

SIXTY FIFTH LEGISLATURE - REGULAR SESSION

FIFTY SEVENTH DAY

House Chamber, Olympia, Monday, March 6, 2017

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

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Benjamin Johnson and Annalisa Mueller-Eberstein. The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Pastor Gryphon Shafer, Port Orchard Church of God, Washington.

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

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

MESSAGES FROM THE SENATE

March 2, 2017

MR. SPEAKER:

The Senate has passed:

ENGROSSED SENATE BILL NO. 5214,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5702,

and the same are herewith transmitted.

Hunter G. Goodman, Secretary

March 3, 2017

MR. SPEAKER:

The Senate has passed:

SENATE BILL NO. 5036,
SENATE BILL NO. 5189,
SUBSTITUTE SENATE BILL NO. 5343,
SUBSTITUTE SENATE BILL NO. 5346,
SUBSTITUTE SENATE BILL NO. 5618,
SENATE BILL NO. 5674,
SENATE BILL NO. 5736,
ENGROSSED SENATE BILL NO. 5834,
SUBSTITUTE SENATE BILL NO. 5844,

and the same are herewith transmitted.

Hunter G. Goodman, Secretary

March 3, 2017

MR. SPEAKER:

The Senate has passed:

ENGROSSED SENATE BILL NO. 5097,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5431,
ENGROSSED SENATE BILL NO. 5652,
ENGROSSED SENATE BILL NO. 5720,
ENGROSSED SENATE BILL NO. 5761,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5777,

and the same are herewith transmitted.

Hunter G. Goodman, Secretary

March 3, 2017

MR. SPEAKER:

The Senate has passed:

SENATE BILL NO. 5087,
SUBSTITUTE SENATE BILL NO. 5235,
SECOND SUBSTITUTE SENATE BILL NO. 5258,
SUBSTITUTE SENATE BILL NO. 5286,
SENATE BILL NO. 5525,
SECOND SUBSTITUTE SENATE BILL NO. 5577,
SENATE BILL NO. 5581,
SENATE BILL NO. 5826,

and the same are herewith transmitted.

Hunter G. Goodman, Secretary

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

INTRODUCTION & FIRST READING

HB 2137 by Representatives Kraft, Griffey, Klippert, Smith, Rodne and Haler

AN ACT Relating to veterans' scoring criteria; and amending RCW 41.04.010.

Referred to Committee on State Government, Elections & Information Technology.

HB 2138 by Representatives Kraft, Kirby, Lovick, Klippert, Smith, Haler and McDonald

AN ACT Relating to tax relief for the construction of adapted housing for disabled veterans; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; and creating new sections.

Referred to Committee on Finance.

SB 5013 by Senators Warnick and Hobbs

AN ACT Relating to the disposition of tenant property placed upon the nearest public property; and amending RCW 59.18.312.

Referred to Committee on Judiciary.

SSB 5064 by Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Fain, Rolfes, Rivers, Pedersen, Ranker, Mullet, Billig, Becker, Braun, King, Darneille, Chase, Carlyle and Palumbo)

AN ACT Relating to the freedom of expression rights of students at public schools and institutions of higher education; adding a new section to chapter 28A.600 RCW; adding a new section to chapter 28B.10 RCW; and prescribing penalties.

Referred to Committee on Education.

SB 5087 by Senators Honeyford and Frockt

AN ACT Relating to the evaluation and prioritization of capital budget projects at the public two-year and four-year institutions of higher education; and amending RCW 43.88D.010 and 28B.77.070.

Referred to Committee on Capital Budget.

SB 5126 by Senators Hunt, Palumbo, Miloscia, Kuderer and Billig

AN ACT Relating to uniform ballot design; amending RCW 29A.36.111; and adding a new section to chapter 29A.36 RCW.

Referred to Committee on State Government, Elections & Information Technology.

ESSB 5198 by Senate Committee on Ways & Means (originally sponsored by Senators Becker, Warnick, Fain, Bailey and Brown)

AN ACT Relating to fire suppression methodologies; and creating a new section.

Referred to Committee on Agriculture & Natural Resources.

ESB 5214 by Senators Wilson, Zeiger and Schoesler

AN ACT Relating to adding responsibilities to the duties of the joint administrative rules review committee; amending RCW 34.05.630 and 34.05.655; and adding a new section to chapter 34.05 RCW.

Referred to Committee on State Government, Elections & Information Technology.

SSB 5223 by Senate Committee on State Government (originally sponsored by Senators Miloscia, O'Ban and Becker)

AN ACT Relating to safe injection sites in Washington state; amending RCW 70.05.010, 70.05.060, 70.05.070, and 70.05.130; adding new sections to chapter 70.05 RCW; and providing for submission of this act to a vote of the people.

Referred to Committee on Health Care & Wellness.

SSB 5235 by Senate Committee on Local Government (originally sponsored by Senator Takko)

AN ACT Relating to withdrawing territory from a cemetery district; and adding a new section to chapter 68.54 RCW.

Referred to Committee on Local Government.

2SSB 5258 by Senate Committee on Ways & Means (originally sponsored by Senators Zeiger, Fain, Mullet, Rolfes, Chase, Kuderer and Hunt)

AN ACT Relating to creating the Washington academic, innovation, and mentoring program; adding a new section to chapter 28A.300 RCW; and creating a new section.

Referred to Committee on Education.

SSB 5286 by Senate Committee on Financial Institutions & Insurance (originally sponsored by Senators Angel, Hobbs, Fain and Takko)

AN ACT Relating to prohibiting regulation of the amount of rent for commercial properties; adding a new section to chapter 35.21 RCW; adding a new section to chapter 35A.21 RCW; and adding a new section to chapter 36.01 RCW.

Referred to Committee on Local Government.

SB 5413 by Senators Cleveland, Bailey and Kuderer

AN ACT Relating to physician limited licenses; and amending RCW 18.71.095.

Referred to Committee on Health Care & Wellness.

SSB 5438 by Senate Committee on Energy, Environment & Telecommunications (originally sponsored by Senators Braun, Angel, Bailey, Rivers, Becker, O'Ban, Schoesler, Brown, Warnick, King, Honeyford, Fortunato, Baumgartner, Rossi, Sheldon, Wilson and Takko)

AN ACT Relating to promoting the completion of environmental impact statements within two years;

adding a new section to chapter 43.21C RCW; and creating a new section.

Referred to Committee on Environment.

ESSB 5449 by Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Liias, Zeiger, Billig, Hunt and Frockt)

AN ACT Relating to digital citizenship, media literacy, and internet safety in schools; amending RCW 28A.650.010 and 28A.650.045; adding a new section to chapter 28A.650 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Education.

SSB 5500 by Senate Committee on Local Government (originally sponsored by Senators Honeyford, Zeiger, Schoesler, Wilson, Angel and Hobbs)

AN ACT Relating to addressing the accountability, function, and efficiency of the state building code council; and amending RCW 19.27.074, 19.27.095, 19.27A.025, 19.27A.045, and 19.27.070.

Referred to Committee on Local Government.

SB 5525 by Senators Wilson, Palumbo, Cleveland, Baumgartner, Zeiger, O'Ban, Liias, Frockt, Schoesler, Hobbs, Kuderer, Conway and Bailey

AN ACT Relating to veterans' mental health services at institutions of higher education; and adding a new section to chapter 28B.10 RCW.

Referred to Committee on Appropriations.

2SSB 5577 by Senate Committee on Ways & Means (originally sponsored by Senators Conway and Keiser)

AN ACT Relating to the rights and obligations associated with incapacitated persons and other vulnerable adults; amending RCW 74.34.020 and 11.92.043; adding a new section to chapter 11.92 RCW; and adding a new section to chapter 2.72 RCW.

Referred to Committee on Judiciary.

SB 5581 by Senators Angel and Mullet

AN ACT Relating to authorizing public hospital districts to participate in self-insurance risk pools with nonprofit hospitals; adding a new chapter to Title 48 RCW; and prescribing penalties.

Referred to Committee on Business & Financial Services.

ESSB 5628 by Senate Committee on Local Government (originally sponsored by Senators Takko, Fortunato and Sheldon)

AN ACT Relating to fire protection district formation by the legislative authority of a city or town subject to voter approval; amending RCW 84.55.092, 29A.36.071, 52.14.010, and 52.14.020; adding new sections to chapter 52.02 RCW; and adding a new section to chapter 52.14 RCW.

Referred to Committee on Local Government.

SB 5639 by Senators Conway and Zeiger

AN ACT Relating to alternative student assessments; amending RCW 28A.655.061; and adding a new section to chapter 28A.655 RCW.

Referred to Committee on Education.

ESSB 5702 by Senate Committee on Ways & Means (originally sponsored by Senators Keiser, Honeyford, Frockt and Pedersen)

AN ACT Relating to improving state funding for school construction, modernization, and asset preservation; amending RCW 28A.525.025, 28A.525.020, 28A.525.090, 28A.525.058, and 28A.525.310; adding a new chapter to Title 28A RCW; creating new sections; recodifying RCW 28A.525.020, 28A.525.025, 28A.525.058, 28A.525.070, 28A.525.080, 28A.525.090, and 28A.525.310; repealing RCW 28A.525.010, 28A.525.030, 28A.525.040, 28A.525.050, 28A.525.055, 28A.525.060, 28A.525.095, 28A.525.161, 28A.525.162, 28A.525.164, 28A.525.166, 28A.525.168, 28A.525.170, 28A.525.172, 28A.525.174, 28A.525.176, 28A.525.178, 28A.525.180, 28A.525.190, and 28A.525.200; providing effective dates; providing expiration dates; and declaring an emergency.

Referred to Committee on Capital Budget.

SB 5826 by Senators Hobbs, Zeiger, O'Ban, Conway, Fain, Keiser, Hunt and Saldaña

AN ACT Relating to eligibility for veteran or national guard tuition waivers; and amending RCW 28B.15.621.

Referred to Committee on Higher Education.

SJM 8009 by Senator Chase

Requesting Congress to provide the National Oceanic and Atmospheric Administration Fisheries with sufficient resources to expedite its endangered species act and national environmental policy act review of Puget Sound hatchery and genetic management plans and that the National Oceanic and Atmospheric Administration Fisheries prioritize and conduct

immediate review and approval of Puget Sound hatchery and genetic management plans.

Referred to Committee on Agriculture & Natural Resources.

There being no objection, the bills and joint 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. 1421, by Representatives Smith, Hudgins and Stanford

Concerning the removal of payment credentials and other sensitive data from state data networks.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1421 was substituted for House Bill No. 1421 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1421 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 Smith and Hudgins spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1421.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1421, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan,

Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

SUBSTITUTE HOUSE BILL NO. 1421, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1787, by Representatives Hudgins, Koster, Appleton, Doglio, Kraft and Ormsby

Providing oversight of the state procurement and contracting for information technology goods and services.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1787 was substituted for House Bill No. 1787 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1787 was read the second time.

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

Representatives Hudgins and Koster spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1787.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1787, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

SUBSTITUTE HOUSE BILL NO. 1787, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1929, by Representatives Hudgins, Harmsworth and Tarleton

Concerning independent security testing of state agencies' information technology systems and infrastructure by the military department.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1929 was substituted for House Bill No. 1929 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1929 was read the second time.

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

Representatives Hudgins, Koster and Klippert spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1929.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1929, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

SECOND SUBSTITUTE HOUSE BILL NO. 1929, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1814, by Representatives Goodman and Ortiz-Self

Concerning notification requirements for the department of social and health services.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1814 was substituted for House Bill No. 1814 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1814 was read the second time.

Representative Goodman moved the adoption of amendment (252):

On page 1, beginning on line 15, after "to the" strike all material through "site" on line 17 and insert "tribal agent designated by the Indian child's tribe or tribes for receipt of Indian child welfare act notice, as published by the bureau of Indian affairs in the federal register"

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

Amendment (252) 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 Goodman spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1814.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1814, and the bill passed the House by the following vote: Yeas, 97; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker. par Voting nay: Representative Chandler.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1814, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1566, by Representatives Pellicciotti, McDonald, Stambaugh, Gregerson, Ortiz-Self, Peterson, Riccelli, Stanford, Stonier, Kilduff, Holy, Ormsby, Haler, Bergquist and Dolan

Concerning the definition of work activity for the purposes of the WorkFirst program.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1566 was substituted for House Bill No. 1566 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1566 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 Pellicciotti, Dent and Kagi spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1566.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1566, and the bill passed the House by the following vote: Yeas, 73; Nays, 25; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Caldier, Chapman, Clibborn, Cody, Dent, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Hansen, Hargrove, Harmsworth, Hudgins, Irwin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Kraft, Lovick, Lytton, MacEwen, Macri, Manweller, McBride, McDonald, Morris, Muri, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, J. Walsh, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Buys, Chandler, Condotta, DeBolt, Dye, Haler, Harris, Hayes, Holy, Jenkin, Koster, Kretz, Kristiansen, Maycumber, McCabe, McCaslin, Nealey, Pike, Schmick, Shea, Stokesbary, Taylor, Vick, Volz and Wilcox.

SUBSTITUTE HOUSE BILL NO. 1566, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2010, by Representatives Maycumber, Dent, Blake, Kretz, Dye and Manweller

Addressing homelessness in wildfire areas.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2010 was substituted for House Bill No. 2010 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2010 was read the second time.

With the consent of the House, amendment (093) was withdrawn.

