY on amendment (281) to House Bill No. 1517.

Representative Dunshee, 44th District

Representative Jinkins spoke in favor of the adoption of amendment (223).

Representative Schmick spoke against the adoption of amendment (223).

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 57 - YEAS; 40 - NAYS.

Amendment (223) was adopted.

The bill was ordered engrossed.

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

Representatives Jinkins, Harris and Armstrong spoke in favor of the passage of the bill.

Representatives Schmick and Hinkle spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1517.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1517, and the bill passed the House by the following vote: Yeas, 80; Nays, 17; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Clibborn, Cody, Crouse, Dahlquist, Darneille, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Harris, Hasegawa, Hope, Hudgins, Hunt, Hunter, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Kretz, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Seaquist, Sells, Short, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox and Mr. Speaker.

Voting nay: Representatives Alexander, Chandler, Condotta, Dammeier, DeBolt, Hargrove, Hinkle, Hurst, Klippert, Kristiansen, McCune, Overstreet, Parker, Schmick, Shea, Taylor and Zeiger.

Excused: Representative Rodne.

ENGROSSED HOUSE BILL NO. 1517, having received the necessary constitutional majority, was declared passed.

HOUSE CONCURRENT RESOLUTION NO. 4404, by Representatives Schmick, Cody, Hinkle and Frockt

Continuing the work of the joint select committee on health reform implementation.

The bill was read the second time.

There being no objection, Substitute House Concurrent Resolution No. 4404 was substituted for House Concurrent Resolution No. 4404 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE CONCURRENT RESOLUTION NO. 4404 was read the second time.

Representative Hinkle moved the adoption of amendment (72).

On page 2, beginning on line 7, after "That" strike all material through "member" on line 14 and insert the following:

"the membership of the joint select committee on health reform implementation shall consist of the following: (1) the chairs of the health committees of the Senate and the House of Representatives; (2) two additional members of the Senate, one each appointed by the leadership of the two largest caucuses in the Senate; and (3) two additional members of the House of Representatives, one each appointed by the leadership of the two largest caucuses in the House of Representatives. The governor shall be invited to appoint, as a liaison to the joint select committee, a person who shall be a nonvoting member. The joint select committee shall select, from among the legislative members, one co-chair from the Senate and one co-chair from the House of Representatives who may not be from the same political caucus of the legislature"

On page 2, line 20, after "implementation" insert ". The joint select committee shall establish an advisory committee to provide advice and recommendations to the Department of Social and Health Services and the Health Care Authority in the development of its implementation plan required by chapter...(House Bill No. 1738), Laws of 2011 to coordinate the purchase and delivery of acute care, long-term care, and behavioral health services"

Representatives Hinkle and Cody spoke in favor of the adoption of the amendment.

Amendment (72) was adopted.

The bill was ordered engrossed.

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

Representatives Schmick and Cody spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Concurrent Resolution No. 4404.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Concurrent Resolution No. 4404, and the bill passed the House by the following vote: Yeas, 92; Nays, 5; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Condotta, McCune, Overstreet, Parker and Shea.

Excused: Representative Rodne.

ENGROSSED SUBSTITUTE HOUSE CONCURRENT RESOLUTION NO. 4404, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1740, by Representatives Cody, Schmick, Jinkins and Hinkle

Establishing a health benefit exchange.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1740 was substituted for House Bill No. 1740 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1740 was read the second time.

Representative Clibborn moved the adoption of amendment (314).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 8. The legislature finds that the affordable care act requires the states to establish health benefit exchanges. The legislature intends to establish an exchange, including a governance structure that will be in place no later than July 1, 2012. There are many policy decisions associated with establishing an exchange that need to be made that will take a great deal of effort and expertise. It is therefore the intent of the legislature to establish a process through which these policy decisions can be made by the legislature and the governor by the deadline established in the affordable care act.

NEW SECTION. Sec. 9. A new section is added to chapter 41.05 RCW to read as follows:

The state shall establish, by statute, a health benefit exchange consistent with the federal affordable care act, P.L. 111-148, to begin operations no later than January 1, 2014, and intended to:

(1) Increase access to quality affordable health care coverage, reduce the number of uninsured persons in Washington state, and increase the availability of health care coverage through the private health insurance market to qualified individuals and small employers;

(2) Provide consumer choice and portability of health insurance, regardless of employment status;

(3) Create an organized, transparent, and accountable health insurance marketplace for Washingtonians to purchase affordable, quality health care coverage, to claim available federal refundable premium tax credits and cost-sharing subsidies, and to meet the

personal responsibility requirements for minimum essential coverage as provided under the federal affordable care act;

(4) Promote consumer literacy and empower consumers to compare plans and make informed decisions about their health care and coverage;

(5) Effectively and efficiently administer health care subsidies and determination of eligibility for participation in publicly subsidized health care programs, including the exchange;

(6) Create a health insurance market that competes on the basis of price, quality, service, and other innovative efforts;

(7) Operate in a manner compatible with efforts to improve quality, contain costs, and promote innovation;

(8) Recognize the need for a private health insurance market to exist outside of the exchange and the need for a regulatory framework that applies both inside and outside of the exchange; and

(9) Recognize that the regulation of the health insurance market, both inside and outside the exchange, should continue to be performed by the insurance commissioner.

NEW SECTION. Sec. 10. A new section is added to chapter 41.05 RCW to read as follows:

(1) The health benefit exchange board shall be established as a nonprofit, public-private partnership, composed of nine persons with expertise in the Washington state health care system and private and public health care coverage. By July 1, 2012, the governor shall appoint representatives from each of the following groups:

(a) Two employee benefits specialists;

(b) A health economist or actuary;

(c) Small businesses;

(d) Health care consumer advocates;

(e) The administrator of the health care authority under chapter 41.05 RCW;

(f) The insurance commissioner or designee as a nonvoting ex officio member; and

(g) Two appointments from a list of recommendations submitted by the legislature. Each chamber of the legislature shall forward two recommendations representing mutually agreed on names from each caucus. Each person appointed to the board under this subsection (1)(g) must have demonstrated and acknowledged expertise in at least one of the following areas:

(i) Individual health care coverage;

(ii) Small employer health care coverage;

(iii) Health benefits plan administration;

(iv) Health care finance and economics;

(v) Actuarial science;

(vi) Administering a public or private health care delivery system;

or

(vii) Purchasing health plan coverage.

(2) The board shall elect a chair from among its members.

(3) No board member may be employed by, a consultant to, a member of the board of directors of, or otherwise a representative of or a lobbyist for an entity in the business of, or potentially in the business of, selling items or services of significant value to the health benefit exchange.

(4) Initial members of the board shall serve staggered terms not to exceed four years. Initial appointments must be made on or before July 1, 2012. Members appointed thereafter shall serve two-year terms.

(5) Members of the board must be reimbursed for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060. The board shall prescribe rules for the conduct of its business. Meetings of the board are at the call of the chair.

(6) The board shall conduct its business consistent with the provisions of chapter 42.30 RCW, the open public meetings act. Consistent with the open public meetings act, the board may hold

executive sessions to consider proprietary or confidential nonpublished information.

(7)(a) The board shall establish an advisory committee to allow for the views of the health care industry and other stakeholders to be heard in the operation of the health benefit exchange. The advisory committee shall provide expertise and recommendations to the board, but shall have no authority to promulgate rules or enter into contracts on behalf of the health benefit exchange.

(b) The board may establish technical advisory committees or seek the advice of technical experts when necessary to execute the powers and duties included in this act.

(8) Members of the board are not civilly or criminally liable and may not have any penalty or cause of action of any nature arise against them for any action taken or not taken, including any discretionary decision or failure to make a discretionary decision, when the action or inaction is done in good faith and in the performance of the powers and duties under this act. Nothing in this section prohibits legal actions against the board to enforce the board's statutory or contractual duties or obligations.

(9) In recognition of the government to government relationship between the state of Washington and the federally recognized tribes in the state of Washington, the board shall consult with the American Indian health commission on an ongoing basis.

NEW SECTION. Sec. 11. The definitions in this section apply throughout sections 1 and 4 through 6 of this act, unless the context clearly requires otherwise. Terms and phrases used in sections 1 and 4 through 6 of this act that are not defined in this section must be defined as consistent with implementation of a state health benefit exchange pursuant to the affordable care act.

(1) "Affordable care act" means the federal patient protection and affordable care act, P.L. 111-148, as amended by the federal health care and education reconciliation act of 2010, P.L. 111-152, or federal regulations or guidance issued under the affordable care act.

(2) "Authority" means the Washington state health care authority, established under chapter 41.05 RCW.

(3) "Commissioner" means the insurance commissioner, established in Title 48 RCW.

(4) "Exchange" means a state health benefit exchange pursuant to the affordable care act.

NEW SECTION. Sec. 12. (1)(a) In collaboration with the joint select committee on health reform implementation, the authority shall apply for planning and establishment grants pursuant to the affordable care act. Whenever possible, planning and establishment grant applications shall allow for the possibility of partially funding the activities of the joint select committee on health reform implementation.

(b) The authority, in collaboration with the joint select committee on health reform implementation, shall implement provisions of the planning and establishment grants as approved by the United States secretary of health and human services.

(2) Consistent with the work plan developed in subsection (3) of this section, but in no case later than January 1, 2012, the authority, in collaboration with the joint select committee on health reform implementation, shall develop a broad range of options for establishing and implementing a state-administered health benefit exchange. The options must include analysis and recommendations on the following:

(a) The operations and administration of the exchange, including:

(i) The goals and principles of the exchange;

(ii) The creation and implementation of a single state-administered exchange for all geographic areas in the state that operates as the exchange for both the individual and small employer markets by January 1, 2014;

(iii) Whether and under what circumstances the state should consider establishment of, or participation in, a regionally administered multistate exchange;

(iv) Whether the role of an exchange includes serving as an aggregator of funds that comprise the premium for a health plan offered through the exchange;

(v) The administrative, fiduciary, accounting, contracting, and other services to be provided by the exchange;

(vi) Coordination of the exchange with other state programs;

(vii) Development of sustainable funding for administration of the exchange as of January 1, 2015; and

(viii) Recognizing the need for expedience in determining the structure of needed information technology, the necessary information technology to support implementation of exchange activities.

(b) Whether to adopt and implement a federal basic health plan option as authorized in the affordable care act, whether the federal basic health plan option should be administered by the entity that administers the exchange or by a state agency, and whether the federal basic health plan option should merge risk pools for rating with any portion of the state's medicaid program;

(c) Individual and small group market impacts, including whether to:

(i) Merge the risk pools for rating the individual and small group markets in the exchange and the private health insurance markets; and

(ii) Increase the small group market to firms with up to one hundred employees;

(d) Creation of a competitive purchasing environment for qualified health plans offered through the exchange, including promoting participation in the exchange to a level sufficient to provide sustainable funding for the exchange;

(e) Certifying, selecting, and facilitating the offer of individual and small group plans through an exchange, to include designation of qualified health plans and the levels of coverage for the plans;

(f) The role and services provided by producers and navigators;

(g) Effective implementation of risk management methods, including: Reinsurance, risk corridors, risk adjustment, to include the entity designated to operate reinsurance and risk adjustment, and the continuing role of the Washington state health insurance pool;

(h) Participation in innovative efforts to contain costs in Washington's markets for public and private health care coverage;

(i) Providing federal refundable premium tax credits and reduced cost-sharing subsidies through the exchange, including the processes and entity responsible for determining eligibility to participate in the exchange and the cost-sharing subsidies provided through the exchange;

(j) The staff, resources, and revenues necessary to operate and administer an exchange for the first two years of operation; and

(k) Any other areas identified by the joint select committee on health reform implementation.

(3)(a) In collaboration with the joint select committee on health reform implementation, the authority shall develop a work plan for the development of options under subsection (2) of this section in discrete, prioritized stages.

(b) The joint select committee on health reform implementation may submit to the authority specific questions pertaining to the establishment of a health benefit exchange under section 2 of this act.

(4) The authority shall consult with the commissioner, the joint select committee on health reform implementation, and stakeholders relevant to carrying out the activities required under this section, including: (a) Educated health care consumers who are enrolled in commercial health insurance coverage and publicly subsidized health care programs; (b) individuals and entities with experience in facilitating enrollment in health insurance coverage, including health carriers, producers, and navigators; (c) representatives of small businesses, employees of small businesses, and self-employed individuals; (d) advocates for enrolling hard to reach populations and populations enrolled in publicly subsidized health care programs; (e) facilities and providers of health care; (f) representatives of publicly

subsidized health care programs; and (g) members in good standing of the American academy of actuaries.

NEW SECTION. Sec. 13. (1) The authority may enter into:

(a) Information sharing agreements with federal and state agencies and other state exchanges to carry out the provisions of this act: PROVIDED, That, such agreements include adequate protections with respect to the confidentiality of the information to be shared and comply with all state and federal laws and regulations; and

(b) Interdepartmental agreements with the office of the insurance commissioner, the department of social and health services, the department of health, and any other state agencies necessary to implement this act.

(2) To the extent funding is available, the authority shall:

(a) Provide staff and resources to implement this act;

(b) Manage and administer the grant and other funds; and

(c) Expend funds specifically appropriated by the legislature to implement the provisions of this act."

Representatives Cody and Schmick spoke in favor of the adoption of the amendment.

Amendment (314) was adopted.

The bill was ordered engrossed.

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

Representatives Cody, Schmick, Hinkle and Bailey spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1740.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1740, and the bill passed the House by the following vote: Yeas, 79; Nays, 18; Absent, 0; Excused, 1.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Asay, Billig, Blake, Buys, Carlyle, Clibborn, Cody, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Kagi, Kelley, Kenney, Kirby, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Schmick, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Armstrong, Bailey, Chandler, Condotta, Crouse, DeBolt, Haler, Johnson, Klippert, McCune, Overstreet, Parker, Rivers, Ross, Shea, Short and Taylor.

Excused: Representative Rodne.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1740, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1782, by Representatives Hinkle, Kagi, Orcutt, Hunter, Rodne, Carlyle, Armstrong, Pettigrew, Haler, Green, Angel, Ross, Van De Wege, Bailey, Kenney, Ahern, Ryu, Crouse, Short, Eddy, Nealey, Finn, DeBolt, Condotta,

Moeller, Sullivan, Darneille, McCune, Buys, Dahlquist, Alexander, Fagan, Johnson, Sells, Overstreet, Maxwell, Seaquist, Haigh, Blake, Hargrove, Dickerson, Rivers, McCoy, Schmick, Santos, Smith, Zeiger, Tharinger, Wilcox, Dammeier, Rolfes, Warnick, Liias, Kretz, Cody, Parker, Probst, Taylor, Fitzgibbon, Reykdal, Shea, Goodman, Asay, Stanford, Klippert, Walsh, Moscoso, Harris, Takko, Kristiansen, Jacks, Roberts, Orwall, Hasegawa, Ladenburg, Jinkins, Hunt, Billig, Ormsby, Upthegrove, Hudgins, Frockt, Appleton, Dunshee, Kelley, Pedersen and Miloscia

Regarding constraints of expenditures for WorkFirst and child care programs.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1782 was substituted for House Bill No. 1782 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1782 was read the second time.

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

Representatives Hinkle and Kagi spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1782.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1782, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 1. Not Voting: 1

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox and Mr. Speaker.

Excused: Representative Rodne.

Not Voting: Representative Zeiger

SUBSTITUTE HOUSE BILL NO. 1782, having received the necessary constitutional majority, was declared passed.

RECONSIDERATION

The House immediately reconsidered the vote by which Substitute House Bill No. 1782 passed the House.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1782, on reconsideration.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1782 on reconsideration, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Rodne.

SUBSTITUTE HOUSE BILL NO. 1782, on reconsideration, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1311, by Representatives Cody, Jinkins, Bailey, Green, Clibborn, Appleton, Moeller, Frockt, Seaquist and Dickerson

Improving health care in the state using evidence-based care.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1311 was substituted for House Bill No. 1311 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1311 was read the second time.

With the consent of the house, amendment (313) was withdrawn.

Representative Cody moved the adoption of amendment (328).

On page 4, line 20, after "(3)" strike all material through "outcomes" on line 26 and insert "For health care services identified by the collaborative for which evidence about benefit and harm is inadequate or unavailable, the collaborative may endorse coverage with evidence development. Such coverage shall include items or services that have potential benefit but lack adequate evidence about either the extent of potential benefit or harm or the conditions or patients most likely to benefit or suffer adverse consequences. In such cases, coverage may be conditioned on the collection of additional clinical data that will inform patient oriented outcomes. Data collection must meet quality criteria such as clinical registry or trial standards. Data collection must be designed to inform clinical outcomes relevant to establishing coverage and be time limited, with

results available to the collaborative. Funding for data collection must be obtained from sources other than the state general fund"

On page 5, beginning on line 9, after "(d)" strike all material through "state" on line 15 and insert "Four physicians, selected from lists of nominees submitted by the Washington state medical association, as follows:

(i) Two physicians, one of whom must be a practicing primary care physician, representing large multispecialty clinics with fifty or more physicians, selected from a list of five nominees. The primary care physician must be either a family physician, an internal medicine physician, or a general pediatrician; and

(ii) Two physicians, one of whom must be a practicing primary care physician, representing clinics with less than fifty physicians, selected from a list of five nominees. The primary care physician must be either a family physician, an internal medicine physician, or a general pediatrician;

(e) One osteopathic physician, selected from a list of five nominees submitted by the Washington state osteopathic medical association;

(f) Two physicians representing the largest hospital-based physician systems in the state, selected from a list of five nominees submitted jointly by the Washington state medical association and the Washington state hospital association;

(g) Three members representing hospital systems, at least one of whom is responsible for quality, submitted from a list of six nominees from the Washington state hospital association"

Re-number the remaining subsections consecutively and correct any internal references accordingly.

On page 6, line 1, after "(8)" insert "A person serving on the collaborative or any of its clinical committees shall be immune from civil liability, whether direct or derivative, for any decisions made in good faith while pursuing activities associated with the work of collaborative or any of its clinical committees.

(9)"

Re-number the remaining subsections consecutively and correct any internal references accordingly.

On page 7, line 3, after "programs." insert "If the collaborative fails to reach consensus within the time frames identified in this section and section 3 of this act, state purchased health care programs may pursue implementation of evidence-based strategies on their own initiative."

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

Amendment (328) was adopted.

The bill was ordered engrossed.

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

Representative Cody spoke in favor of the passage of the bill.

Representative Schmick spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1311.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1311, and the bill passed the House by the following vote: Yeas, 62; Nays, 35; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Bailey, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Angel, Armstrong, Asay, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Johnson, Klippert, Kretz, Kristiansen, McCune, Orcutt, Overstreet, Parker, Pearson, Rivers, Ross, Schmick, Shea, Short, Taylor, Warnick, Wilcox and Zeiger.

Excused: Representative Rodne.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1311, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1560, by Representatives Cody and Jinkins

Concerning the health insurance partnership.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1560 was substituted for House Bill No. 1560 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1560 was read the second time.

Representative Schmick moved the adoption of amendment (151).

On page 3, beginning on line 12, after "law" strike all material through "~~partnership~~)" on line 16 and insert ". Except to the extent authorized in RCW 70.47A.110(1)(e), neither the employer nor the partnership shall limit an employee's choice of coverage from among the health benefit plans offered through the partnership"

On page 5, beginning on line 22, after "partnership," strike all material through "~~operation~~))" on line 23 and insert "during a start-up phase of partnership operation,"

On page 5, beginning on line 28, after "seq" strike all material through "~~coverage~~)" on line 30 and insert ".

The start-up phase may not exceed two years from the date the partnership begins to offer coverage"

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

Representative Cody spoke against the adoption of the amendment.

Amendment (151) was not adopted.

The bill was ordered engrossed.

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

Representatives Cody, Green and Haigh spoke in favor of the passage of the bill.

Representatives Schmick, Hinkle and Bailey spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1560.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1560, and the bill passed the House by the following vote: Yeas, 56; Nays, 41; Absent, 0; Excused, 1.

Voting yea: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Excused: Representative Rodne.

SUBSTITUTE HOUSE BILL NO. 1560, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1563, by Representatives Cody, Hinkle, Moeller, Green and Kenney

Establishing uniformity in the protection of health-related information.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1563 was substituted for House Bill No. 1563 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1563 was read the second time.

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

Representatives Cody and Schmick spoke in favor of the passage of the bill.

Representative Darneille spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1563.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1563, and the bill passed the House by the following vote: Yeas, 93; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Appleton, Darneille, Jinkins and Ladenburg.

Excused: Representative Rodne.

SUBSTITUTE HOUSE BILL NO. 1563, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1575, by Representatives Cody, Green, Van De Wege, Moeller and Jinkins

Clarifying which surgical facilities the Washington state department of health is mandated to license pursuant to chapter 70.230 RCW.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1575 was substituted for House Bill No. 1575 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1575 was read the second time.

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

Representatives Cody and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1575.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1575, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson,

Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Rodne.

SUBSTITUTE HOUSE BILL NO. 1575, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1901, by Representatives Cody and Hinkle

Creating flexibility in the delivery of long-term care services.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1901 was substituted for House Bill No. 1901 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1901 was read the second time.

Representative Hinkle moved the adoption of amendment (259).

Beginning on page 6, line 33, strike all of sections 6 and 7 and insert the following:

"**Sec. 6.** RCW 70.127.040 and 2003 c 275 s 3 and 2003 c 140 s 8 are each reenacted and amended to read as follows:

The following are not subject to regulation for the purposes of this chapter:

- (1) A family member providing home health, hospice, or home care services;
- (2) A person who provides only meal services in an individual's permanent or temporary residence;
- (3) An individual providing home care through a direct agreement with a recipient of care in an individual's permanent or temporary residence;
- (4) A person furnishing or delivering home medical supplies or equipment that does not involve the provision of services beyond those necessary to deliver, set up, and monitor the proper functioning of the equipment and educate the user on its proper use;
- (5) A person who provides services through a contract with a licensed agency;
- (6) An employee or volunteer of a licensed agency who provides services only as an employee or volunteer;
- (7) Facilities and institutions, including but not limited to nursing homes under chapter 18.51 RCW, hospitals under chapter 70.41 RCW, adult family homes under chapter 70.128 RCW, boarding homes under chapter 18.20 RCW, developmental disability residential programs under chapter 71A.12 RCW, other entities licensed under chapter 71.12 RCW, or other licensed facilities and institutions, only when providing services to persons residing within the facility or institution;
- (8) Local and combined city-county health departments providing services under chapters 70.05 and 70.08 RCW;
- (9) An individual providing care to ill individuals, ~~((disabled))~~ individuals with disabilities, or vulnerable individuals through a contract with the department of social and health services;
- (10) Nursing homes, hospitals, or other institutions, agencies, organizations, or persons that contract with licensed home health, hospice, or home care agencies for the delivery of services;

(11) In-home assessments of an ill individual, ~~((disabled))~~ an individual with a disability, or a vulnerable individual that does not result in regular ongoing care at home;

(12) Services conducted by and for the adherents of a church or religious denomination that rely upon spiritual means alone through prayer for healing in accordance with the tenets and practices of such church or religious denomination and the bona fide religious beliefs genuinely held by such adherents;

(13) A medicare-approved dialysis center operating a medicare-approved home dialysis program;

(14) A person providing case management services. For the purposes of this subsection, "case management" means the assessment, coordination, authorization, planning, training, and monitoring of home health, hospice, and home care, and does not include the direct provision of care to an individual;

(15) Pharmacies licensed under RCW 18.64.043 that deliver prescription drugs and durable medical equipment that does not involve the use of professional services beyond those authorized to be performed by licensed pharmacists pursuant to chapter 18.64 RCW and those necessary to set up and monitor the proper functioning of the equipment and educate the person on its proper use;

(16) A volunteer hospice complying with the requirements of RCW 70.127.050; ~~((and))~~

(17) A person who provides home care services without compensation; and

(18) Nursing homes that provide telephone or web-based transitional care management services.

NEW SECTION. Sec. 7. A new section is added to chapter 74.42 RCW to read as follows:

(1) Nursing facilities may provide telephone or web-based transitional care management services to persons discharged from the facility to home for up to thirty days postdischarge.

(2) When a nursing facility provides transitional care management services, the facility must coordinate postdischarge care and service needs with in-home agencies licensed under chapter 70.127 RCW, and other authorized care providers, to promote evidence-based transition care planning. In-home service agencies and other authorized care providers, including the department, shall, when appropriate, determine resident eligibility for postdischarge care and services and coordinate with nursing facilities to plan a safe transition of the client to the home setting. When a resident is discharged to home and is without in-home care or services due to the resident's refusal of care or their ineligibility for care, the nursing facility may provide telephone or web-based transitional care management services. These services may include care coordination services, review of the discharge plan, instructions to promote compliance with the discharge plan, reminders or assistance with scheduling follow-up appointments with other health care professionals consistent with the discharge plan, and promotion of self-management of the client's health condition. Web-based transition care services may include patient education and the provision of services described in this section. They are not intended to include telehealth monitoring.

(3) If the nursing facility identifies concerns in client care that result from telephone or web-based transitional care management services, the nursing facility will notify the client's primary care physician. The nursing facility will also discuss with the client options for care or other services which may include in-home services provided by agencies licensed under chapter 70.127 RCW." Correct the title

Representatives Hinkle and Cody spoke in favor of the adoption of the amendment.

Amendment (259) was adopted.

The bill was ordered engrossed.

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

Representatives Cody and Hinkle spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1901.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1901, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Rodne.

SECOND SUBSTITUTE HOUSE BILL NO. 1901, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1737, by Representatives Short, Seaquist and Schmick

Concerning the department of social and health services' audit program for pharmacy payments.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1737 was substituted for House Bill No. 1737 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1737 was read the second time.

Representative Short moved the adoption of amendment (153).

On page 2, line 20, after "section" insert ". In determining whether or not the pharmacy has satisfied the allowable cost requirement that medical records indicate that services were consistent with the medical diagnosis, the department shall give consideration to the unique circumstances of many pharmacies as separate entities from the prescribing provider and shall consider the record requirement according to that which a reasonable pharmacy in a similar situation may be expected to maintain"

Representatives Short and Cody spoke in favor of the adoption of the amendment.

Amendment (153) was adopted.

The bill was ordered engrossed.

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

Representatives Short and Cody spoke in favor of the passage of the bill.

MOTION

On motion of Representative Hinkle, Representative Alexander was excused.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1737.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1737, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representatives Alexander and Rodne.

SUBSTITUTE HOUSE BILL NO. 1737, having received the necessary constitutional majority, was declared passed.

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

INTRODUCTION & FIRST READING

HB 2009 by Representative Cody

AN ACT Relating to medical assistants; adding a new chapter to Title 18 RCW; and creating new sections.

Referred to Committee on Health Care & Wellness.

SB 5011 by Senators White, Kohl-Welles, Murray, Chase, Nelson and McAuliffe

AN ACT Relating to victimization of homeless persons; and reenacting and amending RCW 9.94A.535 and 9.94A.030.

Referred to Committee on Public Safety & Emergency Preparedness.

SSB 5025 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Becker, Sheldon, Litzow, Haugen, Carrell, White, King, Honeyford, Shin, Kilmer, Regala, Parlette, Conway, Tom, Rockefeller, Roach and Holmquist Newbry)

AN ACT Relating to making requests by or on behalf of an inmate under the public records act ineligible for penalties; amending RCW 42.56.565; creating a new section; and declaring an emergency.

Referred to Committee on State Government & Tribal Affairs.

SB 5035 by Senators Shin, Honeyford and Kohl-Welles

AN ACT Relating to the manufactured/mobile home landlord-tenant act; and adding a new section to chapter 59.20 RCW.

Referred to Committee on Judiciary.

E2SSB 5073 by Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Delvin, Keiser, Regala, Pflug, Murray, Tom, Kline, McAuliffe and Chase)

AN ACT Relating to medical use of cannabis; amending RCW 69.51A.005, 69.51A.020, 69.51A.010, 69.51A.030, 69.51A.040, 69.51A.050, 69.51A.060, and 69.51A.900; adding new sections to chapter 69.51A RCW; adding a new section to chapter 42.56 RCW; adding a new section to chapter 28B.20 RCW; creating a new section; repealing RCW 69.51A.080; prescribing penalties; providing an effective date; and providing an expiration date.

Referred to Committee on Health Care & Wellness.

SB 5080 by Senators Sheldon, Rockefeller, Shin and Chase

AN ACT Relating to control of water pollution; amending RCW 70.146.010, 70.146.030, 90.50A.005, and 90.50A.010; and reenacting and amending RCW 70.146.020.

Referred to Committee on Capital Budget.

SB 5083 by Senators Ranker, Kilmer, Swecker, Hobbs, Holmquist Newbry, Zarelli, Hargrove, Eide, Harper, Tom, Honeyford, White, Parlette, Ericksen, Shin, Hewitt, Sheldon, Roach and Benton

AN ACT Relating to clarifying that the basis for business and occupation tax for real estate firms is the commission amount received by each real estate firm involved in a transaction; amending RCW 82.04.255; and creating new sections.

Referred to Committee on Ways & Means.

SSB 5097 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Delvin, Kohl-Welles, McAuliffe and Chase)

AN ACT Relating to juveniles with developmental disabilities who are in correctional detention centers, juvenile correction institutions or facilities, and jails; creating new sections; and providing an expiration date.

Referred to Committee on Early Learning & Human Services.

SB 5116 by Senators Swecker, Hatfield and Parlette

AN ACT Relating to public health district authority as it relates to gifts, grants, conveyances, bequests, and devises of real or personal property; and amending RCW 70.44.060.

Referred to Committee on Local Government.

SSB 5154 by Senate Committee on Judiciary (originally sponsored by Senators Harper, Kline, Pflug, Hobbs, Ericksen, Rockefeller, Nelson and Roach)

AN ACT Relating to vehicle prowling; amending RCW 9A.52.100; reenacting and amending RCW 9.94A.515; and prescribing penalties.

Referred to Committee on Public Safety & Emergency Preparedness.

SSB 5187 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Becker, Keiser, Hargrove, Stevens and Carrell)

AN ACT Relating to the accountability of mental health professionals employed by an evaluation and treatment facility for communicating with a parent or guardian about the option of parent- initiated mental health treatment; and amending RCW 71.34.375 and 71.34.700.

Referred to Committee on Early Learning & Human Services.

SSB 5201 by Senate Committee on Natural Resources & Marine Waters (originally sponsored by Senators Hargrove, Swecker, Regala, Fraser and Parlette)

AN ACT Relating to fish and wildlife management; amending RCW 77.15.650, 77.15.110, 77.15.280, 77.08.010, 77.65.110, 77.65.130, 77.15.720, 77.15.130, 77.15.120, 77.15.160, 77.95.090, 69.50.320, 77.04.080, 77.12.071, 77.12.154, 77.15.070, 77.15.075, 77.15.080, 77.15.085, 77.15.092, 77.15.094, 77.15.480, 77.15.710, 77.32.014, 77.75.110, and 77.75.120; adding new sections to chapter 77.15 RCW; adding a new section to chapter 77.12 RCW; adding a new section to chapter 77.08 RCW; creating a new section; and prescribing penalties.

Referred to Committee on Agriculture & Natural Resources.

SB 5278 by Senators Holmquist Newbry and King

AN ACT Relating to information contained in rate notices under the industrial insurance laws; and amending RCW 51.16.105.

Referred to Committee on Labor & Workforce Development.

SSB 5364 by Senate Committee on Environment, Water & Energy (originally sponsored by Senators Swecker, Pridemore, Fraser, Nelson, Honeyford, Shin and Morton)

AN ACT Relating to public water system operating permits; and amending RCW 70.119A.110.

Referred to Committee on Environment.