Representative Maycumber moved the adoption of amendment (194):

On page 1, beginning on line 8, after "including" strike all material through "increased" on line 10 and insert "reductions in tardiness, absenteeism, suspensions, and reported illnesses and visits to nurses' offices. The legislature further finds that thoughtful and evidence-based school food programs are also associated with improved student results on standardized tests and improved"

On page 1, line 19, after "better" strike "understanding" and insert "understand"

On page 2, line 11, after "remains;" strike "and"

On page 2, line 15, after "projects" insert "; and (d) Conduct an analysis of breakfast after the bell programs established in accordance with section 3 of this act"

On page 11, after line 27, insert the following:

"NEW SECTION. Sec. 12. A new section is added to chapter 28A.235 RCW to read as follows:

(1) The joint legislative audit and review committee shall conduct an analysis of breakfast after the bell programs established in schools in accordance with section 3 of this act. The analysis of the schools establishing breakfast after the bell programs shall include a review of any changes in student:

- (a) Tardiness and absenteeism;
- (b) Suspensions;
- (c) Reported illnesses and visits to nurses' offices;

(d) Results on standardized tests; and
(e) Graduation rates.

(2) The analysis shall also include a review of the outcomes of similar programs or efforts in other states.

(3) The office of the superintendent of public instruction and the education and research data center of the office of financial management shall assist in providing any data required to conduct the analysis. The analysis, including any findings and recommendations, must be completed and submitted to the superintendent of public instruction and, in accordance with RCW 43.01.036, the education committees of the house of representatives and the senate by December 1, 2025.

NEW SECTION. Sec. 13. Sections 3, 4, and 7 of this act expire June 30, 2027."

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

Correct the title.

Representatives Maycumber and Ryu spoke in favor of the adoption of the amendment.

Amendment (194) 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 Maycumber, Ryu and Senn spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2010.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2010, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet,

Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2010, having received the necessary constitutional majority, was declared passed.

POINT OF PERSONAL PRIVILEGE

Representative Taylor congratulated Representative Maycumber on the passage of her first bill through the House, and asked the Chamber to acknowledge her accomplishment.

HOUSE BILL NO. 1196, by Representatives Goodman, Rodne, Jinkins, Kilduff, McBride and Barkis

Modifying the process for prevailing parties to recover judgments in small claims court.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1196 was substituted for House Bill No. 1196 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1196 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 Goodman and Rodne spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1196.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1196, and the bill passed the House by the following vote: Yeas, 96; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford,

Steele, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Chandler and Taylor.

SUBSTITUTE HOUSE BILL NO. 1196, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1170, by Representatives Orwall, Goodman, Kilduff, Rodne, Muri, Jinkins, Fey, Pollet and Santos

Maintaining and facilitating court-based and school-based efforts to promote attendance and reduce truancy.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1170 was substituted for House Bill No. 1170 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1170 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 Orwall, Barkis, Kilduff and Rodne spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1170.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1170, and the bill passed the House by the following vote: Yeas, 95; Nays, 3; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

Voting nay: Representatives McCaslin, Shea and Taylor.

SECOND SUBSTITUTE HOUSE BILL NO. 1170, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1046, by Representative MacEwen

Concerning certificates of academic and individual achievement.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1046 was substituted for House Bill No. 1046 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1046 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 MacEwen, Santos, Stonier, Harris and Dye spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1046.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1046, and the bill passed the House by the following vote: Yeas, 92; Nays, 6; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Griffey, Haler, Hansen, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Graves, Hargrove, Orcutt, Rodne, Stokesbary and Wilcox.

SUBSTITUTE HOUSE BILL NO. 1046, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1512, by Representatives Bergquist, Stambaugh, McBride, Gregerson, Slatter, Frame, Macri, Peterson, Hudgins, Pollet, Orwall, Doglio, Appleton, Fitzgibbon, Goodman, Farrell and Stanford

Expanding college bound scholarship eligibility.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1512 was substituted for House Bill No. 1512 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1512 was read the second time.

Representative Bergquist moved the adoption of amendment (095):

On page 3, line 10, after "exceed" strike "((sixty-five)) seventy" and insert "sixty-five"

On page 4, line 31, after "exceed" strike "((sixty-five)) seventy" and insert "sixty-five"

On page 4, line 33, after "for" strike "((sixty-five)) seventy" and insert "sixty-five"

On page 6, after line 8, insert the following: "Sec. 1. RCW 28B.92.060 and 2012 c 229 s 558 are each amended to read as follows:

In awarding need grants, the office shall proceed substantially as follows: PROVIDED, That nothing contained herein shall be construed to prevent the office, in the exercise of its sound discretion, from following another procedure when the best interest of the program so dictates:

(1) The office shall annually select the financial aid award recipients from among Washington residents applying for student financial aid who have been ranked according to:

(a) Financial need as determined by the amount of the family contribution; ((and))

(b) College bound scholarship eligibility, in which students who are eligible for the college bound scholarship and whose family incomes are in the zero to seventy percent median family income range shall be prioritized and awarded the maximum state need grant for which they are eligible under state policies and may not be denied maximum state need grant funding due to institutional policies or delayed awarding of college bound scholarship students; and

(c) Other considerations, such as whether the student is a former foster

youth, or is a placebound student who has completed an associate of arts or associate of science degree or its equivalent.

(2) The financial need of the highest ranked students shall be met by grants depending upon the evaluation of financial need until the total allocation has been disbursed. Funds from grants which are declined, forfeited or otherwise unused shall be reawarded until disbursed, except that eligible former foster youth shall be assured receipt of a grant. The office, in consultation with four-year institutions of higher education, the council, and the state board for community and technical colleges, shall develop award criteria and methods of disbursement based on level of need, and not solely rely on a first-come, first-served basis.

(3) A student shall be eligible to receive a state need grant for up to five years, or the credit or clock hour equivalent of five years, or up to one hundred twenty-five percent of the published length of time of the student's program. A student may not start a new associate degree program as a state need grant recipient until at least five years have elapsed since earning an associate degree as a need grant recipient, except that a student may earn two associate degrees concurrently. Qualifications for renewal will include maintaining satisfactory academic progress toward completion of an eligible program as determined by the office. Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution according to the institution's own policy for issuing refunds, except as provided in RCW 28B.92.070.

(4) In computing financial need, the office shall determine a maximum student expense budget allowance, not to exceed an amount equal to the total maximum student expense budget at the public institutions plus the current average state appropriation per student for operating expense in the public institutions. Any child support payments received by students who are parents attending less than half-time shall not be used in computing financial need.

(5)(a) A student who is enrolled in three to six credit-bearing quarter credits, or the equivalent semester credits, may receive a grant for up to one academic year before beginning a

program that leads to a degree or certificate.

(b) An eligible student enrolled on a less-than-full-time basis shall receive a prorated portion of his or her state need grant for any academic period in which he or she is enrolled on a less-than-full-time basis, as long as funds are available.

(c) An institution of higher education may award a state need grant to an eligible student enrolled in three to six credit-bearing quarter credits, or the semester equivalent, on a provisional basis if:

(i) The student has not previously received a state need grant from that institution;

(ii) The student completes the required free application for federal student aid;

(iii) The institution has reviewed the student's financial condition, and the financial condition of the student's family if the student is a dependent student, and has determined that the student is likely eligible for a state need grant; and

(iv) The student has signed a document attesting to the fact that the financial information provided on the free application for federal student aid and any additional financial information provided directly to the institution is accurate and complete, and that the student agrees to repay the institution for the grant amount if the student submitted false or incomplete information.

(6) As used in this section, "former foster youth" means a person who is at least eighteen years of age, but not more than twenty-four years of age, who was a dependent of the department of social and health services at the time he or she attained the age of eighteen."

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

Correct the title.

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

Representative Holy spoke against the adoption of the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Lovick presiding) divided the House. The result was 50 - YEAS; 48 - NAYS.

Amendment (095) 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 Bergquist spoke in favor of the passage of the bill.

Representative Holy spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1512.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1512, and the bill passed the House by the following vote: Yeas, 54; Nays, 44; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Hansen, Hudgins, Jinkins, Kagi, Kilduff, Kirby, Kloba, Lovick, Lytton, Macri, McBride, McDonald, Morris, Muri, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Springer, Stambaugh, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Wylie and Mr. Speaker. \par Voting nay: Representatives Barkis, Buys, Caldier, Chandler, Condotta, DeBolt, Dent, Dye, Griffey, Haler, Hargrove, Harmsworth, Harris, Hayes, Holy, Irwin, Jenkin, Johnson, Klippert, Koster, Kraft, Kretz, Kristiansen, MacEwen, Manweller, Maycumber, McCabe, McCaslin, Nealey, Orcutt, Pike, Rodne, Schmick, Shea, Smith, Steele, Stokesbary, Taylor, Van Werven, Vick, Volz, J. Walsh, Wilcox and Young.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1512, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1561, by Representatives Frame, Pollet, Doglio, Kloba, Bergquist, Kilduff, Stanford, Dolan, Peterson, Stonier, Senn, Slatter, Fey, Lovick, Macri, Tarleton, Tharinger, Sawyer, Goodman and Farrell

Concerning open educational resources.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1561 was substituted for House Bill No. 1561 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1561 was read the second time.

Representative Vick moved the adoption of amendment (253):

On page 2, line 6, after "adopt" strike "or create" and insert "and modify, or create new,"

On page 2, line 7, after "attendance." insert "Grant dollars may not be used to duplicate open educational resources that are already free and publicly available."

Representatives Vick and Hansen spoke in favor of the adoption of the amendment.

Amendment (253) was adopted.

Representative Stambaugh moved the adoption of the striking amendment (257):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that the cost of textbooks is a barrier to higher education for many students. The state board for community and technical colleges through the open course library, and universities around the country through various open educational resources programs, have achieved significant cost savings for students. It is the intent of the legislature to create a pilot grant program to reduce costs for college students by supporting the public, four-year institutions of higher education in promoting, adapting, and creating open educational resources.

NEW SECTION. Sec. 2. (1) Beginning in the 2017-18 academic year, the Washington open educational resources pilot grant program is established within the student achievement council to create a competitive grant program for the public four-year institutions of higher education to promote, adapt, and create open educational resources and reduce students' costs of attendance.

(2) Subject to funds appropriated specifically for this purpose, the student achievement council shall award up to six grants, each up to one hundred thousand dollars, for the purpose of promoting the development, adaptation, and use of open educational resources. The student achievement council shall

develop a process for reviewing and selecting grant applications.

(3) The student achievement council shall report to the appropriate committees of the legislature by November 1, 2019, on:

(a) Which public four-year institutions of higher education received the grants;

(b) How the grant money was used to promote and expand the use of open educational resources; and

(c) An estimated cost savings to students as a result of the grants.

(4) This section expires June 30, 2020.

NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void."

Correct the title.

Representative Stambaugh spoke in favor of the adoption of the striking amendment.

Representative Hansen spoke against the adoption of the striking amendment.

Amendment (257) 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.

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

Representative Holy spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1561.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1561, and the bill passed the House by the following vote: Yeas, 64; Nays, 34; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Caldier, Chandler, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Hansen, Hayes, Hudgins, Jinkins, Kagi, Kilduff, Kirby, Kloba, Lovick, Lytton, Macri, McBride,

McDonald, Morris, Muri, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stonier, Sullivan, Tarleton, Tharinger, Vick, J. Walsh, Wylie, Young and Mr. Speaker. par Voting nay: Representatives Barkis, Buys, Condotta, DeBolt, Dent, Dye, Griffey, Haler, Hargrove, Harmsworth, Harris, Holy, Irwin, Jenkin, Johnson, Klippert, Koster, Kraft, Kretz, Kristiansen, MacEwen, Manweller, Maycumber, McCabe, McCaslin, Nealey, Orcutt, Schmick, Shea, Stokesbary, Taylor, Van Werven, Volz and Wilcox.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1561, having received the necessary constitutional majority, was declared passed.

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

THIRD READING

SECOND SUBSTITUTE HOUSE BILL NO. 1439, by House Committee on Appropriations (originally sponsored by Representatives Pollet, Haler, Tarleton, Fey, Sells, Orwall, Ryu, Stanford and Dolan)

Regulating the institutions of higher education, including for-profit institutions and private vocational schools, to protect students from unfair business practices.

There being no objection, the rules were suspended, and SECOND SUBSTITUTE HOUSE BILL NO. 1439 was returned to second reading for the purpose of amendment.

SECOND READING

Representative Pollet moved the adoption of the striking amendment (237):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) In 2016, the student achievement council contracted with the William D. Ruckelshaus center to conduct a two-part study analyzing the system of for-profit degree-granting institutions and private vocational schools in Washington. The Ruckelshaus center issued its first report in December 2016, and this act incorporates some of the findings and recommendations from the first phase of the report, including the benefits of ensuring that recruitment advertising and materials are consistent with state and federal verified data. This act also authorizes the second part of the study, as recommended by the center, including discussions of agency jurisdiction and consistency.

(2) The legislature finds that there are many private for-profit and nonprofit career colleges and degree-granting institutions providing Washington state residents with important postsecondary and career opportunities that contribute to the economic security of Washington residents and aid in meeting the needs of our state's growing economy. The legislature also recognizes that there have been high profile closures of, or federal and other state determinations regarding, some for-profit or formerly for-profit institutions that have damaged the reputation of the sector and impacted the expectations and financial stability of some students. It is the legislature's intent to provide a framework to ensure a level playing field exists for the many institutions that provide disclosures to prospective students based on verifiable metrics, which allow prospective students to be able to make the best decisions on school and career choices and on financial aid and loans to finance their educational goals. The legislature also intends to ensure that students are provided the information they need to make the best decisions for their educational future and careers in event of closure or potential closure of an institution. In addition, the legislature intends to protect the state's interest in the integrity of its grant and aid programs, from private decisions to close schools or programs under circumstances that may prevent students from obtaining the degree or certificate and career services that the students expected upon enrollment.