ESSB 5371 by Senate Committee on Health & Long-Term Care (originally sponsored by Senators Keiser and Conway)

AN ACT Relating to guaranteed issue health insurance for persons under age nineteen; amending RCW 48.43.012 and 48.41.100; reenacting and amending RCW 48.43.005 and 48.41.110; adding a new section to chapter 48.43 RCW; creating a new section; and declaring an emergency.

Referred to Committee on Health Care & Wellness.

SSB 5417 by Senate Committee on Government Operations, Tribal Relations & Elections (originally sponsored by Senators Becker, Swecker, Benton, Stevens, Delvin, Honeyford, Sheldon, Hatfield, Hobbs, Shin, Roach and Kline)

AN ACT Relating to the distribution of legislators' contact cards, newsletters, government guides, or similar printed materials produced with legislative resources; and amending RCW 42.52.180.

Referred to Committee on State Government & Tribal Affairs.

SSB 5428 by Senate Committee on Human Services & Corrections (originally sponsored by Senators McAuliffe, Harper, Hargrove, Stevens, Zarelli, Pridemore, Shin and Roach)

AN ACT Relating to notification to schools regarding the release of certain offenders; and adding a new section to chapter 72.09 RCW.

Referred to Committee on Early Learning & Human Services.

SSB 5445 by Senate Committee on Health & Long-Term Care (originally sponsored by Senators Keiser, Pflug, White, Conway and Kline)

AN ACT Relating to the creation of a health benefit exchange; adding new sections to chapter 41.05 RCW; and creating a new section.

Referred to Committee on Health Care & Wellness.

SSB 5495 by Senate Committee on Judiciary (originally sponsored by Senators Kohl-Welles and Pflug)

AN ACT Relating to shareholder quorum and voting requirements under the Washington business corporation act; adding a new section to chapter 23B.17 RCW; and declaring an emergency.

Referred to Committee on Judiciary.

SB 5526 by Senators Regala, Delvin, Eide, Zarelli, Murray, Pridemore, Holmquist Newbry, Morton, Hewitt, Chase, Honeyford, Fraser and McAuliffe

AN ACT Relating to incentives for stirling converters; amending RCW 82.04.294; and reenacting and amending RCW 82.16.110 and 82.16.120.

Referred to Committee on Technology, Energy & Communications.

SSB 5531 by Senate Committee on Human Services & Corrections (originally sponsored by Senators King, Prentice, Keiser and Shin)

AN ACT Relating to the judicial costs of commitments for involuntary mental health treatment; amending RCW 71.05.110, 71.24.160, 71.24.300, and 71.34.300; reenacting and amending RCW 71.05.230; adding a new section to chapter 71.05 RCW; creating new sections; and providing an effective date.

Referred to Committee on Judiciary.

SB 5584 by Senators Harper, Kohl-Welles and Kline

AN ACT Relating to conforming with federal labor standards for apprenticeship programs; amending RCW 49.04.010, 49.04.030, 49.04.040, 49.04.050, and 49.04.060; and adding a new section to chapter 49.04 RCW.

Referred to Committee on Labor & Workforce Development.

2SSB 5636 by Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Harper, Shin and Delvin)

AN ACT Relating to expanding opportunities in higher education in north Puget Sound; amending RCW 28B.50.795; adding a new section to chapter 28B.30 RCW; repealing RCW 28B.50.901; and providing a contingent effective date.

Referred to Committee on Higher Education.

ESSB 5708 by Senate Committee on Health & Long-Term Care (originally sponsored by Senator Keiser)

AN ACT Relating to reshaping the delivery of long-term care services; amending RCW 18.20.020, 18.20.030, and 18.52.030; reenacting and amending RCW 70.127.040; adding a new section to chapter 18.20 RCW; adding a new section to chapter 74.42 RCW; and creating new sections.

Referred to Committee on Health Care & Wellness.

ESB 5764 by Senators Kastama, Chase, Shin, Kilmer, Brown, Conway and McAuliffe

AN ACT Relating to innovate Washington; amending RCW 28B.50.902, 70.210.010, 70.210.020, 70.210.030, 70.210.040, 70.210.050, 70.210.060, 70.210.070, 42.30.110, and 42.56.270; reenacting and amending RCW 43.325.040; adding a new section to chapter 41.06 RCW; adding a new chapter to Title 43 RCW; recodifying RCW 70.210.010, 70.210.020, 70.210.030, 70.210.040, 70.210.050, 70.210.060, and 70.210.070; repealing RCW 28B.20.283, 28B.20.285, 28B.20.287, 28B.20.289, 28B.20.291, 28B.20.293, 28B.20.295, 28B.20.296, 28B.20.297, 28B.38.010, 28B.38.020, 28B.38.030, 28B.38.040, 28B.38.050, 28B.38.060, 28B.38.070, and 28B.38.900; providing an effective date; and providing an expiration date.

Referred to Committee on Higher Education.

SSJM 8004 by Senate Committee on Natural Resources & Marine Waters (originally sponsored by Senators Parlette, Nelson, Tom, Zarelli, Fraser, Hewitt, Kline, Hatfield, Murray and Shin)

Requesting the reestablishment of the road leading to the upper Stehekin Valley within the North Cascades National Park.

Referred to Committee on Environment.

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

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

SECOND READING

HOUSE BILL NO. 1431, by Representatives Anderson and Haigh

Addressing financial insolvency of school districts.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1431 was substituted for House Bill No. 1431 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1431 was read the second time.

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

Representatives Anderson and Santos spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1431.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1431, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger,

Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Alexander.

SUBSTITUTE HOUSE BILL NO. 1431, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1790, by Representatives Dammeier, Sullivan, Hinkle, Green and Ormsby

Addressing school district contracts with direct practice health providers.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1790 was substituted for House Bill No. 1790 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1790 was read the second time.

Representative Dammeier moved the adoption of amendment (106).

On page 2, line 35, after "law." Insert "Any direct practice agreement must comply with RCW 48.150.050."

Representatives Dammeier and Haigh spoke in favor of the adoption of the amendment.

Amendment (106) was adopted.

The bill was ordered engrossed.

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

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1790.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1790, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Alexander.

SUBSTITUTE HOUSE BILL NO. 1790, having received the necessary constitutional majority, was declared passed.

The House resumed consideration of Substitute House Bill No. 1009. (see journal day 53 for previous floor action)

SUBSTITUTE HOUSE BILL NO. 1009, by House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Chandler, Blake, Takko, Kretz, Taylor, Orcutt, McCune and Pearson)

Concerning the authority of certain state agencies to enter into agreements with the federal government under the endangered species act.

Amendment (247) was adopted to amendment (246) on Day 53.

With the consent of the house, amendment (248) to amendment (246) was withdrawn.

The Speaker (Representative Moeller presiding) stated the question before the house to be the adoption of amendment (246) as amended.

Representatives Rolfes and Chandler spoke in favor of the adoption of amendment (246) as amended.

Amendment (246) was adopted as amended.

The bill was ordered engrossed.

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

Representatives Chandler, Blake and Orcutt spoke in favor of the passage of the bill.

Representative McCoy spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1009.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1009, and the bill passed the House by the following vote: Yeas, 91; Nays, 6; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lytton, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Rivers, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Fitzgibbon, Liias, Maxwell, McCoy, Reykdal and Ryu.

Excused: Representative Alexander.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1009, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote NAY on Engrossed Substitute House Bill No. 1009.

Representative Frockt, 46th District

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

SECOND READING

HOUSE BILL NO. 1708, by Representative Moeller

Concerning mechanics' and materialmen's claims of liens.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1708 was substituted for House Bill No. 1708 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1708 was read the second time.

Representative Moeller moved the adoption of amendment (264).

On page 2, line 34, after "~~RCW~~")" insert "before a notary public"

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

Amendment (264) was adopted.

The bill was ordered engrossed.

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

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

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1708.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1708, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt,

Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Alexander.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1708, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1953, by Representatives Springer, Asay, Takko, Upthegrove, Haler, Fitzgibbon, Angel, Smith and Sullivan

Concerning county and city real estate excise taxes.

The bill was read the second time.

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

Representatives Springer, Asay and Angel spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 1953.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1953, and the bill passed the House by the following vote: Yeas, 79; Nays, 18; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Carlyle, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Kretz, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ryu, Santos, Seaquist, Sells, Short, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Buys, Chandler, Crouse, DeBolt, Fagan, Hargrove, Harris, Klippert, Kristiansen, McCune, Orcutt, Pearson, Ross, Schmick, Shea, Taylor and Wilcox.

Excused: Representative Alexander.

HOUSE BILL NO. 1953, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1184, by Representatives Maxwell, Orcutt, Kenney, Finn, Smith, Ryu, Goodman, Asay, Tharinger, Alexander, Pedersen, Appleton, Kelley, Eddy, Van De Wege, Sullivan, Dammeier, Angel, Seaquist, Clibborn, Bailey, Upthegrove, Rolfes, Carlyle and Frockt

Clarifying that the basis for business and occupation tax for real estate firms is the commission amount received by each real estate firm involved in a transaction.

The bill was read the second time.

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

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

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 1184.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1184, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Alexander.

HOUSE BILL NO. 1184, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1701, by Representatives Ormsby, Green, Sells, Kenney, Van De Wege, Hasegawa, Hudgins, Moeller, Miloscia, Sullivan, Upthegrove, Pettigrew, Seaquist, Hunter and Frockt

Concerning the misclassification of contractors as independent contractors in the construction industry.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1701 was substituted for House Bill No. 1701 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1701 was read the second time.

Representative Ormsby moved the adoption of amendment (306).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that the state loses over one hundred million dollars a year in taxes due to underground economy construction activity, causing great inequity to law-abiding businesses and taxpayers. The legislature further finds that an employer in construction is required to pay industrial insurance and unemployment taxes for a worker unless a seven-part independent contractor test is met, which test includes that the worker is free from direction and control and has his or her own books and records. The legislature finds that some contractors avoid taxes by engaging multiple contractors to work on the same task and treating the contractors as exempt independent contractors rather than hiring and paying taxes on these persons as covered workers. The legislature finds, however, that if multiple contractors are working on the same task on a job site, the contractors must be working under direction and control such that they are not exempt independent contractors but are, in fact, covered workers.

The legislature finds that the seven-part test is and should continue to be applied in investigations of underground economy activity in the construction industry. However, the legislature also finds that prohibiting up front certain contracting which by its nature creates a situation in which taxes due are not paid will provide clarity to contractors and provide an additional cost-effective means to reduce the underground economy. By enacting section 2 of this act, the legislature intends to define the prohibited contracting narrowly to assure no legitimate contracting is prohibited. The legislature intends that nothing in section 2 of this act prohibits a contractor from engaging more than two independent contractors who have no covered workers to work on the same task so long as those contractors are treated as covered workers.

NEW SECTION. Sec. 2. A new section is added to chapter 18.27 RCW to read as follows:

(1) It is a violation under this chapter and an infraction for any contractor to engage more than two independent contractors to work on or in a single building who:

- (a) Are working on the same task involving a similar material;
- (b) Bring no workers to work on or in the building subject to the mandatory coverage of Title 51 RCW; and
- (c) Are not being treated by the contractor as covered workers under Title 51 RCW.

(2)(a) A contractor found to have committed an infraction under this section shall be assessed a fine of:

(i) Five hundred dollars for a first offense. However, the director shall waive the fine if the contractor registers for a department-approved training class within ten days of receiving a notice of infraction, completes the class within one hundred twenty days of receiving the notice of infraction, and pays the class fees upon class registration;

- (ii) Two thousand five hundred dollars for a second offense; and
- (iii) Five thousand dollars for a third or subsequent offense.

(b) For a third or subsequent offense under this section, the director shall also suspend the contractor's certificate of registration for one year.

(c) In addition to any other penalty, the director shall suspend the registration of the contractor until payment of penalties assessed under this section that have become final are paid in full.

(3) For purposes of this section, "task" means a single risk classification as defined in rule under Title 51 RCW.

(4) Classes offered under subsection (2) of this section may be conducted or approved by the department. Registrants must pay a fee to cover the cost of administering the class.

(5) This section does not apply to work performed on residential wood frame construction up to four stories in height.

Sec. 3. 2009 c 432 s 13 (uncodified) is amended to read as follows:

The department of labor and industries, the employment security department, and the department of revenue shall coordinate and report

to the appropriate committees of the legislature by December 1st of each year on the effectiveness of efforts implemented since July 1, 2008, to address the underground economy. Beginning on December 1, 2012, the report shall include the effectiveness of section 2 of this act. The agencies shall use benchmarks and measures established by the institute for public policy and other measures it determines appropriate.

Sec. 4. Section 3 of this act is codified as a new section in chapter 18.27 RCW."

Correct the title.

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

Amendment (306) was adopted.

The bill was ordered engrossed.

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

Representatives Ormsby, Sells, Reykdal and Hurst spoke in favor of the passage of the bill.

Representatives Condotta, Buys, Orcutt, Walsh, Parker, Ross, Dahlquist, Angel, Ahern, Nealey and Kristiansen spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1701.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1701, and the bill passed the House by the following vote: Yeas, 54; Nays, 43; Absent, 0; Excused, 1.

Voting yea: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Voting nay: Representatives Ahern, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Finn, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Excused: Representative Alexander.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1701, having received the necessary constitutional majority, was declared passed.

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

MESSAGES FROM THE SENATE

March 4, 2011

MR. SPEAKER:

The Senate has passed:

SECOND ENGROSSED SUBSTITUTE SENATE BILL 5171
ENGROSSED SUBSTITUTE SENATE BILL 5186
SENATE BILL 5241
SUBSTITUTE SENATE BILL 5298
SENATE BILL 5463
ENGROSSED SUBSTITUTE SENATE BILL 5555
SUBSTITUTE SENATE BILL 5614
SUBSTITUTE SENATE BILL 5749

and the same are herewith transmitted.

Thomas Hoemann, Secretary

March 4, 2011

MR. SPEAKER:

The Senate has passed:

SUBSTITUTE SENATE BILL 5022
SENATE BILL 5143
SUBSTITUTE SENATE BILL 5343
SUBSTITUTE SENATE BILL 5359
SUBSTITUTE SENATE BILL 5374
SENATE BILL 5492
SENATE BILL 5501
SUBSTITUTE SENATE BILL 5525
SUBSTITUTE SENATE BILL 5540
SUBSTITUTE SENATE BILL 5590
SUBSTITUTE SENATE BILL 5695
SUBSTITUTE SENATE BILL 5800
SENATE BILL 5849

and the same are herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, House Rule 13 (C) was suspended allowing the House to work past 10:00 p.m.

HOUSE BILL NO. 1662, by Representatives Takko, Rodne and Angel

Addressing appeal and permit procedures under the shoreline management act. Revised for 2nd Substitute: Specifying circumstances under which work outside a shoreland area may commence in advance of the issuance of a shoreline permit.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1662 was substituted for House Bill No. 1662 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1662 was read the second time.

With the consent of the house, amendment (324) was withdrawn.

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

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1662.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1662, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Alexander.

SECOND SUBSTITUTE HOUSE BILL NO. 1662, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1634, by Representatives Takko, Angel, Morris and Armstrong

Regarding underground utilities. Revised for 2nd Substitute: Concerning underground utilities.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1634 was substituted for House Bill No. 1634 and the substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1634 was read the second time.

With the consent of the house, amendment (320) was withdrawn.

Representative Takko moved the adoption of amendment (342).

Strike everything after the enacting clause and insert the following:

Sec. 1. RCW 19.122.010 and 1984 c 144 s 1 are each amended to read as follows:

It is the intent of the legislature in enacting this chapter to ((assign responsibilities for locating and keeping accurate records of utility locations, protecting and repairing damage to existing underground facilities, and protecting the public health and safety)) protect public health and safety and to prevent the disruption of vital services by establishing a comprehensive damage prevention program for transfer pipelines, transmission pipelines, and underground facilities. Additionally, the legislature intends to establish authority to enforce the law, assign responsibilities for locating and keeping accurate records of underground facilities' locations, protect and repair damage to existing underground facilities, and protect public health and safety from interruption in utility services caused by damage to existing underground utility facilities.

Sec. 2. RCW 19.122.020 and 2007 c 142 s 9 are each amended to read as follows:

~~((Unless the context clearly requires otherwise,))~~ The definitions in this section apply throughout this chapter ~~((:))~~ unless the context clearly requires otherwise.

(1) "Business day" means any day other than Saturday, Sunday, or a legal local, state, or federal holiday.

(2) "Damage" includes the substantial weakening of structural or lateral support of an underground facility, penetration, impairment, or destruction of any underground protective coating, housing, or other protective device, or the severance, partial or complete, of any underground facility to the extent that the project owner or the affected utility owner determines that repairs are required.

(3) "Emergency" means any condition constituting a clear and present danger to life or property, or a customer service outage.

(4) "Excavation" and "excavate" means any operation, including the installation of signs, in which earth, rock, or other material on or below the ground is moved or otherwise displaced by any means ~~((:))~~ except the tilling of soil less than twelve inches in depth for agricultural purposes, or road and ditch maintenance that does not change the original road grade or ditch flowline). "Excavation" and "excavate" does not include:

(a) The tilling of soil less than twelve inches in depth for agricultural purposes;

(b) Road maintenance that does not involve excavation below the original road grade and ditch maintenance that does not involve excavation below the original ditch flowline or alter the original ditch horizontal alignment. Road maintenance activities are still required to notify a facility operator under RCW 19.122.050;

(c) Bar holes created by hand-operated equipment during emergency leak investigations; or

(d) Bar holes less than twelve inches in depth.

(5) "Excavation confirmation code" means a code or ticket issued by the one-number locator service for the site where an excavation is planned. The code must be accompanied by the date and time it was issued.

(6) "Excavator" means any person who engages directly in excavation.

(7) "Gas" means natural gas, flammable gas, or toxic or corrosive gas.

(8) "Hazardous liquid" means: (a) Petroleum, petroleum products, or anhydrous ammonia as those terms are defined in 49 C.F.R. Part 195 as in effect on March 1, 1998; and (b) carbon dioxide. The utilities and transportation commission may by rule incorporate by reference other substances designated as hazardous by the secretary of transportation.

(9) "Identified facility" means any underground facility which is indicated in the project plans as being located within the area of proposed excavation.

(10) "Identified but unlocatable underground facility" means an underground facility which has been identified but cannot be located with reasonable accuracy.

(11) "Locatable underground facility" means an underground facility which can be field-marked with reasonable accuracy.

(12) "Marking" means the use of stakes, paint, or other clearly identifiable materials to show the field location of underground facilities, in accordance with the current color code standard of the American public works association. Markings shall include identification letters indicating the specific type of the underground facility.

(13) "Notice" or "notify" means contact in person or by telephone or other electronic methods that results in the receipt of a valid excavation confirmation code.

(14) "One-number locator service" means a service through which a person can notify utilities and request field-marking of underground facilities.

~~((15))~~ ~~("Operator" means the individual conducting the excavation.~~

~~((16))~~ "Person" means an individual, partnership, franchise holder, association, corporation, a state, a city, a county, or any subdivision or instrumentality of a state, and its employees, agents, or legal representatives.

~~((17))~~ (16) "Pipeline" or "pipeline system" means all or parts of a pipeline facility through which hazardous liquid or gas moves in transportation, including, but not limited to, line pipe, valves, and other appurtenances connected to line pipe, pumping units, fabricated assemblies associated with pumping or compressor units, metering and delivery stations and fabricated assemblies therein, and breakout tanks. "Pipeline" or "pipeline system" does not include process or transfer pipelines.

~~((18))~~ (17) "Pipeline company" means a person or entity constructing, owning, or operating a pipeline for transporting hazardous liquid or gas. A pipeline company does not include: (a) Distribution systems owned and operated under franchise for the sale, delivery, or distribution of natural gas at retail; or (b) excavation contractors or other contractors that contract with a pipeline company.

~~((19))~~ (18) "Reasonable accuracy" means location within twenty- four inches of the outside dimensions of both sides of an underground facility.

~~((20))~~ (19) "Transfer pipeline" means a buried or aboveground pipeline used to carry hazardous liquid between a tank vessel or transmission pipeline and the first valve inside secondary containment at the facility provided that any discharge on the facility side of that first valve will not directly impact waters of the state. A transfer pipeline includes valves, and other appurtenances connected to the pipeline, pumping units, and fabricated assemblies associated with pumping units. A transfer pipeline does not include process pipelines, pipelines carrying ballast or bilge water, transmission pipelines, or tank vessel or storage tanks.

~~((21))~~ (20) "Transmission pipeline" means a pipeline that transports hazardous liquid or gas within a storage field, or transports hazardous liquid or gas from an interstate pipeline or storage facility to a distribution main or a large volume hazardous liquid or gas user, or operates at a hoop stress of twenty percent or more of the specified minimum yield strength.

~~((22))~~ (21) "Underground facility" means any item buried or placed below ground for use in connection with the storage or conveyance of water, sewage, electronic, telephonic or telegraphic communications, cablevision, electric energy, petroleum products, gas, gaseous vapors, hazardous liquids, or other substances and including but not limited to pipes, sewers, conduits, cables, valves, lines, wires, manholes, attachments, and those parts of poles or anchors below ground. This definition does not include pipelines as defined in subsection ~~((17))~~ (16) of this section, but does include distribution systems owned and operated under franchise for the sale, delivery, or distribution of natural gas at retail.

(22) "Bar hole" means a hole made in the soil or pavement with a bar for the specific purpose of testing the subsurface atmosphere with a combustible gas indicator.

(23) "End user" means any utility customer, including any public, commercial, or private consumer of facility operator underground facilities.

(24) "Equipment operator" means the individual conducting the excavation.

(25) "Facility operator" means any person with control over underground facilities. "Facility operator" includes any person having the legal right to place underground facilities in a public right-of- way or in any utility easement. A person or entity is not considered a facility operator of an independently owned underground facility operated within the person's or entity's right-of-way or utility easement.

(26) "Large project" means a project that exceeds seven hundred

linear feet.

(27) "Service lateral" means an underground facility, including water service, that originates at the connection of a facility operator's system and terminates at or on the end user's property line. A service lateral may be owned by the end user or facility operator.

(28) "Sewer lateral" means a facility operator's end user service line that transports wastewater from one or more building units or commercial facilities on the end user's property line to the point of connection to a facility operator sewer system. A sewer lateral may be owned by the end user or facility operator.

(29) "Sewer system owner or operator" means the owner or operator of a sewer system. Sewer systems are considered to the end user's property line for locating purposes only.

(30) "Unlocatable underground facility" means, subject to the provisions of RCW 19.122.030(5), an underground facility that cannot be field-marked with reasonable accuracy using best available information to designate the location of underground facilities. "Unlocatable underground facility" includes, but is not limited to, sewer laterals, storm drains, and nonconductive and nonmetallic underground facilities that do not contain trace wires.

(31) "Commission" means the utilities and transportation commission.

(32) "Utility coordinating council" means a statewide, nonprofit entity incorporated to reduce damages to underground facilities as well as above ground facilities through cooperation, coordination, and by promoting safe excavation practices.

Sec. 3. RCW 19.122.027 and 2005 c 448 s 2 are each amended to read as follows:

(1) The utilities and transportation commission shall cause to be established a single statewide toll-free telephone number to be used for referring excavators to the appropriate one-number locator service.

(2) The utilities and transportation commission, in consultation with the Washington utilities coordinating council, shall establish minimum standards and best management practices for one-number locator services.

(3) One-number locator services shall be operated by nongovernmental agencies.

(4) All facility operators within a one-number locator service area must subscribe to the service.

(5) Failure to subscribe to the one-number locator service constitutes willful intent to avoid compliance with this chapter.

Sec. 4. RCW 19.122.030 and 2000 c 191 s 17 are each amended to read as follows:

(1) Before commencing any excavation, excluding agriculture tilling less than twelve inches in depth, the excavator shall provide notice of the scheduled commencement of excavation to all owners of underground facilities through a one-number locator service.

(a) The notice must be provided to the one-number locator service not less than two business days or more than ten business days before the scheduled date for commencement of excavation, unless otherwise agreed to by the parties.

(b) Prior to providing notice, the boundary of the area where the excavation will be performed must be indicated by the application of white paint on the ground at the excavation site, unless doing so is unfeasible, in which case the excavator must communicate directly with the affected facility operator or operators to ensure the area of excavation has been accurately identified.

(c) If an excavator intends to perform work at multiple sites or the project is a large project, the excavator must take reasonable steps to work with facility operators so that facility operators can locate their facilities at a time reasonably in advance of the actual start of excavation for each phase of the work.

(2) ((All owners of underground facilities within a one-number locator service area shall subscribe to the service. One-number locator service rates for cable television companies will be based on the amount of their underground facilities. If no one-number locator

service is available, notice shall be provided individually to those owners of underground facilities known to or suspected of having underground facilities within the area of proposed excavation. The notice shall be communicated to the owners of underground facilities not less than two business days or more than ten business days before the scheduled date for commencement of excavation, unless otherwise agreed by the parties.

(3) Upon receipt of the notice provided for in this section, the owner of the underground facility shall provide the excavator with reasonably accurate information as to its locatable underground facilities by surface-marking the location of the facilities. If there are identified but unlocatable underground facilities, the owner of such facilities shall provide the excavator with the best available information as to their locations. The owner of the underground facility providing the information shall respond no later than two business days after the receipt of the notice or before the excavation time, at the option of the owner, unless otherwise agreed by the parties. Excavators shall not excavate until all known facilities have been marked. Once marked by the owner of the underground facility, the excavator is responsible for maintaining the markings. Excavators shall have the right to receive compensation from the owner of the underground facility for costs incurred if the owner of the underground facility does not locate its facilities in accordance with this section.

(4) The owner of the underground facility shall have the right to receive compensation for costs incurred in responding to excavation notices given less than two business days prior to the excavation from the excavator.

(5) An owner of underground facilities is not required to indicate the presence of existing service laterals or appurtenances if the presence of existing service laterals or appurtenances on the site of the construction project can be determined from the presence of other visible facilities, such as buildings, manholes, or meter and junction boxes on or adjacent to the construction site.

(6) Emergency excavations are exempt from the time requirements for notification provided in this section.

(7) If the excavator, while performing the contract, discovers underground facilities which are not identified, the excavator shall cease excavating in the vicinity of the facility and immediately notify the owner or operator of such facilities, or the one-number locator service.) Upon receipt of the notice provided for in this section, the facility operator shall provide the excavator with reasonably accurate information as to its locatable underground facilities by marking the location of the facilities. If there are identified but unlocatable underground facilities, the facility operator responsible for the facilities must provide the excavator with the best available information as to the location of the underground facilities. The facility operator providing the information must respond no later than two business days after the receipt of the notice or before the excavation time, at the option of the facility operator, unless otherwise agreed by the parties. Excavators shall not excavate until all known facilities have been marked. Once marked by the facility operator, the excavator is responsible for maintaining the accuracy of the original markings for the lesser of forty-five calendar days from the date notice was provided to the one-number locator service or the life of the project. Markings expire forty-five calendar days from the date notice was provided to the one-number locator service. For excavation occurring more than forty-five calendar days from the date notice was provided to the one-number locator service, a second notice must be provided in accordance with the provisions of subsection (1) of this section. Excavators that make repeated calls for relocates because of their failure to maintain the marks may be charged for services provided. Excavators are entitled to recover compensation from the facility operator for costs incurred if the facility operator does not locate its facilities in accordance with this section.

(3) The facility operator is entitled to recover compensation from the excavator for costs incurred in responding to excavation notices given less than two business days prior to the excavation.

(4) To assist in designating service, water, or sewer laterals, the facility operator or sewer system owner or operator shall designate a proposed excavation location by:

(a) Marking the location of service, water, or sewer laterals in accordance with the procedures in subsection (2) of this section; or

(b) If a service, water, or sewer lateral is unlocatable, marking within the proposed excavation area that there is an unlocatable service, water, or sewer lateral.

(5) Facility operators, water, and sewer system owners or operators must indicate the presence of service or sewer laterals only to the extent that they exist within a right-of-way or easement. This assistance does not constitute ownership or operation of service laterals or sewer laterals by the facility operator or sewer system owner or operator. Service or sewer laterals existing on private property are the responsibility of the property owner. Nothing in this section may be interpreted to require property owners to subscribe to the one-number locator service or to locate service laterals within a right-of-way or easement. Good faith compliance with the provisions of this subsection in response to a locate request constitutes full compliance with this chapter, and no person may be found liable to any party for damages or injuries as a result of performing in compliance with the requirements of this subsection.

(6) Emergency excavations are exempt from the time requirements for notification provided in this section. For emergency bar holing twelve or more inches in depth, reasonable measures must be taken to eliminate electrical arc hazards.

(7) If the excavator discovers underground facilities that are not identified in plans or contract documents, the excavator shall cease excavating in the vicinity of the facility and immediately notify the facility operator or the one-number locator service. If the excavator uncovers identified but unlocatable underground facilities, the excavator shall notify the facility operator and the facility operator must take action under subsection (8) of this section.

(8) Upon notification by an excavator or the one-number locator service in accordance with subsection (7) of this section, a facility operator must take action to allow for the accurate future location of the uncovered portion of the underground facility identified by the excavator. A facility operator may accept facility location information from the excavator for the future marking of an underground facility.

Sec. 5. RCW 19.122.033 and 2000 c 191 s 18 are each amended to read as follows:

(1) Before commencing any excavation, excluding agricultural tilling less than twelve inches in depth, an excavator shall notify pipeline companies of the scheduled commencement of excavation through a one-number locator service in the same manner as is required for notifying owners of underground facilities of excavation work under RCW 19.122.030. Pipeline companies shall have the same rights and responsibilities as owners of underground facilities under RCW 19.122.030 regarding excavation work. Excavators have the same rights and responsibilities under this section as they have under RCW 19.122.030.

(2) Project owners, excavators, and pipeline companies have the same rights and responsibilities relating to excavation near pipelines that they have for excavation near underground facilities as provided in RCW 19.122.040.

(3) The state or any of its political subdivisions undertaking or permitting construction or excavation activity under chapter 19.27 RCW within one hundred feet, or greater distance if defined by local ordinance, of a right-of-way or easement that contains a transmission pipeline must:

(a) Notify the transmission pipeline company of the proposed construction activity before such a permit is approved; or

(b) Require consultation between the person proposing the construction activity and the transmission pipeline company as a condition of receiving the permit.

Sec. 6. RCW 19.122.035 and 2000 c 191 s 19 are each amended to read as follows:

(1) After a pipeline company has been notified by an excavator pursuant to RCW 19.122.033 that excavation work will uncover any portion of the pipeline, the pipeline company shall ensure that the pipeline section in the vicinity of the excavation is examined for damage prior to being reburied.

(2) Immediately upon receiving information of third-party damage to a hazardous liquid pipeline, the company that operates the pipeline shall terminate the flow of hazardous liquid in that pipeline until it has visually inspected the pipeline. After visual inspection, the ~~((operator of the hazardous liquid))~~ pipeline company shall determine whether the damaged pipeline section should be replaced or repaired, or whether it is safe to resume pipeline operation. Immediately upon receiving information of third-party damage to a gas pipeline, the ~~((company that operates the))~~ pipeline company shall conduct a visual inspection of the pipeline to determine whether the flow of gas through that pipeline should be terminated, and whether the damaged pipeline should be replaced or repaired. A record of the pipeline company's inspection report and test results shall be provided to the utilities and transportation commission consistent with reporting requirements under 49 C.F.R. 195 Subpart B.

(3) Pipeline companies shall immediately notify local first responders and the department of any reportable release of a hazardous liquid from a pipeline. Pipeline companies shall immediately notify local first responders and the commission of any blowing gas leak from a gas pipeline that has ignited or represents a probable hazard to persons or property. Pipeline companies shall take all appropriate steps to ensure the public safety in the event of a release of hazardous liquid or gas under this subsection.