NEW SECTION. Sec. 2. (1) Subject to the availability of amounts appropriated for this specific purpose, the student achievement council must continue administering the two-part study of for-profit degree-granting institutions and private vocational schools that was authorized under section 609, chapter 36, Laws of 2016 sp. sess..

(2) As part of the second part of the process, the study must contain findings and recommendations regarding the creation of an ombuds to serve students of degree-granting institutions and private vocational schools, including a recommendation on which state agency should house the position, and if there are other ombuds positions created by the legislature that can serve these students.

(3) The student achievement council and the workforce training and education

coordinating board must provide a report on the study to the legislature by December 31, 2017.

NEW SECTION. Sec. 3. A new section is added to chapter 28B.85 RCW to read as follows:

(1) The council may deny, revoke, or suspend the authorization of any degree-granting institution authorized to operate under this chapter that is found to be in violation of this chapter.

(2) It is a violation of this chapter for a degree-granting institution authorized to operate under this chapter or an agent employed by such a degree-granting institution to provide prospective students with any testimonial, endorsement, or other information that a reasonable person would find was likely to mislead or deceive prospective students or the public regarding current practices of the school, current conditions for employment opportunities, postgraduation employment by industry, or probable earnings in the occupation for which the education was designed, the likelihood of obtaining financial aid or low-interest loans for tuition, or the ability of graduates to repay loans.

NEW SECTION. Sec. 4. A new section is added to chapter 28B.85 RCW to read as follows:

If a degree-granting institution authorized to operate under this chapter presents data about its completion rates, employment rates, loan or indebtedness metrics, or its graduates' median hourly and annual earnings, the posted data must be consistent with the data posted on the workforce training and education coordinating board's career bridge web site or the data posted by the United States department of education, if the board or the department of education has posted such data.

Sec. 5. RCW 28C.10.050 and 2014 c 11 s 2 are each amended to read as follows:

(1) The agency shall adopt by rule minimum standards for entities operating private vocational schools. The minimum standards shall include, but not be limited to, requirements to assess whether a private vocational school is eligible to obtain and maintain a license in this state.

(2) The requirements adopted by the agency shall, at a minimum, require a private vocational school to:

(a) Disclose to the agency information about its ownership and financial position and ((to)) demonstrate to the agency that the school is financially

viable and responsible and that it has sufficient financial resources to fulfill its commitments to students. Financial disclosures provided to the agency shall not be subject to public disclosure under chapter 42.56 RCW;

(b) Follow a uniform statewide cancellation and refund policy as specified by the agency;

(c) Disclose through use of a school catalog, web site, brochure, or other written material, necessary information to students so that students may make informed enrollment decisions. The agency shall specify what data and information ((is)) are required. To the extent that these web sites or materials present any data on the completion rates, employment rates, loan or indebtedness metrics, and its graduates' median hourly and annual earnings for any of the private vocational schools or its programs, the posted data must be consistent with the data posted on the agency's career bridge web site or the data posted by the United States department of education, if the agency or the department of education has posted such data. Nothing in this subsection requires the agency to make changes to the career bridge web site or add new elements or features to the career bridge web site;

(d) Use an enrollment contract or agreement that includes: (i) The school's cancellation and refund policy, (ii) a brief statement that the school is licensed under this chapter and that inquiries, concerns, or complaints may be made to the agency, and (iii) other necessary information as determined by the agency;

(e) Describe accurately and completely in writing to students before their enrollment prerequisites and requirements for (i) completing successfully the programs of study in which they are interested and (ii) qualifying for the fields of employment for which their education is designed;

(f) Comply with the requirements of RCW 28C.10.084;

(g) Assess the basic skills and relevant aptitudes of each potential student to determine that a potential student has the basic skills and relevant aptitudes necessary to complete and benefit from the program in which the student plans to enroll, including but not limited to administering a United States department of education-approved English as a second language exam before enrolling students for whom English is a

second language unless the students provide proof of graduation from a United States high school or proof of completion of a high school equivalency certificate as provided in RCW 28B.50.536 in English or results of another academic assessment determined appropriate by the agency. Guidelines for such assessments shall be developed by the agency, in consultation with the schools;

(h) Discuss with each potential student the potential student's obligations in signing any enrollment contract and/or incurring any debt for educational purposes. The discussion shall include the inadvisability of acquiring an excessive educational debt burden that will be difficult to repay given employment opportunities and average starting salaries in the potential student's chosen occupation;

(i) Ensure that any enrollment contract between the private vocational school and its students has an attachment in a format provided by the agency. The attachment shall be signed by both the school and the student. The attachment shall stipulate that the school has complied with (h) of this subsection and that the student understands and accepts his or her responsibilities in signing any enrollment contract or debt application. The attachment shall also stipulate that the enrollment contract shall not be binding for at least five days, excluding Sundays and holidays, following signature of the enrollment contract by both parties; and

(j) Comply with the requirements related to qualifications of administrators and instructors.

(3) The agency may deny a private vocational school's application for licensure if the school fails to meet the requirements in this section.

(4) The agency may determine that a licensed private vocational school or a particular program of a private vocational school is at risk of closure or termination if:

(a) There is a pattern or history of substantiated student complaints filed with the agency pursuant to RCW 28C.10.120; or

(b) The private vocational school fails to meet minimum licensing requirements and has a pattern or history of failing to meet the minimum requirements.

(5) If the agency determines that a private vocational school or a particular program is at risk of closure or

termination, the agency shall require the school to take corrective action.

Sec. 6. RCW 28C.10.110 and 2014 c 11 s 6 are each amended to read as follows:

(1) It is a violation of this chapter for an entity operating a private vocational school to engage in an unfair business practice. The agency may deny, revoke, or suspend the license of any entity that is found to have engaged in a substantial number of unfair business practices or that has engaged in significant unfair business practices.

(2) It is an unfair business practice for an entity operating a private vocational school or an agent employed by a private vocational school to:

(a) Fail to comply with the terms of a student enrollment contract or agreement;

(b) Use an enrollment contract form, catalog, brochure, or similar written material affecting the terms and conditions of student enrollment other than that previously submitted to the agency and authorized for use;

(c) Advertise in the help wanted section of a newspaper or otherwise represent falsely, directly or by implication, that the school is an employment agency, is making an offer of employment or otherwise is attempting to conceal the fact that what is being represented are course offerings of a school;

(d) Represent falsely, directly or by implication, that an educational program is approved by a particular industry or that successful completion of the program qualifies a student for admission to a labor union or similar organization or for the receipt of a state license in any business, occupation, or profession;

(e) Represent falsely, directly or by implication, that a student who successfully completes a course or program of instruction may transfer credit for the course or program to any institution of higher education;

(f) Represent falsely, directly or by implication, in advertising or in any other manner, the school's size, location, facilities, equipment, faculty qualifications, number of faculty, or the extent or nature of any approval received from an accrediting association;

(g) Represent that the school is approved, recommended, or endorsed by the state of Washington or by the agency, except the fact that the school is authorized to operate under this chapter may be stated;

(h) Provide prospective students with: Any testimonial, endorsement, or other information ((which has the tendency)) that a reasonable person would find likely to mislead or deceive prospective students or the public, including those regarding current practices of the school((,)); information regarding rates of completion or postgraduation employment by industry, or its graduates' median hourly or annual earnings, that is not consistent with the presentation of data as established under RCW 28C.10.050(2)(c); current conditions for employment opportunities((,)); postgraduation employment by industry or probable earnings in the occupation for which the education was designed; total cost to obtain a degree or certificate; the acceptance of a degree or certificate by employers as a qualification for employment; the acceptance of courses, a degree, or certificate by higher education institutions; the likelihood of obtaining financial aid or low-interest loans for tuition; and the ability of graduates to repay loans;

(i) Designate or refer to sales representatives as "counselors," "advisors," or similar terms which have the tendency to mislead or deceive prospective students or the public regarding the authority or qualifications of the sales representatives;

(j) Make or cause to be made any statement or representation in connection with the offering of education if the school or agent knows or reasonably should have known the statement or representation to be false, substantially inaccurate, or misleading;

(k) Engage in methods of advertising, sales, collection, credit, or other business practices which are false, deceptive, misleading, or unfair, as determined by the agency by rule; or

(l) Attempt to recruit students in or within forty feet of a building that contains a welfare or unemployment office. Recruiting includes, but is not limited to canvassing and surveying. Recruiting does not include leaving materials at or near an office for a person to pick up of his or her own accord, or handing a brochure or leaflet to a person provided that no attempt is made to obtain a name, address, telephone number, or other data, or to otherwise actively pursue the enrollment of the individual."

Correct the title.

Representatives Pollet and Holy spoke in favor of the adoption of the striking amendment.

Amendment (237) 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 Pollet and Holy spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1439.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1439, and the bill passed the House by the following vote: Yeas, 56; Nays, 42; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Hansen, Holy, Hudgins, Jinkins, Kagi, Kilduff, Kirby, Kloba, Lovick, Lytton, Macri, McBride, McDonald, Morris, Muri, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Springer, Stambaugh, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Caldier, Chandler, Condotta, DeBolt, Dent, Dye, Griffey, Haler, Hargrove, Harmsworth, Harris, Hayes, Irwin, Jenkin, Johnson, Klippert, Koster, Kraft, Kretz, Kristiansen, MacEwen, Manweller, Maycumber, McCabe, McCaslin, Nealey, Orcutt, Pike, Rodne, Schmick, Shea, Smith, Steele, Stokesbary, Taylor, Vick, Volz, J. Walsh, Wilcox and Young.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1439, having received the necessary constitutional majority, was declared passed.

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

SECOND READING

HOUSE BILL NO. 1541, by Representatives Robinson, Johnson, Harris, McBride, Doglio, Wylie, Peterson, Cody, Stonier, Frame, Sawyer, Macri, Sells, Orwall, Jinkins, Senn, Tharinger, Stanford, Riccelli, Fitzgibbon, Ormsby, Gregerson, Hudgins, Ortiz-Self, Ryu, Farrell, Tarleton, Pollet, Clibborn, Fey, Kilduff, Reeves, Kagi, Chapman, Pellicciotti, Bergquist, Goodman, Lovick and Slatter

Addressing prescription drug cost transparency.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1541 was substituted for House Bill No. 1541 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1541 was read the second time.

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

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

Representative Schmick spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1541.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1541, and the bill passed the House by the following vote: Yeas, 52; Nays, 46; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hansen, Hudgins, Jenkins, Kagi, Kilduff, Kirby, Kloba, Kristiansen, Lovick, Lytton, Macri, McBride, Morris, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Springer, Stambaugh, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Caldier, Chandler, Condotta, DeBolt, Dent, Dye, Graves, Griffey, Haler, Hargrove, Harmsworth, Harris, Hayes, Holy, Irwin, Jenkin, Johnson, Klippert, Koster, Kraft, Kretz, MacEwen, Manweller, Maycumber, McCabe, McCaslin, McDonald, Muri, Nealey, Orcutt, Pike, Rodne, Schmick, Shea, Smith, Steele, Stokesbary, Taylor, Van Werven, Vick, Volz, J. Walsh, Wilcox and Young.

SECOND SUBSTITUTE HOUSE BILL NO. 1541, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote NAY on Second Substitute House Bill No. 1541.

Representative Kristiansen, 39th Legislative District

HOUSE BILL NO. 1794, by Representatives Klippert and Jinkins**Concerning the death investigations account.**

The bill was read the second time.

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

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

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 1794.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1794, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

HOUSE BILL NO. 1794, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1711, by Representatives Kretz, Springer, Pettigrew, Schmick, Short and Condotta**Prioritizing lands to receive forest health treatments.**

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1711 was substituted for House Bill No. 1711 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1711 was read the second time.

Representative Kretz moved the adoption of the striking amendment (130):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 79.10 RCW to read as follows:

(1)(a) The department shall, to the extent feasible given all applicable trust responsibilities, develop and implement a policy for prioritizing investments on forest health treatments to protect state lands and state forestlands, as those terms are defined in RCW 79.02.010, to: (i) Reduce wildfire hazards and losses from wildfire; (ii) reduce insect infestation and disease; and (iii) achieve cumulative impact of improved forest health and resilience at a landscape scale.

(b) The prioritization policy in (a) of this subsection must consider whether state lands and state forestlands are within an area that is subject to a forest health hazard warning or order pursuant to RCW 76.06.180.

(2)(a) The department's prioritization of state lands and state forestlands must be based on an evaluation of the economic and noneconomic value of:

(i) Timber or other commercial forest products removed during any mechanical treatments;

(ii) Timber or other commercial forest products likely to be spared from damage by wildfire;

(iii) Homes, structures, agricultural products, and public infrastructure likely to be spared from damage by wildfire;

(iv) Impacts to recreation and tourism; and

(v) Ecosystem services such as water quality, air quality, or carbon sequestration.

(b) The department's evaluation of economic values may rely on heuristic techniques.

(3) The definitions in this subsection apply throughout this section and sections 2 and 3 of this act unless the context clearly requires otherwise.

(a) "Forest health" has the same meaning as defined in RCW 76.06.020.

(b) "Forest health treatment" or "treatment" means actions taken by the department to restore forest health

including, but not limited to, sublandscape assessment and project planning, site preparation, reforestation, mechanical treatments including timber harvest, road realignment for fire protection and aquatic improvements, and prescribed burning.

NEW SECTION. Sec. 2. A new section is added to chapter 79.10 RCW to read as follows:

(1)(a) Consistent with the prioritization policy developed pursuant to section 1 of this act, and to the extent feasible given all applicable trust responsibilities, the department must identify areas of state lands and state forestlands that would benefit from forest health treatments at the landscape level for the next twenty years, and ones that would benefit the most during the following six years, and prioritize and list specific lands for treatment during the subsequent biennium. The department shall update this list by November 15th of each even-numbered year.

(b) To expedite initial treatments under this act, for the 2017-2019 biennium the department may prioritize and, if funds are appropriated for this purpose, address lands for treatment that are currently identified by the department as pilot treatment projects.

(2) In order to develop a prioritized list that evaluates forest health treatments at a landscape scale, the department should consult with and take into account the land management plans and activities of nearby landowners, if available, including federal agencies, other state agencies, local governments, tribes, and private property owners, in addition to any statewide assessments done by the department. The department may include federally, locally, or privately managed lands on the list. The department may fund treatment on these lands provided that the treatments are funded with nontrust funds, and provided that the treatments produce a net benefit to the health of state lands and state forestlands.

(3) By December 1st of each even-numbered year, the department must submit a report to the legislature consistent with the requirements of RCW 43.01.036, to the office of financial management, and to the board of natural resources. The report must include:

(a) A brief summary of the department's progress towards treating the state lands and state forestlands included on the preceding biennium's prioritization list;

(b) A list of lands prioritized for forest health treatments in the next biennium, including state lands and state forestlands prioritized for treatment pursuant to subsection (1) of this section;

(c) Recommended funding amounts required to carry out the treatment activities for the next biennium, including a summary of potential nontimber revenue sources that could finance specific forest health treatments pursuant to section 1 of this act, including but not limited to ecosystem services such as water and carbon sequestration as well as insurance and fire mitigation; and

(d) A summary of trends in forest health conditions.

NEW SECTION. Sec. 3. A new section is added to chapter 79.64 RCW to read as follows:

(1)(a) The forest health revolving account is created in the custody of the state treasurer. All receipts from the proceeds of forest health treatment sales as defined in this section and sections 1 and 2 of this act and all legislative transfers, gifts, grants, and federal funds must be deposited into the account. Expenditures from the account may be used only for the payment of costs, including management and administrative costs, incurred on forest health treatments necessary to improve forest health as defined in section 1 of this act. Only the commissioner or the commissioner's designee may authorize expenditures from the account. The board of natural resources has oversight of the account, and the commissioner must periodically report to the board of natural resources as to the status of the account, its disbursement, and receipts. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(b) The forest health revolving account is an interest-bearing account and the interest must be credited to the account.

(2) Beginning calendar year 2018, the fund balance attributable to the receipts from the proceeds of forest health

treatment sales is subject to the following:

(a) Any unobligated amounts up to ten million dollars at the end of the calendar year are not subject to disbursements to trust beneficiaries, the resource management account, or the forest development account.

(b) Any unobligated amounts exceeding ten million dollars at the end of the calendar year must be disbursed to the appropriate trust beneficiaries as determined by the board of natural resources and these disbursements are not subject to the deductions for the resource management cost account described in RCW 79.64.040 or the forest development account described in RCW 79.64.110.

(c) If the board of natural resources determines that the department has permanently discontinued using the forest health revolving account for the forest health treatments under sections 1 and 2 of this act, the board must disburse all remaining fund balance attributable to the proceeds of forest health treatment sales to the appropriate trust beneficiaries, and these disbursements are not subject to the deductions for the resource management cost account described in RCW 79.64.040 or the forest development account described in RCW 79.64.110.

(3)(a) Except as provided in (b) and (c) of this subsection, expenditures on state lands and state forestlands for forest health treatments by the department from the forest health revolving account must be consistent with the prioritization policy under section 1 of this act and the prioritization list created under section 2 of this act.

(b) The department is not bound to adhere to the list submitted to the legislature under section 1 of this act in the event that emerging information or changed circumstances support a reprioritization of lands consistent with the policy created under section 1 of this act.

(c) The department is not required to apply the prioritization policy of section 1 of this act where doing so would be incompatible with the conditions of funding provided by the federal government or another organization that is contributing funds to forest health treatments involving the department.

Sec. 4. RCW 43.30.325 and 2003 c 334 s 125 and 2003 c 313 s 9 are each reenacted and amended to read as follows:

(1) The department shall deposit daily all moneys and fees collected or received by the commissioner and the department in the discharge of official duties as follows:

(a) The department shall pay moneys received as advance payments, deposits, and security from successful bidders under RCW 79.15.100 and 79.11.150 to the state treasurer for deposit under (b) of this subsection. Moneys received from unsuccessful bidders shall be returned as provided in RCW 79.11.150;

(b) The department shall pay all moneys received on behalf of a trust fund or account to the state treasurer for deposit in the trust fund or account after making the deduction authorized under RCW ((79.22.040)) 79.64.110, 79.22.050, 79.64.040, and 79.15.520, except as provided in section 3 of this act;

(c) The natural resources deposit fund is hereby created. The state treasurer is the custodian of the fund. All moneys or sums which remain in the custody of the commissioner of public lands awaiting disposition or where the final disposition is not known shall be deposited into the natural resources deposit fund. Disbursement from the fund shall be on the authorization of the commissioner or the commissioner's designee, without necessity of appropriation;

(d) If it is required by law that the department repay moneys disbursed under (a) and (b) of this subsection the state treasurer shall transfer such moneys, without necessity of appropriation, to the department upon demand by the department from those trusts and accounts originally receiving the moneys.

(2) Money shall not be deemed to have been paid to the state upon any sale or lease of land until it has been paid to the state treasurer.

Sec. 5. RCW 79.64.040 and 2015 3rd sp.s. c 4 s 972 are each amended to read as follows:

(1) The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the moneys received

from all leases, sales, contracts, licenses, permits, easements, and rights-of-way issued by the department and affecting state lands and aquatic lands, except as provided in section 3 of this act, provided that no deduction shall be made from the proceeds from agricultural college lands.

(2) Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150 prior to December 1, 1981, which have not been subjected to deduction under this section are not subject to deduction under this section.

(3) Except as otherwise provided in subsection (5) of this section, the deductions authorized under this section shall not exceed twenty-five percent of the moneys received by the department in connection with any one transaction pertaining to state lands and aquatic lands other than second-class tide and shore lands and the beds of navigable waters, and fifty percent of the moneys received by the department pertaining to second-class tide and shore lands and the beds of navigable waters.

(4) In the event that the department sells logs using the contract harvesting process described in RCW 79.15.500 through 79.15.530, the moneys received subject to this section are the net proceeds from the contract harvesting sale.

(5) During the 2013-2015 fiscal biennium, the twenty-five percent limitation on deductions set in subsection (3) of this section may be increased up to thirty percent by the board. During the 2015-2017 fiscal biennium, the board may increase the twenty-five percent limitation up to thirty-two percent.

Sec. 6. RCW 79.64.110 and 2015 3rd sp.s. c 4 s 973 are each amended to read as follows:

(1) Any moneys derived from the lease of state forestlands or from the sale of valuable materials, oils, gases, coal, minerals, or fossils from those lands, except as provided in section 3 of this act, or the appraised value of these resources when transferred to a public agency under RCW 79.22.060, except as provided in RCW 79.22.060(4), must be distributed as follows:

(a) For state forestlands acquired through RCW 79.22.040 or by exchange for lands acquired through RCW 79.22.040:

(i) The expense incurred by the state for administration, reforestation, and protection, not to exceed twenty-five percent, which rate of percentage shall be determined by the board, must be returned to the forest development account created in RCW 79.64.100. During the 2015-2017 fiscal biennium, the board may increase the twenty-five percent limitation up to twenty-seven percent.

(ii) Any balance remaining must be paid to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board. Payments made under this subsection are to be paid, distributed, and prorated, except as otherwise provided in this section, to the various funds in the same manner as general taxes are paid and distributed during the year of payment.

(iii) Any balance remaining, paid to a county with a population of less than sixteen thousand, must first be applied to the reduction of any indebtedness existing in the current expense fund of the county during the year of payment.

(iv) With regard to moneys remaining under this subsection (1)(a), within seven working days of receipt of these moneys, the department shall certify to the state treasurer the amounts to be distributed to the counties. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date.

(b) For state forestlands acquired through RCW 79.22.010 or by exchange for lands acquired through RCW 79.22.010, except as provided in RCW 79.64.120:

(i) Fifty percent shall be placed in the forest development account.

(ii) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board, and

according to the relative proportions of tax levies of all taxing districts in the county. The portion to be distributed to the state general fund shall be based on the regular school levy rate under RCW 84.52.065 and the levy rate for any maintenance and operation special school levies. With regard to the portion to be distributed to the counties, the department shall certify to the state treasurer the amounts to be distributed within seven working days of receipt of the money. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date. The money distributed to the county must be paid, distributed, and prorated to the various other funds in the same manner as general taxes are paid and distributed during the year of payment.

(2) A school district may transfer amounts deposited in its debt service fund pursuant to this section into its capital projects fund as authorized in RCW 28A.320.330.

Sec. 7. RCW 43.79A.040 and 2016 c 203 s 2, 2016 c 173 s 10, 2016 c 69 s 21, and 2016 c 39 s 7 are each reenacted and amended to read as follows:

(1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.

(2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.

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

(4)(a) Monthly, the state treasurer must distribute the earnings credited to

the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The 24/7 sobriety account, the Washington promise scholarship account, the Washington advanced college tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington achieving a better life experience program account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family leave insurance account, the food animal veterinarian conditional scholarship account, the forest health revolving account, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the multiagency permitting team account, the pilotage account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the Washington sexual assault kit account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission

operating account, the life sciences discovery fund, the Washington state heritage center account, the reduced cigarette ignition propensity account, the center for childhood deafness and hearing loss account, the school for the blind account, the Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, and the radiation perpetual maintenance fund.

(c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

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

NEW SECTION. Sec. 8. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 9. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void."

Correct the title.

Representatives Kretz and Springer spoke in favor of the adoption of the striking amendment.

Amendment (130) 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 Springer spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1711.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1711, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1711, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2126, by Representatives Blake and Wilcox

Creating a community-based approach to provide assistance with nonlethal management methods to reduce livestock depredations by wolves.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2126 was substituted for House Bill No. 2126 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2126 was read the second time.

Representative Kretz moved the adoption of amendment (155):

On page 2, line 6, after "resources" insert "in any Washington county east of the crest of the Cascade mountain range that shares a border with Canada"

On page 2, line 8, after "A" strike "three" and insert "four"

On page 2, line 22, after "member;" strike "and"

On page 2, line 23, after "member" insert "; and"

(iv) One Okanogan conservation district board member"

Representatives Kretz and Blake spoke in favor of the adoption of the amendment.

Amendment (155) 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 Blake and Kretz spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2126.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2126, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2126, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1063, by Representatives Morris, Lytton, Fitzgibbon, Appleton and Sawyer

Allowing federally recognized tribes with lands held in trust in a county that is west of the Cascade mountain range that borders Puget Sound with a population of at least one hundred eighteen thousand, but less than two

hundred fifty thousand, persons to enter into agreements regarding fuel 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.

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

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 1063.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1063, and the bill passed the House by the following vote: Yeas, 53; Nays, 45; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hansen, Hayes, Hudgins, Jinkins, Kagi, Kilduff, Kirby, Kloba, Lovick, Lytton, Macri, McBride, Morris, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Smith, Springer, Stanford, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Caldier, Chandler, Condotta, DeBolt, Dent, Dye, Graves, Griffey, Haler, Hargrove, Harmsworth, Harris, Holy, Irwin, Jenkin, Johnson, Klippert, Koster, Kraft, Kretz, Kristiansen, MacEwen, Manweller, Maycumber, McCabe, McCaslin, McDonald, Muri, Nealey, Orcutt, Pike, Rodne, Schmick, Shea, Stambaugh, Steele, Taylor, Van Werven, Vick, Volz, J. Walsh, Wilcox and Young.

HOUSE BILL NO. 1063, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1176, by Representative Muri

Concerning the alcoholic beverage mead.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1176 was substituted for House Bill No. 1176 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1176 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 Muri and Sawyer spoke in favor of the passage of the bill.

Representative Ryu spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1176.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1176, and the bill passed the House by the following vote: Yeas, 91; Nays, 7; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Santos, Sawyer, Schmick, Sells, Shea, Slatter, Springer, Stambaugh, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Dye, Harris, Nealey, Ryu, Senn, Smith and Stanford.

SUBSTITUTE HOUSE BILL NO. 1176, having received the necessary constitutional majority, was declared passed.

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

HOUSE BILL NO. 1043, by Representatives Robinson, Harris, Clibborn, Riccelli, Cody, Jinkins, Tharinger, Appleton and Sawyer

Addressing nonpublic personal health information.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1043 was substituted for House Bill No. 1043 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1043 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 Robinson and Graves 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 Substitute House Bill No. 1043.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1043, and the bill passed the House by the following vote: Yeas, 97; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Halder, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

Voting nay: Representative Smith.

SUBSTITUTE HOUSE BILL NO. 1043, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1492, by Representatives Tharinger, Harris, Cody, Macri and Appleton

Equalizing civil monetary penalties for assisted living facilities with other long-term care providers.