(4) No damaged pipeline may be buried until it is repaired or relocated. The pipeline company shall arrange for repairs or relocation of a damaged pipeline as soon as is practical or may permit the excavator to do necessary repairs or relocation at a mutually acceptable price.

Sec. 7. RCW 19.122.040 and 1984 c 144 s 4 are each amended to read as follows:

(1) Project owners shall indicate in bid or contract documents the existence of underground facilities known by the project owner to be located within the proposed area of excavation. The following shall be deemed changed or differing site conditions:

(a) An underground facility not identified as required by this chapter or other provision of law; ~~((and))~~ or

(b) An underground facility not located, as required by this chapter or other provision of law, by the project owner, facility operator, or excavator if the project owner or excavator is also a ~~((utility))~~ facility operator.

(2) An excavator shall use reasonable care to avoid damaging underground facilities. An excavator shall:

(a) Determine the precise location of underground facilities which have been marked;

(b) Plan the excavation to avoid damage to or minimize interference with underground facilities in and near the excavation area; and

(c) Provide such support for underground facilities in and near the construction area, including during backfill operations, as may be reasonably necessary for the protection of such facilities.

(3) If an underground facility is damaged and such damage is the consequence of the failure to fulfill an obligation under this chapter, the party failing to perform that obligation shall be liable for any damages. Any clause in an excavation contract which attempts to allocate liability, or requires indemnification to shift the economic consequences of liability, different from the provisions of this chapter

is against public policy and unenforceable. Nothing in this chapter prevents the parties to an excavation contract from contracting with respect to the allocation of risk for changed or differing site conditions.

(4) In any action brought under this section, the prevailing party is entitled to reasonable attorneys' fees.

Sec. 8. RCW 19.122.050 and 1984 c 144 s 5 are each amended to read as follows:

(1) An excavator who, in the course of excavation, contacts or damages an underground facility shall notify the ~~((utility owning or operating such))~~ facility operator and the one-number locator service, and report the damage as required under section 18 of this act. If the damage causes an emergency condition, the excavator causing the damage shall also alert the appropriate local public safety agencies and take all appropriate steps to ensure the public safety. No damaged underground facility may be buried until it is repaired or relocated.

(2) ~~((The owner of the underground facilities damaged))~~ A facility operator notified in accordance with subsection (1) of this section shall arrange for repairs or relocation as soon as is practical or may permit the excavator to do necessary repairs or relocation at a mutually acceptable price.

Sec. 9. RCW 19.122.070 and 2005 c 448 s 4 are each amended to read as follows:

(1) Any person who violates any provision of this chapter not amounting to a violation of RCW 19.122.055 ~~((, and which violation results in damage to underground facilities,))~~ is subject to a civil penalty of not more than one thousand dollars for ~~((each violation. All penalties recovered in such actions shall be deposited in the general fund))~~ an initial violation, and not more than five thousand dollars for each subsequent violation within a three-year period. All penalties recovered in such actions must be used for education and training of excavators and facility operators regarding best practices and compliance with this chapter. All penalties recovered in such actions must be deposited into the damage prevention account created in section 10 of this act.

(2) Any excavator who willfully or maliciously damages a field-marked underground facility shall be liable for treble the costs incurred in repairing or relocating the facility. In those cases in which an excavator fails to notify known underground facility ~~((owners))~~ operators or the one-number locator service, any damage to the underground facility shall be deemed willful and malicious and shall be subject to treble damages for costs incurred in repairing or relocating the facility.

(3) This chapter does not affect any civil remedies for personal injury or for property damage, including that to underground facilities, nor does this chapter create any new civil remedies for such damage.

NEW SECTION. Sec. 10. A new section is added to chapter 19.122 RCW to read as follows:

The damage prevention account is created in the custody of the state treasurer. All receipts from those moneys directed by law or directed by the utilities and transportation commission to be deposited to the account must be deposited in the account. Expenditures from the account may be used only for the purposes designated in section 11 of this act. Only the utilities and transportation commission or the commission'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.

NEW SECTION. Sec. 11. A new section is added to chapter 19.122 RCW to read as follows:

The utilities and transportation commission is authorized to use money deposited in the damage prevention account created in section 10 of this act for the following purposes:

(1) To develop and disseminate educational programming designed to improve worker and public safety as it relates to excavation and underground facilities; and

(2) To provide grants to persons who have developed educational programming that the utilities and transportation commission and the safety committee created in section 16 of this act deem to be appropriate for the purpose of improving worker and public safety as it relates to excavation and underground facilities.

Sec. 12. RCW 19.122.075 and 2000 c 191 s 23 are each amended to read as follows:

Any person who willfully damages or removes a permanent marking used to identify an underground facility or pipeline, or a temporary marking prior to its intended use, is subject to a civil penalty of not more than one thousand dollars for ~~((each act))~~ an initial violation, and not more than five thousand dollars for each subsequent violation within a three-year period.

Sec. 13. RCW 19.122.080 and 1984 c 144 s 8 are each amended to read as follows:

The notification and marking provisions of this chapter may be waived for one or more designated persons by an underground facility ~~((owner))~~ operator with respect to all or part of that ~~((underground))~~ facility ~~((owner's))~~ operator's own underground facilities.

Sec. 14. RCW 19.122.100 and 2005 c 448 s 6 are each amended to read as follows:

If charged with a violation of RCW 19.122.090, an equipment operator will be deemed to have established an affirmative defense to such charges if:

(1) The equipment operator was provided a valid excavation confirmation code;

(2) The excavation was performed in an emergency situation;

(3) The equipment operator was provided a false confirmation code by an identifiable third party; or

(4) Notice of the excavation was not required under this chapter.

Sec. 15. RCW 19.122.110 and 2005 c 448 s 7 are each amended to read as follows:

Any person who intentionally provides an equipment operator with a false excavation confirmation code is guilty of a misdemeanor.

NEW SECTION. Sec. 16. A new section is added to chapter 19.122 RCW to read as follows:

(1) For the purposes of establishing a dispute resolution service under this chapter, the commission shall contract with a statewide, nonprofit entity whose purpose is to reduce damages to underground facilities as well as above ground facilities through cooperation, coordination, and by promoting safe excavation practices.

(2) The contracting entity must create a safety committee to:

(a) Advise the commission and other state agencies, the legislature, and local government agencies and officials on:

(i) Matters relating to best practices and training to prevent damage to underground utilities; and

(ii) Policies to enhance worker and public safety and protection of underground facilities; and

(b) Resolve disputes involving practices related to underground facilities and possible violations of this chapter.

(3) The safety committee of the contracting entity consists of thirteen members appointed in consultation with the commission to staggered three-year terms and must consist of representatives of:

(a) Local governments;

(b) Owners and operators of hazardous liquid and gas pipelines;

(c) Contractors;

(d) Excavators;

(e) An investor-owned electric utility subject to regulation under Title 80 RCW;

(f) A consumer-owned utility;

(g) A pipeline transportation company;

(h) The commission; and

(i) A telecommunications company.

(4) The safety committee may mediate disagreements among parties involving practices related to underground facilities and possible violations of this chapter.

(5) For the purposes of mediation, the safety committee shall appoint at least three and no more than five members as mediators. The mediators shall represent a balance of excavators, facility operators, and the insurance industry, and must include at least one representative of a pipeline company or natural gas distribution company.

(6) The safety committee shall meet at least once every three months.

(7) All members of the safety committee may participate fully in the committee's meetings, activities, and deliberations and must receive all notices and information related to committee business and decisions in a timely manner.

(8) Any party may bring a complaint to the safety committee regarding a violation of this chapter.

(9) This section expires December 31, 2020.

NEW SECTION. Sec. 17. A new section is added to chapter 19.122 RCW to read as follows:

The commission may enforce the civil penalties authorized in RCW 19.122.070 when a document is filed with the commission by the safety committee created in section 16 of this act indicating that a violation of this chapter has likely occurred.

NEW SECTION. Sec. 18. A new section is added to chapter 19.122 RCW to read as follows:

(1) Facility operators and excavators who observe or cause damage to an underground facility must report the event to the commission.

(2)(a) Facility operators and excavators who observe or cause damage must report whenever the event results in scrapes, gouges, cracks, dents, or other visible damage to the utility, pipeline, or cable casing or other external protection of any underground facility.

(b) A nonpipeline facility operator acting as their own excavator or the facility operator's subcontractor who hits its own facilities is not required to report that damage event.

(3) Reports must be made to the commission's office of pipeline safety within forty-five days of the event, or sooner if required by law using the commission's virtual private damage information reporting tool (DIRT) report form or other similar form provided that the form reports the following information:

(a) The name of the person submitting the report and whether the person is an excavator, a representative of a one-number locator service, or an underground facility operator;

(b) The date and time of the damage event;

(c) The address where the damage occurred;

(d) The type of right-of-way, including but not limited to: A city street, state highway, or private easement;

(e) The type of underground facility damaged, including but not limited to: Pipes, transmission pipelines, distribution lines, sewers, conduits, cables, valves, lines, wires, manholes, attachments, or those parts of poles or anchors below ground;

(f) The type of materials the underground facility stores or conveys, including but not limited to: Water, sewage, electronic, telephonic or telegraphic communications, cablevision, electric energy, petroleum products, gas, gaseous vapors, hazardous liquids, or other substances;

(g) The type of excavator, including but not limited to: A contractor or facility operator;

(h) Excavation equipment used, including but not limited to: An auger, bulldozer, backhoe, or hand tool;

(i) The type of work being performed, including but not limited to: Drainage, grading, or landscaping;

(j) Whether a one-number locator service was notified before excavation commenced and the one-number locator service ticket

number issued for the excavation, if a one-number locator service was notified;

(k) Who performed the locate of the underground facility and the company, locate service, or utility for whom the person performing the locate is employed;

(l) Whether underground facility marks were visible in the area of excavation before excavation commenced;

(m) Whether underground facilities were marked correctly;

(n) Whether an excavator experienced downtime as a result of the damage;

(o) A description of the damage; and

(p) Whether the damage caused an interruption of service.

(4) The commission must use reported data to evaluate the effectiveness of the damage prevention program.

NEW SECTION. Sec. 19. A new section is added to chapter 19.122 RCW to read as follows:

(1) After notice and an opportunity for a hearing, the utilities and transportation commission may impose the penalties authorized by RCW 19.122.055 and 19.122.070 on persons who violate this chapter with respect to underground facilities of persons within its jurisdiction. Before imposing a penalty authorized by RCW 19.122.070, the utilities and transportation commission must seek and consider the recommendation of the safety committee created in section 16 of this act.

(2) Any person aggrieved by any penalty imposed pursuant to this section may seek judicial review pursuant to the administrative procedure act, chapter 34.05 RCW.

(3) If a penalty imposed by the utilities and transportation commission is not paid, the attorney general must, on behalf of the commission, file a civil action in superior court to collect the penalty.

(4) This section expires December 31, 2020.

NEW SECTION. Sec. 20. A new section is added to chapter 19.122 RCW to read as follows:

All penalties collected under section 19 of this act must be deposited into the damage prevention account created under section 10 of this act.

NEW SECTION. Sec. 21. This act takes effect January 1, 2013."

Correct the title.

Representatives Takko and Armstrong spoke in favor of the adoption of the amendment.

Amendment (342) was adopted.

The bill was ordered engrossed.

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

Representatives Takko, Armstrong, Frockt, Morris and Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1634.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1634, and the bill passed the House by the following vote: Yeas, 93; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Chandler,

Clibborn, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Carlyle, Cody, Hudgins and Pedersen.

Excused: Representative Alexander.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1634, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1469, by Representatives Springer, Rodne, Tharinger, Carlyle, Eddy, Dammeier, Liias, Fitzgibbon, Goodman, Zeiger, Upthegrove, Sullivan, Reykdal and Smith

Concerning landscape conservation and local infrastructure.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1469 was substituted for House Bill No. 1469 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1469 was read the second time.

Representative Rodne moved the adoption of amendment (87).

On page 2, beginning on line 21, after "communities." strike all material through "change." on line 25

On page 2, line 26, after "will" strike "further"

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

Representative Springer spoke against the adoption of the amendment.

Amendment (87) was not adopted.

Representative Springer moved the adoption of amendment (326).

On page 8, line 29, after "easement" insert "or mitigation or habitat restoration plan"

Representatives Springer and Angel spoke in favor of the adoption of the amendment.

Amendment (326) was adopted.

Representative Rodne moved the adoption of amendment (88).

On page 12, line 8, after "its" strike "permanent" and insert "fifty-year"

On page 12, line 9, after "site." insert "A transferred development right from agricultural or forest land of long-term commercial significance or designated rural zoned lands under section 303 of this act may only be removed from the sending site for a period exceeding fifty years if the seller of the right agrees to do so."

Representatives Rodne, Wilcox and Orcutt spoke in favor of the adoption of the amendment.

Representative Springer spoke against the adoption of the amendment.

Amendment (88) was not adopted.

The bill was ordered engrossed.

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

Representatives Springer, Roberts and Wilcox spoke in favor of the passage of the bill.

Representatives Rodne, Shea and Orcutt spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1469.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1469, and the bill passed the House by the following vote: Yeas, 69; Nays, 28; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Asay, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Kretz, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ross, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Angel, Armstrong, Bailey, Buys, Condotta, Crouse, Fagan, Haler, Hargrove, Harris, Hinkle, Klippert, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Schmick, Shea, Short, Smith, Taylor and Warnick.

Excused: Representative Alexander.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1469, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1997, by Representatives Orwall, Kenney, Goodman, Fitzgibbon, Maxwell, Santos and Pedersen

Providing economic development by funding tourism promotion, workforce housing, art and heritage programs, and community development.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1997 was substituted for House Bill No. 1997 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1997 was read the second time.

With the consent of the house, amendment (279) was withdrawn.

Representative Orcutt moved the adoption of amendment (257).

On page 9, line 22, after "act." insert "The extension of taxes, as provided in this subsection (3)(b), is authorized only if the extension is approved by a majority of the voters voting on a county ballot proposition to extend such taxes."

Representative Orcutt and Orcutt (again) spoke in favor of the adoption of the amendment.

Representative Hunter spoke against the adoption of the amendment.

A roll call vote was demanded and the demand was sustained.

The Speaker (Representative Moeller presiding) stated the question before the House to be the adoption of amendment (257).

ROLL CALL

The Clerk called the roll on the adoption of amendment (257), and the amendment was not adopted by the following vote: Yeas, 45; Nays, 52; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, Liias, McCune, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Voting nay: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Lytton, Maxwell, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Excused: Representative Alexander.

Amendment (257) was not adopted.

Representative Orcutt moved the adoption of amendment (256).

On page 9, beginning on line 27, after "(6)" strike all material through "~~collected~~" on line 29 and insert "The ~~((taxes))~~ tax imposed under subsection (1) of this section (~~shall~~) expires when the bonds issued for the construction of the baseball stadium are retired, but not later than twenty years after the taxes are first collected."

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

Representative Hunter spoke against the adoption of the amendment.

Amendment (256) was not adopted.

Representative Orcutt moved the adoption of amendment (276).

On page 9, beginning on line 27, after "(6)" strike all material through "collected.)" on line 29 and insert "The ((taxes)) tax imposed under subsection (2) of this section ((shall)) expires when the bonds issued for the construction of the baseball stadium are retired, but not later than twenty years after the taxes are first collected."

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

Representative Hunter spoke against the adoption of the amendment.

Amendment (276) was not adopted.

Representative Bailey moved the adoption of amendment (275).

On page 10, beginning on line 22, after "distributions to" strike all material through "stations" on line 24 and insert "arts programs at public and private schools"

On page 11, beginning on line 10, after "section," strike all material through ""Consumer" on line 16 and insert ""consumer"

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

Representative Hunter spoke against the adoption of the amendment.

A roll call vote was demanded and the demand was sustained.

The Speaker (Representative Moeller presiding) stated the question before the House to be the adoption of amendment (275).

ROLL CALL

The Clerk called the roll on the adoption of amendment (275), and the amendment was not adopted by the following vote: Yeas, 43; Nays, 54; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Hurst, Johnson, Klippert, Kretz, Kristiansen, McCune, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Voting nay: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Excused: Representative Alexander.