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 Tharinger and Graves 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. 1492.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1492, and the bill passed the House by the following vote: Yeas, 69; Nays, 29; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon,

Frame, Goodman, Graves, Gregerson, Hansen, Hudgins, Irwin, Jinkins, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kristiansen, Lovick, Lytton, Macri, McBride, Morris, Muri, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Slatter, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Condotta, DeBolt, Dent, Dye, Griffey, Halder, Hargrove, Harmsworth, Harris, Hayes, Holy, Jenkin, Johnson, Kraft, Kretz, MacEwen, Manweller, Maycumber, McCabe, McCaslin, McDonald, Nealey, Orcutt, Pike, Shea, Smith, Taylor, Vick and Volz.

HOUSE BILL NO. 1492, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1815, by Representatives Kilduff, Rodne, Senn, Muri, Lovick, Ortiz-Self, Orwall and Frame

Concerning the rights of an alleged parent in dependency proceedings.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1815 was substituted for House Bill No. 1815 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1815 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 Kilduff and Dent 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 Substitute House Bill No. 1815.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1815, and the bill passed the House by the following vote: Yeas, 87; Nays, 11; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Hansen, Hargrove, Harmsworth, Harris, Hayes, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, McBride, McCabe, McDonald, Morris, Muri, Nealey, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer,

Schmick, Sells, Senn, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Vick, J. Walsh, Wilcox, Wylie and Mr. Speaker.

Voting nay: Representatives Condotta, Haler, Holy, Kretz, Maycumber, McCaslin, Orcutt, Shea, Taylor, Volz and Young.

SUBSTITUTE HOUSE BILL NO. 1815, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1816, by Representatives Frame, Goodman, Lovick, Ortiz-Self, Kilduff, Muri, Doglio, Macri and Fey

Concerning information sharing related to implementation of the homeless youth prevention and protection act of 2015.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1816 was substituted for House Bill No. 1816 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1816 was read the second time.

Representative Klippert moved the adoption of amendment (249):

On page 10, line 38, after "immediately)" insert "authorized to take a child who has run away from placement into custody pursuant to RCW 43.185C.260"

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

Representative Frame spoke against the adoption of the amendment.

Amendment (249) 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 Frame and Dent 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 Substitute House Bill No. 1816.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1816, and the bill passed the

House by the following vote: Yeas, 96; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkins, Johnson, Kagi, Kilduff, Kirby, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker

Voting nay: Representatives Jenkin and Klippert.

SUBSTITUTE HOUSE BILL NO. 1816, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1734, by Representatives Lovick, Hargrove, Stonier, Muri, Ortiz-Self and Pollet

Authorizing reimbursement for substitute teachers participating in activities of the Washington state professional educator standards board to carry out its powers and duties.

The bill was read the second time.

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

Representative Lovick 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. 1734.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1734, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jenkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer,

Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

HOUSE BILL NO. 1734, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1739, by Representatives Gregerson, Goodman, Peterson, Orwall, Kilduff, Harris, Ryu, Ortiz-Self, Lovick, Sells, Stonier, Clibborn, Dolan, Sawyer, Stanford and Jinkins

Concerning the crime victims' compensation program.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1739 was substituted for House Bill No. 1739 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1739 was read the second time.

Representative Goodman moved the adoption of the striking amendment (258):

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 7.68.020 and 2011 c 346 s 101 are each amended to read as follows:

The following words and phrases as used in this chapter have the meanings set forth in this section unless the context otherwise requires.

(1) "Accredited school" means a school or course of instruction which is:

(a) Approved by the state superintendent of public instruction, the state board of education, or the state board for community and technical colleges; or

(b) Regulated or licensed as to course content by any agency of the state or under any occupational licensing act of the state, or recognized by the apprenticeship council under an agreement registered with the apprenticeship council pursuant to chapter 49.04 RCW.

(2) "Average monthly wage" means the average annual wage as determined under RCW 50.04.355 as now or hereafter amended divided by twelve.

(3) "Beneficiary" means a husband, wife, registered domestic partner, or child of a victim in whom shall vest a

right to receive payment under this chapter, except that a husband or wife of an injured victim, living separate and apart in a state of abandonment, regardless of the party responsible therefor, for more than one year at the time of the injury or subsequently, shall not be a beneficiary. A spouse who has lived separate and apart from the other spouse for the period of two years and who has not, during that time, received or attempted by process of law to collect funds for maintenance, shall be deemed living in a state of abandonment.

(4) "Child" means every natural born child, posthumous child, stepchild, child legally adopted prior to the injury, child born after the injury where conception occurred prior to the injury, and dependent child in the legal custody and control of the victim, all while under the age of eighteen years, or under the age of twenty-three years while permanently enrolled as a full-time student in an accredited school, and over the age of eighteen years if the child is a dependent as a result of a physical, mental, or sensory handicap.

(5) "Consumer price index" means the consumer price index compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items must be used.

(6) "Criminal act" means an act committed or attempted in this state which is: (a) Punishable as a federal offense that is comparable to a felony or gross misdemeanor in this state; (b) punishable as a felony or gross misdemeanor under the laws of this state; (c) an act committed outside the state of Washington against a resident of the state of Washington which would be compensable had it occurred inside this state and the crime occurred in a state which does not have a crime victims' compensation program, for which the victim is eligible as set forth in the Washington compensation law; or (d) trafficking as defined in RCW 9A.40.100. A "criminal act" does not include the following:

(i) The operation of a motor vehicle, motorcycle, train, boat, or aircraft in violation of law unless:

(A) The injury or death was intentionally inflicted;

(B) The operation thereof was part of the commission of another nonvehicular criminal act as defined in this section;

(C) The death or injury was the result of the operation of a motor vehicle after July 24, 1983, and one of the following applies:

(I) A preponderance of the evidence establishes that the death was the result of vehicular homicide under RCW 46.61.520((, or));

(II) The victim submits a copy of a certificate of probable cause filed by the prosecutor stating that a vehicular assault under RCW 46.61.522 occurred;

(III) Charges have been filed against the defendant for vehicular assault under RCW 46.61.522;

(IV) A conviction of vehicular assault under RCW 46.61.522((,)) has been obtained((.)); or

(V) In cases where a probable criminal defendant has died in perpetration of vehicular assault or, in cases where the perpetrator of the vehicular assault is unascertainable because he or she left the scene of the accident in violation of RCW 46.52.020 or, because of physical or mental infirmity or disability the perpetrator is incapable of standing trial for vehicular assault, the department may, by a preponderance of the evidence, establish that a vehicular assault had been committed and authorize benefits;

(D) The injury or death was caused by a driver in violation of RCW 46.61.502; or

(E) The injury or death was caused by a driver in violation of RCW 46.61.655(7)(a), failure to secure a load in the first degree;

(ii) Neither an acquittal in a criminal prosecution nor the absence of any such prosecution is admissible in any claim or proceeding under this chapter as evidence of the noncriminal character of the acts giving rise to such claim or proceeding, except as provided for in (d)(i)(C) of this subsection;

(iii) Evidence of a criminal conviction arising from acts which are the basis for a claim or proceeding under this chapter is admissible in such claim or proceeding for the limited purpose of proving the criminal character of the acts; and

(iv) Acts which, but for the insanity or mental irresponsibility of the perpetrator, would constitute criminal conduct are deemed to be criminal conduct within the meaning of this chapter.

((6)) (7) "Department" means the department of labor and industries.

((7)) (8) "Financial support for lost wages" means a partial replacement of lost wages due to a temporary or permanent total disability.

((8)) (9) "Gainfully employed" means engaging on a regular and continuous basis in a lawful activity from which a person derives a livelihood.

((9)) (10) "Injury" means a sudden and tangible happening, of a traumatic nature, producing an immediate or prompt result, and occurring from without, and such physical conditions as result therefrom.

((10)) (11) "Invalid" means one who is physically or mentally incapacitated from earning wages.

((11)) (12) "Permanent total disability" means loss of both legs, or arms, or one leg and one arm, total loss of eyesight, paralysis, or other condition permanently incapacitating the victim from performing any work at any gainful occupation.

((12)) (13) "Private insurance" means any source of recompense provided by contract available as a result of the claimed injury or death at the time of such injury or death, or which becomes available any time thereafter.

((13)) (14) "Public insurance" means any source of recompense provided by statute, state or federal, available as a result of the claimed injury or death at the time of such injury or death, or which becomes available any time thereafter.

((14)) (15) "Temporary total disability" means any condition that temporarily incapacitates a victim from performing any type of gainful employment as certified by the victim's attending physician.

((15)) (16) "Victim" means a person who suffers bodily injury or death as a proximate result of a criminal act of another person, the victim's own good faith and reasonable effort to prevent a criminal act, or his or her good faith effort to apprehend a person reasonably suspected of engaging in a criminal act. For the purposes of receiving benefits pursuant to this chapter, "victim" is interchangeable with "employee" or "worker" as defined in chapter 51.08 RCW as now or hereafter amended.

Sec. 2. RCW 7.68.030 and 2011 c 346 s 206 are each amended to read as follows:

(1) It shall be the duty of the director to establish and administer a program of benefits to innocent victims of criminal acts within the terms and limitations of this chapter. The director may apply for and, subject to appropriation, expend federal funds under Public Law 98-473 and any other federal program providing financial assistance to state crime victim compensation programs. The federal funds shall be deposited in the state general fund and may be expended only for purposes authorized by applicable federal law.

(2) The director shall:

(a) Establish and adopt rules governing the administration of this chapter in accordance with chapter 34.05 RCW;

(b) Regulate the proof of accident and extent thereof, the proof of death, and the proof of relationship and the extent of dependency;

(c) Supervise the medical, surgical, and hospital treatment to the intent that it may be in all cases efficient and up to the recognized standard of modern surgery;

(d) Issue proper receipts for moneys received and certificates for benefits accrued or accruing;

(e) Designate a medical director who is licensed under chapter 18.57 or 18.71 RCW;

(f) Supervise the providing of prompt and efficient care and treatment, including care provided by physician assistants governed by the provisions of chapters 18.57A and 18.71A RCW, acting under a supervising physician, including chiropractic care, and including care provided by licensed advanced registered

nurse practitioners, to victims at the least cost consistent with promptness and efficiency, without discrimination or favoritism, and with as great uniformity as the various and diverse surrounding circumstances and locations of industries will permit and to that end shall, from time to time, establish and adopt and supervise the administration of printed forms, electronic communications, rules, regulations, and practices for the furnishing of such care and treatment. The medical coverage decisions of the department do not constitute a "rule" as used in RCW 34.05.010(16), nor are such decisions subject to the rule-making provisions of chapter 34.05 RCW except that criteria for establishing medical coverage decisions shall be adopted by rule. The department may recommend to a victim particular health care services and providers where specialized treatment is indicated or where cost-effective payment levels or rates are obtained by the department, and the department may enter into contracts for goods and services including, but not limited to, durable medical equipment so long as statewide access to quality service is maintained for injured victims;

(g) In consultation with interested persons, establish and, in his or her discretion, periodically change as may be necessary, and make available a fee schedule of the maximum charges to be made by any physician, surgeon, chiropractor, hospital, druggist, licensed advanced registered nurse practitioner, and physician assistants as defined in chapters 18.57A and 18.71A RCW, acting under a supervising physician or other agency or person rendering services to victims. The department shall coordinate with other state purchasers of health care services to establish as much consistency and uniformity in billing and coding practices as possible, taking into account the unique requirements and differences between programs. No service covered under this title, including services provided to victims, whether aliens or other victims, who are not residing in the United States at the time of receiving the services, shall be charged or paid at a rate or rates exceeding those specified in such fee schedule, and no contract providing for greater fees shall be valid as to the excess. The establishment of such a schedule, exclusive of conversion factors, does not constitute "agency

action" as used in RCW 34.05.010(3), nor does such a fee schedule constitute a "rule" as used in RCW 34.05.010(16). Payments for providers' services under the fee schedule established pursuant to this subsection (2) may not be less than payments provided for comparable services under the workers' compensation program under Title 51 RCW, provided:

(i) If the department, using caseload estimates, projects a deficit in funding for the program by July 15th for the following fiscal year, the director shall notify the governor and the appropriate committees of the legislature and request funding sufficient to continue payments to not less than payments provided for comparable services under the workers' compensation program. If sufficient funding is not provided to continue payments to not less than payments provided for comparable services under the workers' compensation program, the director shall reduce the payments under the fee schedule for the following fiscal year based on caseload estimates and available funding, except payments may not be reduced to less than seventy percent of payments for comparable services under the workers' compensation program;

(ii) If an unforeseeable catastrophic event results in insufficient funding to continue payments to not less than payments provided for comparable services under the workers' compensation program, the director shall reduce the payments under the fee schedule to not less than seventy percent of payments provided for comparable services under the workers' compensation program, provided that the reduction may not be more than necessary to fund benefits under the program; and

(iii) Once sufficient funding is provided or otherwise available, the director shall increase the payments under the fee schedule to not less than payments provided for comparable services under the workers' compensation program;

(h) Make a record of the commencement of every disability and the termination thereof and, when bills are rendered for the care and treatment of injured victims, shall approve and pay those which conform to the adopted rules, regulations, established fee schedules, and practices of the director and may reject any bill or item thereof incurred in violation of the principles laid down

in this section or the rules, regulations, or the established fee schedules and rules and regulations adopted under it.

(3) The director and his or her authorized assistants:

(a) Have power to issue subpoenas to enforce the attendance and testimony of witnesses and the production and examination of books, papers, photographs, tapes, and records before the department in connection with any claim made to the department or any billing submitted to the department. The superior court has the power to enforce any such subpoena by proper proceedings;

(b)(i) May apply for and obtain a superior court order approving and authorizing a subpoena in advance of its issuance. The application may be made in the county where the subpoenaed person resides or is found, or the county where the subpoenaed records or documents are located, or in Thurston county. The application must (A) state that an order is sought pursuant to this subsection; (B) adequately specify the records, documents, or testimony; and (C) declare under oath that an investigation is being conducted for a lawfully authorized purpose related to an investigation within the department's authority and that the subpoenaed documents or testimony are reasonably related to an investigation within the department's authority.

(ii) Where the application under this subsection (3)(b) is made to the satisfaction of the court, the court must issue an order approving the subpoena. An order under this subsection constitutes authority of law for the agency to subpoena the records or testimony.

(iii) The director and his or her authorized assistants may seek approval and a court may issue an order under this subsection without prior notice to any person, including the person to whom the subpoena is directed and the person who is the subject of an investigation.

(4) In all hearings, actions, or proceedings before the department, any physician or licensed advanced registered nurse practitioner having theretofore examined or treated the claimant may be required to testify fully regarding such examination or treatment, and shall not be exempt from so testifying by reason of the relation of the physician or licensed advanced

registered nurse practitioner to the patient.

Sec. 3. RCW 7.68.031 and 2013 c 125 s 1 are each amended to read as follows:

On all claims under this chapter, claimants' written or electronic notices, orders, or payments must be forwarded directly to the claimant until such time as there has been entered an order on the claim appealable to the ((department)) board of industrial insurance appeals. Claimants' written or electronic notices, orders, or payments may be forwarded to the claimant in care of a representative before an order has been entered if the claimant sets forth in writing the name and address of the representative to whom the claimant desires this information to be forwarded.

Sec. 4. RCW 7.68.062 and 2011 c 346 s 302 are each amended to read as follows:

(1)(a) Where a victim is eligible for compensation under this chapter he or she shall file with the department his or her application for such, together with the certificate of the ((physician or licensed advanced registered nurse practitioner)) treating provider who attended him or her. An application for compensation form developed by the department shall include a notice specifying the victim's right to receive health services from a ((physician or licensed advanced registered nurse practitioner)) treating provider utilizing his or her private or public insurance or if no insurance, of the victim's choice under RCW 7.68.095.

(b) The ((physician or licensed advanced registered nurse practitioner)) treating provider who attended the injured victim shall inform the injured victim of his or her rights under this chapter and lend all necessary assistance in making this application for compensation and such proof of other matters as required by the rules of the department without charge to the victim.

(2) If the application required by this section is filed on behalf of the victim by the ((physician)) treating provider who attended the victim, the ((physician)) treating provider may transmit the application to the department electronically.

Sec. 5. RCW 7.68.070 and 2011 c 346 s 401 are each amended to read as follows:

The eligibility for benefits under this chapter and the amount thereof will be governed insofar as is applicable by the provisions contained in this chapter.

(1) Each victim injured as a result of a criminal act, including criminal acts committed between July 1, 1981, and January 1, 1983, or the victim's family or beneficiary in case of death of the victim, are eligible for benefits in accordance with this chapter, subject to the limitations under RCW 7.68.015. Except for medical benefits authorized under RCW 7.68.080, no more than ((fifty)) forty thousand dollars shall be ((paid in total per claim, of which nonmedical benefits shall not exceed forty thousand dollars of the entire claim. Benefits may include a combination of burial expenses, financial support for lost wages, and medical expenses)) granted as a result of a single injury or death.

(a) Benefits payable for temporary total disability that results in financial support for lost wages shall not exceed fifteen thousand dollars.

(b) Benefits payable for a permanent total disability or fatality that results in financial support for lost wages shall not exceed forty thousand dollars. After at least twelve monthly payments have been paid, the department shall have the sole discretion to make a final lump sum payment of the balance remaining.

((c) Benefits for disposition of remains or burial expenses shall not exceed five thousand seven hundred fifty dollars per claim.))

(2) If the victim was not gainfully employed at the time of the criminal act, no financial support for lost wages will be paid to the victim or any beneficiaries, unless the victim was gainfully employed for a total of at least twelve weeks in the six months preceding the date of the criminal act.

(3) No victim or beneficiary shall receive compensation for or during the day on which the injury was received.

(4) If a victim's employer continues to pay the victim's wages that he or she was earning at the time of the crime, the victim shall not receive any financial support for lost wages.

(5) When the director determines that a temporary total disability results in a loss of wages, the victim shall receive

monthly subject to subsection (1) of this section, during the period of disability, sixty percent of the victim's monthly wage but no more than one hundred percent of the state's average monthly wage as defined in RCW 7.68.020. The minimum monthly payment shall be no less than five hundred dollars. Monthly wages shall be based upon employer wage statements, employment security records, or documents reported to and certified by the internal revenue service. Monthly wages must be determined using the actual documented monthly wage or averaging the total wages earned for up to twelve successive calendar months preceding the injury. In cases where the victim's wages and hours are fixed, they shall be determined by multiplying the daily wage the victim was receiving at the time of the injury:

(a) By five, if the victim was normally employed one day a week;

(b) By nine, if the victim was normally employed two days a week;

(c) By thirteen, if the victim was normally employed three days a week;

(d) By eighteen, if the victim was normally employed four days a week;

(e) By twenty-two, if the victim was normally employed five days a week;

(f) By twenty-six, if the victim was normally employed six days a week; or

(g) By thirty, if the victim was normally employed seven days a week.

(6) When the director determines that a permanent total disability or death results in a loss of wages, the victim or eligible spouse shall receive the monthly payments established in this subsection, not to exceed forty thousand dollars or the limits established in this chapter.

(7) If the director determines that the victim is voluntarily retired and is no longer attached to the workforce, benefits shall not be paid under this section.

(8) In the case of death, if there is no eligible spouse, benefits shall be paid to the child or children of the deceased victim. If there is no spouse or children, no payments shall be made under this section. If the spouse remarries before this benefit is paid in full benefits shall be paid to the victim's child or children and the spouse shall not receive further payment. If there is

no child or children no further payments will be made.

(9) The benefits for disposition of remains or burial expenses shall not exceed ((five)) six thousand ((seven)) one hundred ((fifty)) seventy dollars per claim ((and)). Beginning July 1, 2020, the department shall adjust the amount in this subsection (9) for inflation every three years based upon changes in the consumer price index during that time period. To receive reimbursement for expenses related to the disposition of remains or burial, the department must receive an itemized statement from a provider of services within ((twelve)) twenty-four months of the date ((upon which the death of the victim is officially recognized as a homicide)) of the claim allowance. If there is a delay in the recovery of remains or the release of remains for disposition or burial, an itemized statement from a provider of services must be received within ((twelve)) twenty-four months of the date of the release of the remains or of the date of the claim allowance, whichever is later.

(10) Any person who is responsible for the victim's injuries, or who would otherwise be unjustly enriched as a result of the victim's injuries, shall not be a beneficiary under this chapter.

(11) Crime victims' compensation is not available to pay for services covered under chapter 74.09 RCW or Title XIX of the federal social security act.

(12) A victim whose crime occurred in another state who qualifies for benefits under RCW 7.68.060(6) may receive appropriate mental health counseling to address distress arising from participation in the civil commitment proceedings. Fees for counseling shall be determined by the department in accordance with RCW 51.04.030, subject to the limitations of RCW 7.68.080.

(13) If the provisions of this title relative to compensation for injuries to or death of victims become invalid because of any adjudication, or are repealed, the period intervening between the occurrence of an injury or death, not previously compensated for under this title by lump payment or completed monthly payments, and such repeal or the rendition of the final adjudication of invalidity shall not be computed as a part of the time limited by law for the

commencement of any action relating to such injury or death.

(14) The benefits established in RCW 51.32.080 for permanent partial disability will not be provided to any crime victim or for any claim submitted on or after July 1, 2011.

Sec. 6. RCW 7.68.080 and 2011 1st sp.s. c 15 s 69 and 2011 c 346 s 501 are each reenacted and amended to read as follows:

(1) When the injury to any victim is so serious as to require the victim's being taken from the place of injury to a place of treatment, reasonable transportation costs to the nearest place of proper treatment shall be reimbursed by the department as part of the victim's total claim under RCW 7.68.070(1).

(2) In the case of alleged rape or molestation of a child, the reasonable costs of a colposcopy examination shall be reimbursed by the department. Costs for a colposcopy examination given under this subsection shall not be included as part of the victim's total claim under RCW 7.68.070(1).

(3) The director shall adopt rules for fees and charges for hospital, clinic, medical, and other health care services, including fees and costs for durable medical equipment, eyeglasses, hearing aids, and other medically necessary devices for crime victims under this chapter. The director shall set these service levels and fees at a level no lower than those established ((by the health care authority)) for comparable services under the workers' compensation program under Title ((74)) 51 RCW, except the director shall comply with the requirements of RCW 7.68.030(2)(g) (i) through (iii) when setting service levels and fees, including reducing levels and fees when required. In establishing fees for medical and other health care services, the director shall consider the director's duty to purchase health care in a prudent, cost-effective manner. The director shall establish rules adopted in accordance with chapter 34.05 RCW. Nothing in this chapter may be construed to require the payment of interest on any billing, fee, or charge.

(4) Whenever the director deems it necessary in order to resolve any medical issue, a victim shall submit to examination by a physician or physicians selected by the director, with the rendition of a report to the person

ordering the examination. The department shall provide the physician performing an examination with all relevant medical records from the victim's claim file. The director, in his or her discretion, may charge the cost of such examination or examinations to the crime victims' compensation fund. If the examination is paid for by the victim, then the cost of said examination shall be reimbursed to the victim for reasonable costs connected with the examination as part of the victim's total claim under RCW 7.68.070(1).

(5) Victims of sexual assault are eligible to receive appropriate counseling. Fees for such counseling shall be determined by the department. Counseling services may include, if determined appropriate by the department, counseling of members of the victim's immediate family, other than the perpetrator of the assault.

(6) Immediate family members of a homicide victim may receive appropriate counseling to assist in dealing with the immediate, near-term consequences of the related effects of the homicide. Up to twelve counseling sessions may be received ((for one year)) after the crime victim's claim has been allowed. Fees for counseling shall be determined by the department in accordance with and subject to this section. Payment of counseling benefits under this section may not be provided to the perpetrator of the homicide. The benefits under this subsection may be provided only with respect to homicides committed on or after July 1, 1992.

(7) Pursuant to RCW 7.68.070(12), a victim of a sex offense that occurred outside of Washington may be eligible to receive mental health counseling related to participation in proceedings to civilly commit a perpetrator.

(8) The crime victims' compensation program shall consider payment of benefits solely for the effects of the criminal act.

(9) The legislature finds and declares it to be in the public interest of the state of Washington that a proper regulatory and inspection program be instituted in connection with the provision of any services provided to crime victims pursuant to this chapter. In order to effectively accomplish such purpose and to assure that the victim receives such services as are paid for by

the state of Washington, the acceptance by the victim of such services, and the request by a provider of services for reimbursement for providing such services, shall authorize the director of the department or the director's authorized representative to inspect and audit all records in connection with the provision of such services. In the conduct of such audits or investigations, the director or the director's authorized representatives may:

(a) Examine all records, or portions thereof, including patient records, for which services were rendered by a health care provider and reimbursed by the department, notwithstanding the provisions of any other statute which may make or purport to make such records privileged or confidential, except that no original patient records shall be removed from the premises of the health care provider, and that the disclosure of any records or information obtained under authority of this section by the department is prohibited and constitutes a violation of RCW 42.52.050, unless such disclosure is directly connected to the official duties of the department. The disclosure of patient information as required under this section shall not subject any physician, licensed advanced registered nurse practitioner, or other health care provider to any liability for breach of any confidential relationships between the provider and the patient. The director or the director's authorized representative shall destroy all copies of patient medical records in their possession upon completion of the audit, investigation, or proceedings;

(b) Approve or deny applications to participate as a provider of services furnished to crime victims pursuant to this title;

(c) Terminate or suspend eligibility to participate as a provider of services furnished to victims pursuant to this title; and

(d) Pursue collection of unpaid overpayments and/or penalties plus interest accrued from health care providers pursuant to RCW 51.32.240(6).

(10) When contracting for health care services and equipment, the department, upon request of a contractor, shall keep confidential financial and valuable trade information, which shall be exempt from public inspection and copying under chapter 42.56 RCW.

Sec. 7. RCW 7.68.111 and 2011 c 346 s 601 are each amended to read as follows:

(1)(a) If the victim or beneficiary in a claim prevails in an appeal by any party to the ((department)) board of industrial insurance appeals or the court, the department shall comply with the ((department)) board of industrial insurance appeals or court's order with respect to the payment of compensation within the later of the following time periods:

(i) Sixty days after the compensation order has become final and is not subject to review or appeal; or

(ii) If the order has become final and is not subject to review or appeal and the department has, within the period specified in (a)(i) of this subsection, requested the filing by the victim or beneficiary of documents necessary to make payment of compensation, sixty days after all requested documents are filed with the department.

The department may extend the sixty-day time period for an additional thirty days for good cause.

(b) If the department fails to comply with (a) of this subsection, any person eligible for compensation under the order may institute proceedings for injunctive or other appropriate relief for enforcement of the order. These proceedings may be instituted in the superior court for the county in which the claimant resides, or, if the claimant is not then a resident of this state, in the superior court for Thurston county.

(2) In a proceeding under this section, the court shall enforce obedience to the order by proper means, enjoining compliance upon the person obligated to comply with the compensation order. The court may issue such writs and processes as are necessary to carry out its orders and may award a penalty of up to one thousand dollars to the person eligible for compensation under the order.

(3) A proceeding under this section does not preclude other methods of enforcement provided for in this chapter."

Correct the title.