Amendment (275) was not adopted.

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

Representatives Orwall, Kenney, Carlyle and Maxwell spoke in favor of the passage of the bill.

Representatives Orcutt, Smith, Wilcox, Morris, Nealey and Bailey spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1997.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1997, and the bill passed the House by the following vote: Yeas, 55; Nays, 42; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Asay, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Voting nay: Representatives Ahern, Angel, Armstrong, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Hargrove, Harris, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Excused: Representative Alexander.

SUBSTITUTE HOUSE BILL NO. 1997, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1478, by Representatives Springer, Asay, Takko, Orcutt, Haler, Rivers, Eddy, Hunt, Klippert, Sullivan, Goodman, Clibborn, Armstrong, Probst, Jacks, Johnson and Kenney

Delaying or modifying certain regulatory and statutory requirements affecting cities and counties.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1478 was substituted for House Bill No. 1478 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1478 was read the second time.

Representative Springer moved the adoption of amendment (315).

Beginning on page 2, line 7, strike all of section 2 and insert the following:

"**Sec. 2.** RCW 36.70A.130 and 2010 c 216 s 1 and 2010 c 211 s 2 are each reenacted and amended to read as follows:

(1)(a) Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by

the county or city that adopted them. Except as otherwise provided, a county or city shall take legislative action to review and, if needed, revise its comprehensive land use plan and development regulations to ensure the plan and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section.

(b) Except as otherwise provided, a county or city not planning under RCW 36.70A.040 shall take action to review and, if needed, revise its policies and development regulations regarding critical areas and natural resource lands adopted according to this chapter to ensure these policies and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section. Legislative action means the adoption of a resolution or ordinance following notice and a public hearing indicating at a minimum, a finding that a review and evaluation has occurred and identifying the revisions made, or that a revision was not needed and the reasons therefor.

(c) ~~((The review and evaluation required by this subsection may be combined with the review required by subsection (3) of this section.))~~ The review and evaluation required by this subsection shall include, but is not limited to, consideration of critical area ordinances and, if planning under RCW 36.70A.040, an analysis of the population allocated to a city or county from the most recent ten-year population forecast by the office of financial management.

(d) Any amendment of or revision to a comprehensive land use plan shall conform to this chapter. Any amendment of or revision to development regulations shall be consistent with and implement the comprehensive plan.

(2)(a) Each county and city shall establish and broadly disseminate to the public a public participation program consistent with RCW 36.70A.035 and 36.70A.140 that identifies procedures and schedules whereby updates, proposed amendments, or revisions of the comprehensive plan are considered by the governing body of the county or city no more frequently than once every year. "Updates" means to review and revise, if needed, according to subsection (1) of this section, and the deadlines in subsections (4) and (5) of this section or in accordance with the provisions of subsection (6) of this section. Amendments may be considered more frequently than once per year under the following circumstances:

(i) The initial adoption of a subarea plan. Subarea plans adopted under this subsection (2)(a)(i) must clarify, supplement, or implement jurisdiction-wide comprehensive plan policies, and may only be adopted if the cumulative impacts of the proposed plan are addressed by appropriate environmental review under chapter 43.21C RCW;

(ii) The development of an initial subarea plan for economic development located outside of the one hundred year floodplain in a county that has completed a state-funded pilot project that is based on watershed characterization and local habitat assessment;

(iii) The adoption or amendment of a shoreline master program under the procedures set forth in chapter 90.58 RCW;

(iv) The amendment of the capital facilities element of a comprehensive plan that occurs concurrently with the adoption or amendment of a county or city budget; or

(v) The adoption of comprehensive plan amendments necessary to enact a planned action under RCW 43.21C.031(2), provided that amendments are considered in accordance with the public participation program established by the county or city under this subsection (2)(a) and all persons who have requested notice of a comprehensive plan update are given notice of the amendments and an opportunity to comment.

(b) Except as otherwise provided in (a) of this subsection, all proposals shall be considered by the governing body concurrently so the cumulative effect of the various proposals can be ascertained. However, after appropriate public participation a county or city may adopt amendments or revisions to its comprehensive plan that conform with this chapter whenever an emergency exists or to resolve

an appeal of a comprehensive plan filed with the growth management hearings board or with the court.

(3)(a) Each county that designates urban growth areas under RCW 36.70A.110 shall review, ~~((at least every ten years))~~ according to the schedules established in subsection (5) of this section, its designated urban growth area or areas, and the densities permitted within both the incorporated and unincorporated portions of each urban growth area. In conjunction with this review by the county, each city located within an urban growth area shall review the densities permitted within its boundaries, and the extent to which the urban growth occurring within the county has located within each city and the unincorporated portions of the urban growth areas.

(b) The county comprehensive plan designating urban growth areas, and the densities permitted in the urban growth areas by the comprehensive plans of the county and each city located within the urban growth areas, shall be revised to accommodate the urban growth projected to occur in the county for the succeeding twenty-year period. The review required by this subsection may be combined with the review and evaluation required by RCW 36.70A.215.

(4) Except as provided in subsection (6) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows:

(a) On or before December 1, 2004, for Clallam, Clark, Jefferson, King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties and the cities within those counties;

(b) On or before December 1, 2005, for Cowlitz, Island, Lewis, Mason, San Juan, Skagit, and Skamania counties and the cities within those counties;

(c) On or before December 1, 2006, for Benton, Chelan, Douglas, Grant, Kittitas, Spokane, and Yakima counties and the cities within those counties; and

(d) On or before December 1, 2007, for Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman counties and the cities within those counties.

(5) Except as otherwise provided in subsection (6) of this section, following the review of comprehensive plans and development regulations required by subsection (4) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows:

(a) On or before ~~((December 1, 2014))~~ June 30, 2015, and every ~~((seven))~~ ten years thereafter, for ~~((Clallam,))~~ Clark, ~~((Jefferson,))~~ and King~~((, Kitsap, Pierce, Snohomish, Thurston, and Whatcom))~~ counties and the cities within those counties;

(b) On or before ~~((December 1, 2015))~~ June 30, 2016, and every ~~((seven))~~ ten years thereafter, for ~~((Cowlitz, Island, Lewis))~~ Kitsap, ~~((Mason, San Juan, Skagit,))~~ Pierce, Snohomish, and ((Skamania)) Thurston counties and the cities within those counties;

(c) On or before ~~((December 1, 2016))~~ June 30, 2017, and every ~~((seven))~~ ten years thereafter, for ~~((Benton, Chelan, Douglas, Grant, Kittitas))~~ Clallam, Island, Jefferson, Mason, San Juan, Skagit, Spokane, and ((Yakima)) Whatcom counties and the cities within those counties; ~~((and))~~

(d) On or before ~~((December 1, 2017))~~ June 30, 2018, and every ~~((seven))~~ ten years thereafter, for ~~((Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman))~~ Benton, Chelan, Cowlitz, Douglas, Grant, Kittitas, Lewis, Skamania, and Yakima counties and the cities within those counties; and

(e) On or before June 30, 2019, and every ten years thereafter, for

Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman counties and the cities within those counties.

(6)(a) Nothing in this section precludes a county or city from conducting the review and evaluation required by this section before the deadlines established in subsections (4) and (5) of this section. Counties and cities may begin this process early and may be eligible for grants from the department, subject to available funding, if they elect to do so.

(b) A county that is subject to a deadline established in subsection (4)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the thirty-six months following the deadline established in subsection (4) of this section: The county has a population of less than fifty thousand and has had its population increase by no more than seventeen percent in the ten years preceding the deadline established in subsection (4) of this section as of that date.

(c) A city that is subject to a deadline established in subsection (4)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the thirty-six months following the deadline established in subsection (4) of this section: The city has a population of no more than five thousand and has had its population increase by the greater of either no more than one hundred persons or no more than seventeen percent in the ten years preceding the deadline established in subsection (4) of this section as of that date.

(d) A county or city that is subject to a deadline established in subsection (4)(d) of this section and that meets the criteria established in subsection (6)(b) or (c) of this section may comply with the requirements of subsection (4)(d) of this section at any time within the thirty-six months after the extension provided in subsection (6)(b) or (c) of this section.

(e) State agencies are encouraged to provide technical assistance to the counties and cities in the review of critical area ordinances, comprehensive plans, and development regulations.

(7)(a) The requirements imposed on counties and cities under this section shall be considered "requirements of this chapter" under the terms of RCW 36.70A.040(1). Only those counties and cities that meet the following criteria may receive grants, loans, pledges, or financial guarantees under chapter 43.155 or 70.146 RCW:

- (i) Complying with the deadlines in this section;
- (ii) Demonstrating substantial progress towards compliance with the schedules in this section for development regulations that protect critical areas; or
- (iii) Complying with the extension provisions of subsection (6)(b), (c), or (d) of this section.

(b) A county or city that is fewer than twelve months out of compliance with the schedules in this section for development regulations that protect critical areas is making substantial progress towards compliance. Only those counties and cities in compliance with the schedules in this section may receive preference for grants or loans subject to the provisions of RCW 43.17.250.

Beginning on page 12, line 12, strike all of section 7

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

On page 15, beginning on line 30, after "no" strike all material through "2013." on line 32 and insert "later than December 31, 2010, ~~((although the department of ecology is encouraged to adopt the final rules as soon as possible))~~ except that the department of ecology shall adopt rules for reclaimed water use no earlier than June 30, 2013."

Beginning on page 16, line 1, strike all of section 11 and insert the following:

"Sec. 11. RCW 90.48.260 and 2007 c 341 s 55 are each amended to read as follows:

(1) The department of ecology is hereby designated as the state water pollution control agency for all purposes of the federal clean water act as it exists on February 4, 1987, and is hereby authorized to participate fully in the programs of the act as well as to take all action necessary to secure to the state the benefits and to meet the requirements of that act. With regard to the national estuary program established by section 320 of that act, the department shall exercise its responsibility jointly with the Puget Sound partnership, created in RCW 90.71.210. The department of ecology may delegate its authority under this chapter, including its national pollutant discharge elimination permit system authority and duties regarding animal feeding operations and concentrated animal feeding operations, to the department of agriculture through a memorandum of understanding. Until any such delegation receives federal approval, the department of agriculture's adoption or issuance of animal feeding operation and concentrated animal feeding operation rules, permits, programs, and directives pertaining to water quality shall be accomplished after reaching agreement with the director of the department of ecology. Adoption or issuance and implementation shall be accomplished so that compliance with such animal feeding operation and concentrated animal feeding operation rules, permits, programs, and directives will achieve compliance with all federal and state water pollution control laws. The powers granted herein include, among others, and notwithstanding any other provisions of chapter 90.48 RCW or otherwise, the following:

~~((+))~~ (a) Complete authority to establish and administer a comprehensive state point source waste discharge or pollution discharge elimination permit program which will enable the department to qualify for full participation in any national waste discharge or pollution discharge elimination permit system and will allow the department to be the sole agency issuing permits required by such national system operating in the state of Washington subject to the provisions of RCW 90.48.262(2). Program elements authorized herein may include, but are not limited to: ~~((+))~~ (i) Effluent treatment and limitation requirements together with timing requirements related thereto; ~~((+))~~ (ii) applicable receiving water quality standards requirements; ~~((+))~~ (iii) requirements of standards of performance for new sources; ~~((+))~~ (iv) pretreatment requirements; ~~((+))~~ (v) termination and modification of permits for cause; ~~((+))~~ (vi) requirements for public notices and opportunities for public hearings; ~~((+))~~ (vii) appropriate relationships with the secretary of the army in the administration of his responsibilities which relate to anchorage and navigation, with the administrator of the environmental protection agency in the performance of his duties, and with other governmental officials under the federal clean water act; ~~((+))~~ (viii) requirements for inspection, monitoring, entry, and reporting; ~~((+))~~ (ix) enforcement of the program through penalties, emergency powers, and criminal sanctions; ~~((+))~~ (x) a continuing planning process; and ~~((+))~~ (xi) user charges.

~~((2))~~ (b) The power to establish and administer state programs in a manner which will insure the procurement of moneys, whether in the form of grants, loans, or otherwise; to assist in the construction, operation, and maintenance of various water pollution control facilities and works; and the administering of various state water pollution control management, regulatory, and enforcement programs.

~~((3))~~ (c) The power to develop and implement appropriate programs pertaining to continuing planning processes, area-wide waste treatment management plans, and basin planning.

The governor shall have authority to perform those actions required of him or her by the federal clean water act.

(2) By July 31, 2012, the department shall:

(a) Reissue without modification and for a term of one year any national pollutant discharge elimination system municipal storm water general permit first issued on January 17, 2007; and

(b) Issue an updated national pollutant discharge elimination

system municipal storm water general permit for any permit first issued on January 17, 2007. An updated permit issued under this subsection shall become effective beginning August 1, 2013.

Beginning on page 17, line 26, strike all of section 12 and insert the following:

"**Sec. 12.** RCW 90.58.080 and 2007 c 170 s 1 are each amended to read as follows:

(1) Local governments shall develop or amend a master program for regulation of uses of the shorelines of the state consistent with the required elements of the guidelines adopted by the department in accordance with the schedule established by this section.

(2)(a) Subject to the provisions of subsections (5) and (6) of this section, each local government subject to this chapter shall develop or amend its master program for the regulation of uses of shorelines within its jurisdiction according to the following schedule:

(i) On or before December 1, 2005, for the city of Port Townsend, the city of Bellingham, the city of Everett, Snohomish county, and Whatcom county;

(ii) On or before December 1, 2009, for King county and the cities within King county greater in population than ten thousand;

(iii) Except as provided by (a)(i) and (ii) of this subsection, on or before December 1, 2011, for Clallam, Clark, Jefferson, King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties and the cities within those counties;

(iv) On or before December 1, 2012, for Cowlitz, Island, Lewis, Mason, San Juan, Skagit, and Skamania counties and the cities within those counties;

(v) On or before December 1, 2013, for Benton, Chelan, Douglas, Grant, Kittitas, Spokane, and Yakima counties and the cities within those counties; and

(vi) On or before December 1, 2014, for Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman counties and the cities within those counties.

(b) Nothing in this subsection (2) shall preclude a local government from developing or amending its master program prior to the dates established by this subsection (2).

(3)(a) Following approval by the department of a new or amended master program, local governments required to develop or amend master programs on or before December 1, 2009, as provided by subsection (2)(a)(i) and (ii) of this section, shall be deemed to have complied with the schedule established by subsection (2)(a)(iii) of this section and shall not be required to complete master program amendments until seven years after the applicable dates established by subsection (2)(a)(iii) of this section. Any jurisdiction listed in subsection (2)(a)(i) of this section that has a new or amended master program approved by the department on or after March 1, 2002, but before July 27, 2003, shall not be required to complete master program amendments until seven years after the applicable date provided by subsection (2)(a)(iii) of this section.

(b) Following approval by the department of a new or amended master program, local governments choosing to develop or amend master programs on or before December 1, 2009, shall be deemed to have complied with the schedule established by subsection (2)(a)(iii) through (vi) of this section and shall not be required to complete master program amendments until ~~((seven))~~ ten years after the applicable dates established by subsection (2)(a)(iii) through (vi) of this section.

(4)(a) Following the updates required by subsection (2) of this section, local governments shall conduct a review of their master programs at least once every ~~((seven))~~ ten years ~~((after the applicable dates established by subsection (2)(a)(iii) through (vi) of this section))~~ as required by (b) of this subsection. Following the review required by this subsection (4), local governments shall, if necessary, revise their master programs. The purpose of the review is:

~~((a))~~ (i) To assure that the master program complies with applicable law and guidelines in effect at the time of the review; and

~~((b))~~ (ii) To assure consistency of the master program with the local government's comprehensive plan and development regulations adopted under chapter 36.70A RCW, if applicable, and other local requirements.