Representatives Goodman and Klippert spoke in favor of the adoption of the striking amendment.

Amendment (258) 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 Gregerson, Klippert and Goodman 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. 1739.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1739, and the bill passed the House by the following vote: Yeas, 96; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Schmick and Taylor.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1739, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1863, by Representatives Gregerson, Stokesbary, Appleton and Stambaugh

Concerning the national fire incident reporting system.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1863 was substituted for House Bill No. 1863 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1863 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 Gregerson and Griffey 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 Substitute House Bill No. 1863.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1863, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

SUBSTITUTE HOUSE BILL NO. 1863, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1450, by Representatives Nealey, Kirby and Vick

Creating and establishing the rights and duties for title insurance rating and advisory organizations.

The bill was read the second time.

Representative Nealey moved the adoption of amendment (124):

On page 5, line 1, after "fee of" strike "twenty-five dollars" and insert "the amount established by the commissioner pursuant to RCW 48.29.005"

On page 11, beginning on line 12, after "(b)" strike all material through "review" on line 18 and insert "Before the commissioner approves a filing by a rating organization, the commissioner shall review all materials contained in the filing, including, as applicable, materials submitted by the rating organization, materials provided by the statistical reporting agent pursuant to RCW 48.29.017, as well as materials concerning any public hearings, market investigations, studies, or other"

information collected during the review, and determine that the filing complies with the requirements of this chapter"

On page 11, beginning on line 24, after "(9)" strike all material through "company" on line 32 and insert "A filing made under this section is exempt from RCW 48.02.120(3). However, the filing and all supporting information accompanying it is open to public inspection only after the filing becomes effective"

On page 13, after line 21, insert the following:

"**Sec. 23.** RCW 48.29.005 and 2008 c 110 s 9 are each amended to read as follows:

The commissioner may adopt rules to implement and administer this chapter, including but not limited to:

(1) Establishing the information to be included in the report required under RCW 48.29.015;

(2) Establishing the information required for the filing of rates for title insurance under RCW 48.29.147;

(3) Establishing standards which title insurance rate filings must satisfy under RCW 48.29.147;

(4) Establishing a date, which date shall not be earlier than January 1, 2010, by which all title insurers selling policies in this state must file their rates with the commissioner under RCW 48.29.143 and 48.29.147 rather than under RCW 48.29.140 and refile any rates that were in effect prior to the date established by the commissioner; (~~and~~)

(5) Defining what things of value a title insurance insurer or title insurance agent is permitted to give to any person in a position to refer or influence the referral of title insurance business under RCW 48.29.210(2). In adopting rules under this subsection, the commissioner shall work with representatives of the title insurance and real estate industries and consumer groups in developing the rules;

(6) Establishing the fee for a license as a rating organization under section 5 of this act;

(7) Establishing license requirements that an applicant for a license as a rating organization and a licensee must comply with; and

(8) Requiring a rating organization to periodically update the title insurance rates, manuals of rules and rates, rating plans, rate schedules, minimum rates, class rates, or rating rules, filed by the rating organization on behalf of its members or subscribers."

Correct the title.

Representatives Nealey and Kirby spoke in favor of the adoption of the amendment.

Amendment (124) 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 Nealey and Kirby 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 House Bill No. 1450.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1450, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

ENGROSSED HOUSE BILL NO. 1450, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1742, by Representatives Stambaugh, Fey, Orcutt, Riccelli, McDonald and Jinkins

Modifying the motor vehicle transporter's license to accommodate automotive repair facilities.

The bill was read the second time.

Representative Stambaugh moved the adoption of amendment (187):

On page 3, beginning on line 3, strike all of section 6

Correct the title.

Representatives Stambaugh and Clibborn spoke in favor of the adoption of the amendment.

Amendment (187) 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 Stambaugh and Clibborn 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 House Bill No. 1742.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1742, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

ENGROSSED HOUSE BILL NO. 1742, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1877, by Representative Stanford

Concerning the release of driving record abstract information affecting registered tow truck operators.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1877 was substituted for House Bill No. 1877 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1877 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 Stanford 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 Substitute House Bill No. 1877.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1877, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

SUBSTITUTE HOUSE BILL NO. 1877, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1351, by Representatives Sawyer, Vick, Springer, Barkis, Blake, Fitzgibbon and Haler

Authorizing, under one license, the sale of spirits, beer, and wine at retail for off-premises consumption.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1351 was substituted for House Bill No. 1351 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1351 was read the second time.

Representative Sawyer moved the adoption of amendment (088):

On page 2, beginning on line 15, after "premises of a" strike all material through "location" on line 16 and insert "former contract liquor store"

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

Amendment (088) 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 Sawyer 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 Second Substitute House Bill No. 1351.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1351, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1351, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1132, by Representatives Buys and Blake

Concerning dispute resolution between seed buyers and dealers.

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 Buys and Blake 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. 1132.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1132, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

HOUSE BILL NO. 1132, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1280, by Representatives Kagi and Fey

Including referred and diverted youth in establishing community juvenile accountability program guidelines.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1280 was substituted for House Bill No. 1280 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1280 was read the second time.

With the consent of the House, amendment (262) 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 Kagi and Dent 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 Second Substitute House Bill No. 1280.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1280, and the bill passed the House by the following vote: Yeas, 64; Nays, 34; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Chapman, Clibborn, Cody, Dent, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Hansen, Hudgins, Irwin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Kloba, Lovick, Lytton, MacEwen, Macri, Manweller, McBride, McCabe, McDonald, Morris, Muri, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Smith, Springer, Stambaugh, Stanford, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Caldier, Chandler, Condotta, DeBolt, Dye, Haler, Hargrove, Harmsworth, Harris, Hayes, Holy, Jenkin, Klippert, Koster, Kraft, Kretz, Kristiansen, Maycumber, McCaslin, Nealey, Orcutt, Pike, Schmick, Shea, Steele, Taylor, Van Werven, Vick, Volz, J. Walsh, Wilcox and Young.

SECOND SUBSTITUTE HOUSE BILL NO. 1280, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1266, by Representatives Peterson, Young and Fitzgibbon

Concerning petroleum storage tank systems.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1266 was substituted for House Bill No. 1266 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1266 was read the second time.

With the consent of the House, amendment (244) 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 Peterson and Taylor 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 Substitute House Bill No. 1266.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1266, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

SUBSTITUTE HOUSE BILL NO. 1266, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1944, by Representatives Condotta and Hayes

Exempting certain law enforcement officers from the hunter education training program.

The bill was read the second time.

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

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

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

Representatives Condotta and Blake 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 Substitute House Bill No. 1944.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1944, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves,

Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

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

HOUSE BILL NO. 1747, by Representatives Taylor, McCaslin, Volz, Young and Shea

Concerning the withdrawal of land from a designated classification.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1747 was substituted for House Bill No. 1747 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1747 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 Frame 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 Substitute House Bill No. 1747.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1747, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer,

Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

SUBSTITUTE HOUSE BILL NO. 1747, having received the necessary constitutional majority, was declared passed.

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

HOUSE BILL NO. 2057, by Representative Orwall

Concerning services and processes available when residential real property is abandoned or in foreclosure. Revised for 1st Substitute: Concerning the services and processes available when residential real property is abandoned or in foreclosure.

The bill was read the second time.

There being no objection Substitute House Bill No. 2057 was substituted for House Bill No. 2057 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2057 was read the second time.

Representative Orwall moved the adoption of the striking amendment (152):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 61.24 RCW to read as follows:

(1) A certificate of abandonment may be obtained for a fee through the housing finance commission by using a form and subject to the terms and conditions developed by the housing finance commission in conjunction with the servicing industry, trustees, and civil legal aid. The housing finance commission must determine the costs associated with the application process and set a reasonable application fee based upon these costs. The fee must not exceed one hundred dollars.

(2) Upon issuance of a certificate of abandonment, or upon receipt of notification from a servicer pursuant to section 2 or 3 of this act, the housing finance commission must notify the appropriate city, town, or county.

NEW SECTION. Sec. 2. A new section is added to chapter 61.24 RCW to read as follows:

(1) A servicer to whom a borrower, after default, has granted written permission to enter the premises to inspect, secure, repair, or maintain the premises may enter the premises and act

in accordance with the scope of the permission granted by the borrower.

(2) A servicer in possession of a court order allowing entry onto the premises to access, secure, maintain, and preserve the premises may enter the premises and act in accordance with the scope of the court order.

(3) A certificate of abandonment is not necessary under this section, but the servicer must notify the housing finance commission that it has obtained a court order or been granted written permission from the borrower in order that the commission may notify the appropriate city, town, or county.

NEW SECTION. Sec. 3. A new section is added to chapter 61.24 RCW to read as follows:

(1) A servicer may perform reasonable external maintenance without the borrower's permission if, after default and after reasonable inspection and notice in accordance with this section, there is reasonable cause to believe that the property is abandoned.

(2) A certificate of abandonment is not necessary under this section, but the servicer must notify the housing finance commission that it intends to perform reasonable external maintenance in order that the commission may notify the appropriate city, town, or county.

(3) For purposes of this section:

(a) "Notice" means a written notice posted on the door, informing the occupants that in three days the servicer or its agent intends to perform external maintenance of the property. The notice must remain on the door until the servicer is contacted by the borrower or lawful occupant or until foreclosure is complete. The notice must include all of the following:

(i) Information about the borrower's or lawful occupant's right to possession;

(ii) A twenty-four hour phone number that the borrower or lawful occupant may call with questions or concerns or to obtain information; and

(iii) The toll-free telephone number or charge-free equivalent made available by the department to find a department-approved housing counseling agency.

(b) "Reasonable cause to believe that the property is abandoned" means that the property exhibits a lack of evidence of occupancy and at least one of the following indicia of abandonment:

(i) Overgrown or dead vegetation;

(ii) An accumulation of newspapers, circulars, fliers, or mail;

(iii) Past due utility notices, or some or all of the utilities have been disconnected;

(iv) An accumulation of trash, junk, or debris;

(v) Broken windows.

(c) "Reasonable external maintenance" includes:

(i) Maintaining landscaping;

(ii) Collecting and disposing of newspapers, circulars, trash, and debris;

(iii) Painting over graffiti or tagging; and

(iv) The removal of hazardous property. If property is removed, the servicer must inventory and document the removal.

(d) "Reasonable inspection" means inspection from the street without entering the property.

NEW SECTION. Sec. 4. A new section is added to chapter 61.24 RCW to read as follows:

(1) A certificate of abandonment for entry into a dwelling without the borrower's permission permits a servicer or its agent to enter the property to take reasonable steps to secure the property. Upon issuance of a certificate of abandonment, the housing finance commission must notify the appropriate city, town, or county.

(2) The following conditions must be met before issuance of a certificate of abandonment:

(a) The borrower is in default and the property is abandoned, as indicated by the presence of at least three of the following indicia of abandonment visible from the exterior: (i) The absence of furnishings and personal items consistent with residential habitation; (ii) the gas, electric, and water utility services have been disconnected; (iii) statements by neighbors, passersby, delivery agents, or government employees that the property is vacant; (iv) multiple windows on the property are boarded up or closed off or are smashed through, broken, or unhinged, or multiple window panes are broken and unrepaired; (v) doors on the residence are smashed through, broken off, unhinged, or continuously unlocked; (vi) the property has been stripped of copper or other materials, or interior fixtures have been removed; (vii) law enforcement officials have received at least one report of trespassing or vandalism or other illegal activities occurring on the property within the immediately preceding six months; (viii) the property has been

declared unfit for occupancy and ordered to remain vacant and unoccupied pursuant to an order issued by a municipal or county authority or a court of competent jurisdiction; (ix) construction was initiated on the property and was discontinued before completion, leaving a building unsuitable for occupancy, and construction has not taken place for at least six months; (x) newspapers, circulars, flyers, or mail has accumulated on the property or the United States postal service has discontinued delivery to the property; (xi) rubbish, trash, debris, neglected vegetation, or natural overgrowth has accumulated on the property; (xii) hazardous, noxious, or unhealthy substances or materials have accumulated on the property; (xiii) other credible evidence exists indicating the intent to vacate and abandon the property; and either

(b) The property is open and unprotected or in reasonable danger of significant damage resulting from exposure to the elements or vandalism; or

(c) The local police, fire department, or code enforcement authority has requested that the borrower, owner, or any other interested or authorized party secure the residential real property because the local authority has declared the property to be an imminent danger to the health, safety, and welfare of the public.

(3) Within seven days of issuance of the certificate of abandonment, the servicer or its agent must post a written notice on the door informing the occupants that after thirty days the servicer or its agent intends to enter the dwelling to take reasonable steps to secure the property. The notice must remain on the door until the servicer is contacted by the borrower or lawful occupant or until foreclosure is complete. The notice must include all of the following:

(a) Information about the borrower's or lawful occupant's right to possession;

(b) A twenty-four hour phone number that the borrower or lawful occupant may call with questions or concerns or to obtain information; and

(c) The phone number of a housing counseling agency and information regarding the foreclosure fairness act.

(4) Absent the threat of imminent danger of harm, the servicer or its agent must wait thirty days after posting the notice before entering to take reasonable steps to secure the property. If there is imminent danger of harm, the servicer or

its agent need not wait thirty days but may enter immediately and, simultaneous with entry, post the notice required under subsection (3) of this section.

(5) Reasonable steps to secure the property include:

(a) Installing missing locks on exterior doors. Working locks may not be removed or replaced, unless all doors are secured and there is no other means of entry, and in such cases only one working lock may be removed and replaced;

(b) Replacing or boarding broken or missing windows;

(c) Winterizing, including draining pipes and disconnecting or turning on utilities;

(d) Eliminating building code or other code violations; or

(e) Securing exterior pools and spas.