(b) Counties and cities shall take action to review and, if necessary, revise their master programs as required by (a) of this subsection as follows:

(i) On or before June 30, 2020, and every ten years thereafter, for King and Clark counties and the cities within those counties;

(ii) On or before June 30, 2021, and every ten years thereafter, for Snohomish, Pierce, Kitsap, and Thurston counties and the cities within those counties;

(iii) On or before June 30, 2022, and every ten years thereafter, for Spokane, Island, San Juan, Skagit, Whatcom, Clallam, Jefferson, and Mason counties and the cities within those counties;

(iv) On or before June 30, 2023, and every ten years thereafter, for Lewis, Cowlitz, Skamania, Yakima, Benton, Kittitas, Chelan, Douglas, and Grant counties and the cities within those counties; and

(v) On or before June 30, 2024, and every ten years thereafter, for Lincoln, Adams, Whitman, Asotin, Columbia, Garfield, Walla Walla, Franklin, Klickitat, Okanogan, Ferry, Stevens, Pend Oreille, Grays Harbor, Pacific, and Wahkiakum counties and the cities within those counties.

(5) Local governments are encouraged to begin the process of developing or amending their master programs early and are eligible for grants from the department as provided by RCW 90.58.250, subject to available funding. Except for those local governments listed in subsection (2)(a)(i) and (ii) of this section, the deadline for completion of the new or amended master programs shall be two years after the date the grant is approved by the department. Subsequent master program review dates shall not be altered by the provisions of this subsection.

(6)(a) Grants to local governments for developing and amending master programs pursuant to the schedule established by this section shall be provided at least two years before the adoption dates specified in subsection (2) of this section. To the extent possible, the department shall allocate grants within the amount appropriated for such purposes to provide reasonable and adequate funding to local governments that have indicated their intent to develop or amend master programs during the biennium according to the schedule established by subsection (2) of this section. Any local government that applies for but does not receive funding to comply with the provisions of subsection (2) of this section may delay the development or amendment of its master program until the following biennium.

(b) Local governments with delayed compliance dates as provided in (a) of this subsection shall be the first priority for funding in subsequent biennia, and the development or amendment compliance deadline for those local governments shall be two years after the date of grant approval.

(c) Failure of the local government to apply in a timely manner for a master program development or amendment grant in accordance with the requirements of the department shall not be considered a delay resulting from the provisions of (a) of this subsection.

(7) Notwithstanding the provisions of this section, all local governments subject to the requirements of this chapter that have not developed or amended master programs on or after March 1, 2002, shall, no later than December 1, 2014, develop or amend their master programs to comply with guidelines adopted by the department after January 1, 2003.

(8) Local governments may be provided an additional year beyond the deadlines in this section to complete their master program or amendment. The department shall grant the request if it determines

that the local government is likely to adopt or amend its master program within the additional year."

On page 20, beginning on line 23, after "department" strike all material through "government" on line 26

On page 20, line 29, after "approval." insert the following:

"The department shall strive to achieve final action on a submitted master program within one hundred eighty days of receipt and shall post an annual assessment related to this performance benchmark on the agency web site."

Representatives Springer and Armstrong spoke in favor of the adoption of the amendment.

There being no objection, the House deferred action on SUBSTITUTE HOUSE BILL NO. 1478, and the bill held its place on the second reading calendar.

HOUSE BILL NO. 1969, by Representatives Hasegawa and Springer

Concerning the exemption of flood control zone districts that are coextensive with a county from certain limitations upon regular property tax levies.

The bill was read the second time.

With the consent of the house, amendment (255) was withdrawn.

Representative Orcutt moved the adoption of amendment (298).

On page 2, line 17, after "and" insert "the protected portion of the levy under RCW"

On page 2, line 22, after "(i) The" insert "protected portion of the"

On page 4, beginning on line 10, after "~~((shall))~~" strike all material through "county" on line 11

On page 6, line 10, after "(k)" insert "the protected portion of the"

On page 6, after line 11, insert the following:

NEW SECTION. Sec. 3. A new section is added to chapter 84.52 RCW to read as follows:

A flood control zone district that is coextensive with a county may protect the levy under RCW 86.15.160(1) from prorationing under RCW 84.52.010(3)(b)(ii) by imposing up to a total of twenty-five cents per thousand dollars of assessed value of the tax levy authorized under RCW 86.15.160 outside of the five dollars and ninety cents per thousand dollars of assessed value limitation under RCW 84.52.043(2), if those taxes otherwise would be prorated under RCW 84.52.010(3)(b)(ii)."

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

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

Amendment (298) was adopted.

The bill was ordered engrossed.

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

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1969.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1969, and the bill passed the House by the following vote: Yeas, 75; Nays, 22; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Asay, Bailey, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Angel, Armstrong, Buys, Condotta, Crouse, Fagan, Haler, Hargrove, Harris, Hinkle, Kretz, Kristiansen, McCune, Overstreet, Parker, Pearson, Rivers, Schmick, Shea, Short and Taylor.

Excused: Representative Alexander.

ENGROSSED HOUSE BILL NO. 1969, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote NAY on Engrossed House Bill No. 1969.

Representative Smith, 10th District

STATEMENT FOR THE JOURNAL

I intended to vote NAY on Engrossed House Bill No. 1969.

Representative Rodne, 5th District

There being no objection, the House resumed consideration of Substitute House Bill No. 1478.

HOUSE BILL NO. 1478, by Representatives Springer, Asay, Takko, Orcutt, Haler, Rivers, Eddy, Hunt, Klippert, Sullivan, Goodman, Clibborn, Armstrong, Probst, Jacks, Johnson and Kenney

Delaying or modifying certain regulatory and statutory requirements affecting cities and counties.

Representatives Springer and Armstrong spoke in favor of the adoption of amendment (315).

Amendment (315) was adopted.

Representative Armstrong moved the adoption of amendment (334).

On page 9, line 13, after "range." strike all material through "section" on line 17 and insert "However, the provisions of this section shall not apply to any city with a population of ten thousand inhabitants or fewer"

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

Representative Springer spoke against the adoption of the amendment.

Amendment (334) was not adopted.

The bill was ordered engrossed.

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

Representatives Springer, Angel, Takko, Asay, Upthegrove and Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1478.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1478, and the bill passed the House by the following vote: Yeas, 86; Nays, 11; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Armstrong, Asay, Bailey, Blake, Buys, Carlyle, Chandler, Clibborn, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Eddy, Fagan, Finn, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lytton, Maxwell, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Appleton, Billig, Cody, Dunshee, Fitzgibbon, Frockt, Hudgins, Lias, McCoy, Ormsby and Reykdal.

Excused: Representative Alexander.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1478, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1381, by Representatives Warnick, Blake, Hinkle, Taylor, Haler, McCune, Armstrong, Condotta, Johnson, Parker and Shea

Regarding sufficient cause for the nonuse of water.

The bill was read the second time.

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

Representatives Warnick and Blake spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 1381.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1381, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Alexander.

HOUSE BILL NO. 1381, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1509, by Representatives Blake, Dunshee and Ryu

Concerning the forestry riparian easement program.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1509 was substituted for House Bill No. 1509 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1509 was read the second time.

There being no objection, the committee amendment by the Committee on Capital Budget was adopted. (For Committee amendment, see Journal, Day 40, February 18, 2011).

The bill was ordered engrossed.

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 Blake and Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1509.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1509, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney,

Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Alexander.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1509, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1803, by Representatives Chandler, Van De Wege, Blake, Kretz and Warnick

Modifying the Columbia river basin management program.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1803 was substituted for House Bill No. 1803 and the substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1803 was read the second time.

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

Representatives Chandler and Blake spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1803.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1803, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Alexander.

SECOND SUBSTITUTE HOUSE BILL NO. 1803, having received the necessary constitutional majority, was declared passed.

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

REPORTS OF STANDING COMMITTEES

March 4, 2011

HB 2002 Prime Sponsor, Representative Sells: Concerning industrial insurance employer wage subsidies and reimbursements for light duty or transitional work. Reported by Committee on Labor & Workforce Development

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Sells, Chair; Reykdal, Vice Chair; Green; Kenney; Miloscia; Moeller; Ormsby and Roberts.

MINORITY recommendation: Do not pass. Signed by Representatives Condotta, Ranking Minority Member; Shea, Assistant Ranking Minority Member and Fagan.

March 3, 2011

SB 5075 Prime Sponsor, Senator Fain: Changing the expiration dates of the mortgage lending fraud prosecution account and its revenue source. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Blake; Condotta; Hudgins; Hurst; Pedersen; Rivers; Ryu and Stanford.

Referred to Committee on General Government Appropriations & Oversight.

March 3, 2011

SB 5076 Prime Sponsor, Senator Hobbs: Addressing the subpoena authority of the department of financial institutions. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Blake; Condotta; Hudgins; Hurst; Pedersen; Rivers; Ryu and Stanford.

Passed to Committee on Rules for second reading.

March 3, 2011

SB 5213 Prime Sponsor, Senator Litzow: Addressing insurance statutes, generally. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Blake; Condotta; Hudgins; Hurst; Pedersen; Rivers; Ryu and Stanford.

Passed to Committee on Rules for second reading.

There being no objection, the bills listed on the day's committee reports under the fifth order of business were referred to

the committees so designated with the exception of HOUSE BILL NO. 2002 which was placed on the second reading calendar.

SECOND READING

HOUSE BILL NO. 1649, by Representatives Jinkins, Pedersen, Kenney, Pettigrew, Ladenburg, Lytton, Stanford, Billig, Ryu, Lias, Seaquist, Darneille, Dickerson, Dunshee, Fitzgibbon, Upthegrove, Reykdal, Finn, Moscoso, Takko, Rolfes, Clibborn, Jacks, Morris, Cody, Roberts, Orwall, Green, Van De Wege, Ormsby, Hudgins, Sells, Kelley, Blake, Appleton, Kagi, Santos, Hurst, Kirby, Eddy, Probst, Springer, Miloscia, Maxwell, Sullivan, Goodman, Frockt, Carlyle, Haigh, Moeller, Hunter, Tharinger, Hunt, McCoy and Hasegawa

Concerning reciprocity and statutory construction with regard to domestic partnerships.

The bill was read the second time.

Representative Shea moved the adoption of amendment (311).

On page 1, beginning on line 4, strike all of section 1

Renumber the remaining section and correct the title.

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

Representative Pedersen spoke against the adoption of the amendment.

Amendment (311) was not adopted.

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

Representatives Jinkins and Pedersen spoke in favor of the passage of the bill.

Representatives Shea, McCune and Rodne spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 1649.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1649, and the bill passed the House by the following vote: Yeas, 58; Nays, 39; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh and Mr. Speaker.

Voting nay: Representatives Ahern, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet,

Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Warnick, Wilcox and Zeiger.

Excused: Representative Alexander.

HOUSE BILL NO. 1649, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1875, by Representatives Taylor, DeBolt and McCune

Concerning water recreation facilities.

The bill was read the second time.

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

Representatives Taylor and Cody spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 1875.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1875, and the bill passed the House by the following vote: Yeas, 94; Nays, 3; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Kenney, Ormsby and Reykdal.

Excused: Representative Alexander.

HOUSE BILL NO. 1875, having received the necessary constitutional majority, was declared passed.

THIRD READING

There being no objection, the rules were suspended, and ENGROSSED SUBSTITUTE HOUSE BILL NO. 1041 was returned to second reading for the purpose of amendment.

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

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1041, by House Committee on Judiciary (originally sponsored by Representatives Green, Angel, Goodman, McCune, Kelley, Hope, Dammeier, Warnick, Blake, Hurst, Moeller and Upthegrove)

Including correctional employees who have completed government-sponsored law enforcement firearms training to the lists of law enforcement personnel that are exempt from certain firearm restrictions.

Representative Pedersen moved the adoption of amendment (26).

On page 5, beginning on line 30, after "personnel" strike all material through "training" on line 31

On page 5, line 33, after "officer" strike "or correctional employee"

On page 6, line 1, after "(7)" insert: "Subsections (1)(a), (b), (c), and (e) of this section do not apply to correctional personnel who have completed government-sponsored law enforcement firearms training, except that subsection (1)(b) of this section does apply to a correctional employee who is present at a courthouse building as a party to an action under chapter 10.14, 10.99, or 26.50 RCW, or an action under Title 26 RCW where any party has alleged the existence of domestic violence as defined in RCW 26.50.010.

(8)"

On page 6, at the beginning of line 8, strike "(8)" and insert "~~((8))~~ (9)"

On page 6, at the beginning of line 14, strike "(9)" and insert "~~((9))~~ (10)"

On page 6, at the beginning of line 17, strike "(10)" and insert "~~((10))~~ (11)"

On page 6, at the beginning of line 19, strike "(11)" and insert "~~((11))~~ (12)"

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

Amendment (26) was adopted.

The bill was ordered engrossed.

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

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1041.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1041, and the bill passed the House by the following vote: Yeas, 84; Nays, 13; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Armstrong, Asay, Bailey, Billig, Blake, Buys, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kelley, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Stanford, Sullivan, Takko, Taylor,

Tharinger, Upthegrove, Van De Wege, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Appleton, Carlyle, Frockt, Hasegawa, Kagi, Kenney, Maxwell, Nealey, Roberts, Ryu, Springer, Walsh and Warnick.

Excused: Representative Alexander.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1041, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote NAY on Engrossed Substitute House Bill No. 1041.

Representative Darneille, 27th District

SECOND READING

HOUSE BILL NO. 1412, by Representatives Santos, Dammeier, Probst, Liias, Kelley, Kenney and Van De Wege

Regarding mathematics end-of-course assessments.

The bill was read the second time.

With the consent of the house, amendment (94) was withdrawn.

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

Representatives Santos and Dammeier spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 1412.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1412, and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representative Chandler.

Excused: Representative Alexander.

HOUSE BILL NO. 1412, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1792, by Representatives Sells, Hope, Dunshee, Haler, McCoy, Moscoso and Liias

Concerning the University Center of north Puget Sound.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1792 was substituted for House Bill No. 1792 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1792 was read the second time.

Representative Dunshee moved the adoption of amendment (240).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 28B.30 RCW to read as follows:

(1) The legislature finds that access to baccalaureate and graduate degree programs continues to be limited for residents of north Snohomish, Island, and Skagit counties. Studies conducted by the state board for community and technical colleges, the higher education coordinating board, and the council of presidents confirm that enrollment in higher education compared to demand in this geographic region lags behind enrollment in other parts of the state, particularly for upper-division courses leading to advanced degrees.

(2) The legislature also finds that access to high employer demand programs of study is imperative for the state's global competitiveness and economic prosperity, particularly those degrees in the science, technology, engineering, and math (STEM) fields that align with the workforce skill demands of the regional economy, that support the aerospace industry, and provide skilled undergraduate and graduate-degree engineers required by the largest employers in the aerospace industry cluster.

(3) The legislature finds that meeting the long-range goal of greatly expanded access for the population of the region to the widest array of baccalaureate and graduate programs can best be accomplished by assigning responsibility to a research university with multiple experiences in similar settings.

(4) Management and leadership of the University Center of North Puget Sound is assigned to Washington State University to meet the needs of the Everett metropolitan area and the north Snohomish, Island, and Skagit county region and the state of Washington for baccalaureate and graduate degrees offered by a state university. The chief executive officer of the University Center of North Puget Sound is the director who reports to the president of Washington State University. The director shall manage the activities and logistics of operating the center, make policy and planning recommendations to the council in subsection (5) of this section, and implement decisions of the council.

(5)(a) Washington State University and Everett Community College must collaborate with community leaders, and other four-year institutions of higher education that offer programs at the University Center of North Puget Sound to serve the varied interests of students in the region. To this end, a coordinating and planning council must be established to be responsible for long-range and strategic planning, interinstitutional collaboration, collaboration with the community served, and dispute resolution for the center. The following individuals shall comprise the coordinating and planning council:

(i) The president of Washington State University, or his or her designee;

(ii) The provost of Washington State University, or his or her designee;

(iii) The president of Everett Community College;

(iv) A representative of one other institution of higher education that offers baccalaureate or graduate degree programs at the center;

(v) The director of the council, as the nonvoting chair;

(vi) A community leader appointed by the president of Everett Community College;

(vii) A community leader appointed by the president of Washington State University; and

(viii) A community leader appointed by the mayor of Everett.

(b) The coordinating and planning council may appoint other groups, as appropriate, to advise on administration and operations, and may alter its own composition by agreement of all the members.

(6)(a) Washington State University shall assume leadership of the center upon completion of a strategic plan for meeting the academic needs of the region and successful establishment of an engineering degree program. The strategic plan must build on the strengths of the institutions, reflecting each institution's mission, in order to provide the region with the highest standard of educational programs, research, and service to the community. The strategic plan must include a multiyear budget that addresses both operating and capital expenses required to effectively implement the plan. The strategic plan shall be developed with the collaboration of the University Center at Everett Community College and all the institutions of higher education that provide baccalaureate degrees at the University Center, and community leaders.

(b) Center partners must implement the strategic plan with careful attention to the academic and professional standards established and maintained by each institution and by the appropriate accrediting bodies, and to the historic role of each institution's governing board in setting policy.

(c) The strategic plan must address expansion of the range and depth of educational opportunities in the region and include strategies that:

(i) Build upon baccalaureate and graduate degree offerings at the center;

(ii) Meet projected student enrollment demands for baccalaureate, graduate, and certificate programs in the region;

(iii) Meet employers' needs for skilled workers by expanding high employer demand programs of study, with an initial emphasis by Washington State University on undergraduate and graduate engineering degree programs in a variety of engineering disciplines such as civil, mechanical, aeronautical, and aerospace manufacturing;

(iv) Coordinate delivery of lower and upper division courses to maximize student opportunities and resources; and

(v) Transfer budget support and resources for the center from Everett Community College to Washington State University.

(d) The strategic plan must be completed by July 1, 2013. The transfer of the responsibility for the management and operation of the University Center of North Puget Sound to Washington State University must occur by July 1, 2014.

(7)(a) Academic programming and delivery at the center must be developed in accordance with the missions of Washington State University, Everett Community College, and other institutions of higher education that have a presence at the center.

(b) Each institution shall abide by the guidelines for university centers adopted by the higher education coordinating board.

(c) Each institution shall award all degrees and certificates granted in the programs it delivers at the center.

(d) The coordinating council described in subsection (5) of this section shall establish a process for prioritizing new programs and revising existing programs that facilitates timeliness of new offerings, recognizes the internal processes of the proposing institutions, and addresses each proposal's fit with the needs of the region.

(8)(a) Washington State University shall review center expansion needs and consider capital facilities funding at least annually. Washington State University and Everett Community College must

cooperate in preparing funding requests and bond financing for submission to the legislature on behalf of development at the center, in accordance with each institution's process and priorities for advancing legislative requests.

(b) Washington State University shall design, construct, and manage any facility developed at the center. Any facility developed at the center with Everett Community College capital funding must be designed by Everett Community College in consultation with Washington State University. Building construction may be managed by Washington State University via an interagency agreement which details responsibility and associated costs. Building operations and management for all facilities at the center must be governed by the infrastructure and operating cost allocation method described in subsection (9) of this section.

(9) Washington State University has responsibility for infrastructure development and maintenance for the center. All infrastructure operating and maintenance costs are to be shared in what is deemed to be an equitable and fair manner based on space allocation, special cost, and other relevant considerations. Washington State University may make infrastructure development and maintenance decisions in consultation with the council described in subsection (5) of this section.

(10) In the event that conflict cannot be resolved through the coordinating council described in subsection (5) of this section the higher education coordinating board dispute resolution must be employed.

Sec. 2. RCW 28B.50.795 and 2010 1st sp.s. c 25 s 1 are each amended to read as follows:

(1) ~~((RCW 28B.50.901 assigns responsibility for the north Snohomish, Island, and Skagit counties' higher education consortium to Everett Community College. In April of 2009, Everett Community College opened Gray Wolf Hall, the new home of the University Center of North Puget Sound. The University Center currently offers over twenty bachelor's and master's degrees from six partner universities.~~

—(2)) Although Everett Community College offers an associate degree nursing program that graduates approximately seventy to ninety students per year, the University Center does not offer a bachelor of science in nursing. Some graduates of the Everett Community College program are able to articulate to the bachelor of science in nursing program offered by the University of Washington-Bothell at its Bothell campus or in Mt. Vernon but current capacity is not sufficient for all of the graduates who are both interested and qualified.

((3)) (2) Despite recent growth in nursing education capacity, shortages still persist for registered nurses. According to a June 2007 study by the Washington, Wyoming, Alaska, Montana, and Idaho center for health workforce studies, the average age of Washington's registered nurses was forty-eight years. More than a third were fifty-five years of age or older. Consequently, the high rate of registered nurses retiring from nursing practice over the next two decades will significantly reduce the supply. This reduction comes at the same time as the state's population grows and ages. The registered nurse education capacity in Washington has a large impact on the supply of registered nurses in the state. If the rate of graduation in registered nursing does not increase, projections show that supply in Washington will begin to decline by 2015. In contrast, if graduation rates increased by four hundred per year, the supply of registered nurses would meet estimated demand by the year 2021.

((4)) (3) Subject to specific funding to support up to fifty full-time equivalent students in a bachelor of nursing program, the University Center ~~((at Everett Community College))~~ of North Puget Sound, in partnership with the University of Washington-Bothell, shall offer a bachelor of science in nursing program with capacity for up to fifty full-time students.

NEW SECTION. **Sec. 3.** (1) This act takes effect only after the higher education coordinating board determines whether a needs assessment and analysis is required and, if so, conducts a needs assessment and viability determination under RCW 28B.76.230 and recommends that the provisions in section 1 of this act occur.

(2) The higher education coordinating board shall notify the office of financial management, the legislature, and the code reviser's office of the board's recommendations regarding the provisions in section 1 of this act.

NEW SECTION. **Sec. 4.** RCW 28B.50.901 (Regional higher education consortium management and leadership--Everett Community College-- Educational plan) and 2005 c 258 s 13 are each repealed."

Correct the title.

Representative Springer moved the adoption of amendment (261) to amendment (240).

On page 1, line 26 of the striking amendment, after "(4)" insert "If the legislature approves the strategic plan in subsection (6), then:

(a)"

On page 1, line 30 of the striking amendment, after "university" strike "." and insert "; and

(b)"

On page 2, line 1 of the striking amendment, after "Sound" strike "is" and insert "shall be"

On page 2, line 6 of the striking amendment, after "(5)" insert "If the legislature approves the strategic plan in subsection (6), then:"

On page 2, line 31 of the striking amendment, after "University" strike all material through "program" on line 34 and insert "shall establish a successful engineering program at the University Center at Everett community college and may assume leadership of the University Center upon the completion of a strategic plan if approved by the legislature"

On page 3, line 6 of the striking amendment, after "must" strike "implement" and insert "develop"

On page 3, line 27 of the striking amendment, after "2013" insert "and delivered to the appropriate committees of the legislature"

On page 3, at the beginning of line 30 of the striking amendment, strike "must" and insert "may only"

On page 3, line 30 of the striking amendment, after "2014" insert "with the approval of the legislature"

On page 3, line 31 of the striking amendment, after "(7)" insert, "If the legislature approves the strategic plan in subsection (6), then:"

On page 4, line 7 of the striking amendment, after "(8)" insert "If the legislature approves the strategic plan in subsection (6), then:"

On page 4, line 24 of the striking amendment, after "(9)" insert "If the legislature approves the strategic plan in subsection (6),"

On page 4, line 32 of the striking amendment, after "(10)" insert "If the legislature approves the strategic plan in subsection (6),"

Representatives Springer and Anderson spoke in favor of the adoption of the amendment to the amendment.

Representatives Hunter, Dunshee, Haler and Hope spoke against the adoption of the amendment to the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 22 - YEAS; 75 - NAYS.

Amendment (261) was not adopted.

Representatives Dunshee and Haler spoke in favor of the adoption of amendment (240).

Amendment (240) was adopted.

The bill was ordered engrossed.

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

Representatives Sells, Haler, Roberts, Hope and Seaquist spoke in favor of the passage of the bill.

Representatives Anderson and Orcutt spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1792.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1792, and the bill passed the House by the following vote: Yeas, 74; Nays, 23; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Crouse, Dahlquist, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Kretz, Ladenburg, Lias, Maxwell, McCoy, Miloscia, Moeller, Nealey, Ormsby, Orwall, Parker, Pettigrew, Probst, Roberts, Rodne, Rolfes, Ross, Ryu, Schmick, Seaquist, Sells, Smith, Springer, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox and Mr. Speaker.

Voting nay: Representatives Anderson, Angel, Buys, Condotta, Dammeier, Klippert, Kristiansen, Lytton, McCune, Morris, Moscoso, Orcutt, Overstreet, Pearson, Pedersen, Reykdal, Rivers, Santos, Shea, Short, Stanford, Taylor and Zeiger.

Excused: Representative Alexander.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1792, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1702, by Representatives Lias, Rodne, Angel, Springer, Eddy, Smith, Anderson, Clibborn, Stanford and Takko

Establishing a process for the payment of impact fees through provisions stipulated in recorded covenants.

The bill was read the second time.

With the consent of the house, amendments (217), (349), (348), (352) and (254) were withdrawn.

Amendment (267) was ruled out of order.

Representative Lias moved the adoption of amendment (347).

On page 1, beginning on line 5, strike all of section 1 and insert the following:

"Sec. 1. RCW 82.02.050 and 1994 c 257 s 24 are each amended to read as follows:

(1) It is the intent of the legislature:

(a) To ensure that adequate facilities are available to serve new growth and development;

(b) To promote orderly growth and development by establishing standards by which counties, cities, and towns may require, by ordinance, that new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development; and

(c) To ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same impact.

(2) Counties, cities, and towns that are required or choose to plan under RCW 36.70A.040 are authorized to impose impact fees on development activity as part of the financing for public facilities, provided that the financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees.

(3)(a) Counties, cities, and towns collecting impact fees must adopt a permanent system for the collection of impact fees from applicants for residential building permits issued for a lot or unit created by a subdivision, short subdivision, site development permit, binding site plan, or condominium that includes one or more of the following:

(i)(A) A process by which an applicant for any development permit that requires payment of an impact fee may record a covenant against title to the lot or unit subject to the impact fee obligation. A covenant under this subsection (3)(a)(i) must also serve as a lien. The covenant must require payment equal to one hundred percent of the impact fee applicable to the lot or unit at the rates in effect at the time the building permit was issued, less a credit for any deposits paid.

(B) Covenants recorded in accordance with this subsection (3)(a)(i) must provide for payment of the impact fee through escrow at the earlier of the following: The time of closing of sale of the applicable lot or unit; or in accordance with the applicable county, city, or town ordinance, eighteen or more months after the building permit is issued. Payment of impact fees due at closing of a sale must, unless an agreement to the contrary is reached between buyer and seller, be made from the seller's proceeds. In the absence of an agreement to the contrary, the seller bears strict liability for the payment of the impact fees.

(C) Either a seller or a seller's agent, or both, of property subject to a deferral covenant authorized under this subsection (3)(a)(i) must provide written disclosure of the covenant to a purchaser or prospective purchaser. Disclosure of the covenant must include the amount of impact fees payable and the entities to which fees are to be paid at closing.

(D) Upon receiving payment of impact fees due, the applicable county, city, or town must remove the covenant recorded in accordance with this subsection (3)(a)(i); or

(ii) A process by which an applicant may apply for a deferral of the impact fee payment until final inspection or certificate of occupancy, or equivalent certification.

(b) Counties, cities, and towns may adopt local systems for the collection of impact fees that differ from the requirements of this subsection (3) if the payment timing provisions are consistent with those of this subsection.

(4) The impact fees:

(a) Shall only be imposed for system improvements that are reasonably related to the new development;

(b) Shall not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and

(c) Shall be used for system improvements that will reasonably benefit the new development.

~~((4))~~ (5)(a) Impact fees may be collected and spent only for the public facilities defined in RCW 82.02.090 which are addressed by a capital facilities plan element of a comprehensive land use plan

adopted pursuant to the provisions of RCW 36.70A.070 or the provisions for comprehensive plan adoption contained in chapter 36.70, 35.63, or 35A.63 RCW. After the date a county, city, or town is required to adopt its development regulations under chapter 36.70A RCW, continued authorization to collect and expend impact fees (~~(shall be)~~) is contingent on the county, city, or town adopting or revising a comprehensive plan in compliance with RCW 36.70A.070, and on the capital facilities plan identifying:

~~((a))~~ (i) Deficiencies in public facilities serving existing development and the means by which existing deficiencies will be eliminated within a reasonable period of time;

~~((b))~~ (ii) Additional demands placed on existing public facilities by new development; and

~~((c))~~ (iii) Additional public facility improvements required to serve new development.

(b) If the capital facilities plan of the county, city, or town is complete other than for the inclusion of those elements which are the responsibility of a special district, the county, city, or town may impose impact fees to address those public facility needs for which the county, city, or town is responsible.

On page 11, after line 17, insert the following:

"NEW SECTION. Sec. 3. This act expires July 1, 2016."

Correct the title.

Representatives Liias and Angel spoke in favor of the adoption of the amendment.

Representative Jacks spoke against the adoption of the amendment.

Amendment (347) was adopted.

The bill was ordered engrossed.

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

Representatives Liias and Angel spoke in favor of the passage of the bill.

Representative Jacks spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1702.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1702, and the bill passed the House by the following vote: Yeas, 83; Nays, 14; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Eddy, Fagan, Finn, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hudgins, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCune, Miloscia, Morris, Nealey, Orcutt, Ormsby, Overstreet, Parker, Pedersen, Pettigrew, Probst, Rivers, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Zeiger and Mr. Speaker.

Voting nay: Representatives Appleton, Dunshee, Fitzgibbon, Hope, Hunt, Jacks, McCoy, Moeller, Moscoso, Orwall, Pearson, Reykdal, Roberts and Wilcox.

Excused: Representative Alexander.

ENGROSSED HOUSE BILL NO. 1702, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1094, by Representatives Kretz, Blake, Taylor, Shea, Short, Haler and McCune

Providing a process for county legislative authorities to withdraw from voluntary planning under the growth management act.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1094 was substituted for House Bill No. 1094 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1094 was read the second time.

With the consent of the house, amendments (303), (302), (325), (340), (341) and (218) were withdrawn.

Representative Takko moved the adoption of amendment (338).

On page 2, line 24, after "Until" strike "July 1" and insert "December 31"

Representatives Takko and Kretz spoke in favor of the adoption of the amendment.

Amendment (338) was adopted.

The bill was ordered engrossed.

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

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1094.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1094, and the bill passed the House by the following vote: Yeas, 69 Nays, 28 Absent, 0 Excused, 1.

Voting yea: Representatives Ahern, Anderson, Angel, Armstrong, Asay, Bailey, Blake, Buys, Chandler, Clibborn, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Dickerson, Eddy, Fagan, Haigh, Haler, Hargrove, Harris, Hinkle, Hope, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, McCune, Miloscia, Moeller, Morris, Nealey, Orcutt, Orwall, Overstreet, Parker, Pearson, Pettigrew, Probst, Rivers, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor,

Tharinger, Van De Wege, Walsh, Warnick, Wilcox, Zeiger, and Mr. Speaker

Voting nay: Representatives Appleton, Billig, Carlyle, Cody, Darneille, Dunshee, Finn, Fitzgibbon, Frockt, Goodman, Green, Hasegawa, Hudgins, Hunt, Jenkins, Kenney, Lias, Lytton, Maxwell, McCoy, Moscoso, Ormsby, Pedersen, Reykdal, Roberts, Ryu, Sells, and Upthegrove

Excused: Representative Alexander

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1094, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote NAY on Engrossed Substitute House Bill No. 1094.

Representative Stanford, 1st District

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

There being no objection, the Committee on Labor & Workforce Development was relieved of SENATE BILL NO. 5801, and the bill was placed on the second reading calendar.

There being no objection, the Committee on Rules was relieved of HOUSE BILL NO. 1053, and HOUSE BILL NO. 1055, the bills were 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., March 5, 2011, the 55th Day of the Regular Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

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