(6) The servicer must document all steps to enter and secure the property, including taking date and time-stamped photographs of entry, and the manner of entry.

(7) Personal property may not be removed unless it is hazardous or perishable, and in such case an inventory and photographs of the property removed must be made.

(8) The servicer or agent must retain all documentation and photographs for a period of four years.

(9) The servicer and its agents must promptly exit the property if, upon entry, there are signs of occupancy.

(10) For purposes of this section, "imminent danger of harm" means:

(a) Active flooding, including damage to the roof such that water is entering the structure;

(b) Extreme weather conditions exist and immediate and extensive property damage is likely;

(c) Notification by the police, fire department, or code enforcement that there is immediate danger to health, safety, and welfare of the public; or

(d) Broken windows or damaged doors that could allow unlawful access to the property.

NEW SECTION. Sec. 5. A new section is added to chapter 61.24 RCW to read as follows:

The authority of an agent, such as a property preservation entity, to enter abandoned property and to perform any sort of work derives solely from the servicer's authority. A servicer has a duty to monitor its agents and to make sure that its agents possess the required permit, license, certificate, or registration, and are properly bonded and

insured if so required. The servicer must require that the agent implement stringent background check requirements for all of its employees engaged in on-site property preservation.

NEW SECTION. Sec. 6. A new section is added to chapter 61.24 RCW to read as follows:

(1) As used in this section:

(a) "Maintain" means:

- (i) Securing doors and windows;
- (ii) Landscaping;
- (iii) Collecting and disposing of newspapers, circulars, trash, and debris;
- (iv) Removing hazardous property;
- (v) Securing exterior pools and hot tubs; and
- (vi) Eliminating other threats to public health and safety.

(b) "Reasonable costs" means actual and demonstrable costs that are commensurate with and do not exceed the market rate for services necessary to remedy a condition resulting from a failure to maintain, plus the actual and demonstrable costs of administering a contract for services to remedy the condition or the portion of the costs of a program to remedy the condition that is attributable to remedying a condition for specific property.

(2)(a) Beginning thirty days after obtaining written permission or a court order as described under section 2 of this act or the issuance of a certificate of abandonment under section 4 of this act, and until the later of the recording of the trustee's deed by the purchaser or fifteen days after physical delivery of the trustee's deed to the purchaser, a beneficiary or its agent or servicer is under a duty to maintain the property during any period in which the property is vacant.

(b) A servicer must provide the servicer's name or the name of the servicer's agent and a telephone number or other means for contacting the servicer or agent to an official that the local government designates to receive the information described in this subsection.

(c) The servicer must post a durable notice in a conspicuous location on the property that lists a telephone number for the servicer or for the local government that a person may call to report a condition of neglect. The servicer must replace the notice if the notice is removed from the property during a period when the property is vacant.

(d) A servicer or the agent of a servicer must identify the borrower to the local government and provide to, and maintain with, the local government current contact information during a period when the property is vacant.

(3)(a) If a local government finds a violation of subsection (2)(a) of this section, the local government must notify the servicer, in writing, that the property is the subject of the violation and in accordance with (b) or (c) of this subsection, as appropriate, must specify a time within which the servicer must remedy the condition that is the basis for the local government's finding.

(b) The local government must allow the servicer not fewer than thirty days to remedy the violation, unless the local government makes a determination under (c) of this subsection, and must provide the servicer with an opportunity to contest the local government's finding at a hearing. The servicer must contest the local government's finding within ten days after the local government notifies the servicer of the violation.

(c) If the local government determines that a specific condition of the property constitutes a threat to public health or safety, the local government may require the servicer to remedy the specific condition in fewer than thirty days, provided that the local government specifies in the written notice the date by which the servicer must remedy the specific condition. A local government may specify in the written notice different dates by which the servicer must remedy separate conditions of neglect on the foreclosed residential real property.

(4)(a) After a local government allows a servicer the time specified in subsection (3)(b) of this section or makes a determination under subsection (3)(c) of this section, the local government may remedy or contract with another person to remedy and require the servicer to reimburse the local government for reasonable costs the local government incurs under this subsection.

(b) A local government that has incurred costs with respect to property under (a) of this subsection has a lien on the property for the sum of the local government's unreimbursed costs. A lien created under this subsection is prior to all other liens and encumbrances, except that the lien has equal priority with a tax lien. The lien attaches at the time the local government files a claim of lien with the county clerk of the county

in which the property is located. A local government may bring an action in the superior court to foreclose the lien in the manner provided for foreclosing other liens on real or personal property.

NEW SECTION. Sec. 7. A new section is added to chapter 61.24 RCW to read as follows:

(1) As used in this section:

(a) "Neglect" means:

(i) To fail or a failure to maintain the buildings, grounds, or appurtenances of property in such a way as to allow:

(A) Excessive growth of foliage that diminishes the value of adjacent property;

(B) Trespassers to remain on the foreclosed residential real property or in a structure located on the foreclosed residential real property;

(C) Mosquito larvae or pupae to grow in standing water on the property; or

(D) Other conditions on the property that cause or contribute to causing a public nuisance;

(ii) To fail or a failure to monitor the condition of property by inspecting the property at least once every thirty days with sufficient attention so as to prevent, or to identify and remedy, a condition described in (a)(i) of this subsection.

(b) "Reasonable costs" means actual and demonstrable costs that are commensurate with and do not exceed the market rate for services necessary to remedy a condition of neglect, plus the actual and demonstrable costs of administering a contract for services to remedy a condition of neglect or the portion of the costs of a program to remedy conditions of neglect that are attributable to remedying a condition of neglect for specific property.

(2)(a) A servicer is under an obligation to maintain and may not neglect the property during any period in which the property is vacant.

(b) A servicer must provide the servicer's name or the name of the servicer's agent and a telephone number or other means for contacting the servicer or agent to an official that the local government designates to receive the information described in this subsection.

(c) The servicer must post a durable notice in a conspicuous location on the property that lists a telephone number for the servicer or for the local government that a person may call to report a condition of neglect. The servicer must replace the notice if the

notice is removed from the property during a period when the property is vacant.

(d) A servicer or the agent of a servicer must identify the borrower to the local government and provide to, and maintain with, the local government current contact information during a period when the property is vacant.

(3)(a) If a local government finds a violation of subsection (2)(a) of this section, the local government must notify the servicer, in writing, that the property is the subject of the violation and in accordance with (b) or (c) of this subsection, as appropriate, must specify a time within which the servicer must remedy the condition of neglect that is the basis for the local government's finding.

(b) The local government must allow the servicer not fewer than thirty days to remedy the violation, unless the local government makes a determination under (c) of this subsection, and must provide the servicer with an opportunity to contest the local government's finding at a hearing. The servicer must contest the local government's finding within ten days after the local government notifies the servicer of the violation.

(c) If the local government determines that a specific condition of the property constitutes a threat to public health or safety, the local government may require the servicer to remedy the specific condition in fewer than thirty days, provided that the local government specifies in the written notice the date by which the servicer must remedy the specific condition. A local government may specify in the written notice different dates by which the servicer must remedy separate conditions of neglect on the foreclosed residential real property.

(4)(a) After a local government allows a servicer the time specified in subsection (3)(b) of this section or makes a determination under subsection (3)(c) of this section, the local government may remedy or contract with another person to remedy neglect or a specific condition of neglect on property and require the servicer to reimburse the local government for reasonable costs the local government incurs under this subsection.

(b) A local government that has incurred costs with respect to property under (a) of this subsection has a lien on the property for the sum of the local government's unreimbursed costs. A lien

created under this subsection is prior to all other liens and encumbrances, except that the lien has equal priority with a tax lien. The lien attaches at the time the local government files a claim of lien with the county clerk of the county in which the property is located. A local government may bring an action in the superior court to foreclose the lien in the manner provided for foreclosing other liens on real or personal property.

Sec. 8. RCW 61.24.173 and 2016 c 196 s 2 are each amended to read as follows:

(1) ((Except as provided in subsections (4) and (5) of this section, beginning July 1, 2016, and every quarter thereafter, every beneficiary on whose behalf a notice of trustee's sale has been recorded pursuant to RCW 61.24.040 on residential real property under this chapter must:

(a) Report to the department the number of notices of trustee's sale recorded for each residential property during the previous quarter;

(b) Remit the amount required under subsection (2) of this section; and

(c) Report and update beneficiary contact information for the person and work group responsible for the beneficiary's compliance with the requirements of the foreclosure fairness act created in this chapter.

(2)) For each notice of trustee's sale recorded on residential real property, the beneficiary on whose behalf the notice of trustee's sale has been recorded shall remit ((two hundred fifty dollars to the department to be deposited, as provided under RCW 61.24.172, into the foreclosure fairness account)) three hundred dollars to the county auditor or recording officer at the time of recording the notice of trustee's sale. The ((two)) three hundred ((fifty)) dollar payment is required for every recorded notice of trustee's sale for noncommercial loans on residential real property, but does not apply to the recording of an amended notice of trustee's sale. ((If the beneficiary previously made a payment under RCW 61.24.174, as it existed prior to July 1, 2016, for a notice of default supporting the recorded notice of trustee's sale, no payment is required under this section. The beneficiary shall remit the total amount required in a lump sum each quarter.

(3) Reporting and payments under subsections (1) and (2) of this section are due within forty-five days of the end of each quarter.

(4) This section does not apply to any beneficiary or loan servicer that is a federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), and that certifies under penalty of perjury that fewer than fifty notices of trustee's sale were recorded on its behalf in the preceding year.

(5)) (a) The county auditor or recording officer shall retain three percent for collection of the fee and the amount retained must be used for purposes of operations and maintenance consistent with RCW 36.22.170(2)(b).

(b) The county treasurer or recording officer shall remit the remaining funds to the state treasurer on a monthly basis for deposit into the foreclosure fairness account.

(2) Any beneficiary or loan servicer that is a federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), that records fewer than fifty notices of trustee's sale for residential real property during a calendar year may apply to the department for a refund of the recording fee established under this section. At the option of the beneficiary or loan servicer, a refund application may be submitted on a quarterly or an annual basis according to rules adopted by the department.

(3) This section does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

((6)) (4) For purposes of this section, "residential real property" includes residential real property with up to four dwelling units, whether or not the property or any part thereof is owner-occupied.

Sec. 9. RCW 61.24.040 and 2012 c 185 s 10 are each amended to read as follows:

A deed of trust foreclosed under this chapter shall be foreclosed as follows:

(1) At least ninety days before the sale, or if a letter under RCW 61.24.031 is required, at least one hundred twenty days before the sale, the trustee shall:

(a) Record a notice in the form described in ((f) of this)) subsection (2) of this section in the office of the auditor in each county in which the deed of trust is recorded;

(b) To the extent the trustee elects to foreclose its lien or interest, or the beneficiary elects to preserve its right to seek a deficiency judgment against a borrower or grantor under RCW 61.24.100(3)(a), and if their addresses are stated in a recorded instrument evidencing their interest, lien, or claim

of lien, or an amendment thereto, or are otherwise known to the trustee, cause a copy of the notice of sale described in ((f) of this) subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the following persons or their legal representatives, if any, at such address:

- (i) The borrower and grantor;
- (ii) The beneficiary of any deed of trust or mortgagee of any mortgage, or any person who has a lien or claim of lien against the property, that was recorded subsequent to the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;
- (iii) The vendee in any real estate contract, the lessee in any lease, or the holder of any conveyances of any interest or estate in any portion or all of the property described in such notice, if that contract, lease, or conveyance of such interest or estate, or a memorandum or other notice thereof, was recorded after the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iv) The last holder of record of any other lien against or interest in the property that is subject to a subordination to the deed of trust being foreclosed that was recorded before the recordation of the notice of sale;

(v) The last holder of record of the lien of any judgment subordinate to the deed of trust being foreclosed; and

(vi) The occupants of property consisting solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, whether or not the occupant's rental agreement is recorded, which notice may be a single notice addressed to "occupants" for each unit known to the trustee or beneficiary;

(c) Cause a copy of the notice of sale described in ((f) of this) subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the plaintiff or the plaintiff's attorney of record, in any court action to foreclose a lien or other encumbrance on all or any part of the property, provided a court action is pending and a lis pendens in connection therewith is recorded in the office of the auditor of any county in which all or

part of the property is located on the date the notice is recorded;

(d) Cause a copy of the notice of sale described in ((f) of this) subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to any person who has recorded a request for notice in accordance with RCW 61.24.045, at the address specified in such person's most recently recorded request for notice;

(e) Cause a copy of the notice of sale described in ((f) of this) subsection (2) of this section to be posted in a conspicuous place on the property, or in lieu of posting, cause a copy of said notice to be served upon any occupant of the property;

((f)) (2)(a) The notice required in subsection (1) of this section must include a cover sheet on which it is clearly indicated the name of the beneficiary and whether the loan is commercial or noncommercial. In addition to any other indexing requirements, the auditor shall index the notice of trustee's sale by beneficiary. Unless clearly indicated that the loan is commercial, three hundred dollars must be remitted pursuant to RCW 61.24.173(1).

(b) The notice ((shall)) must be in substantially the following form:

NOTICE OF TRUSTEE'S SALE

I.

NOTICE IS HEREBY GIVEN that the undersigned Trustee will on the day of,, at the hour of o'clock M. at [street address and location if inside a building] in the City of, State of Washington, sell at public auction to the highest and best bidder, payable at the time of sale, the following described real property, situated in the County(ies) of, State of Washington, to-wit:

[If any personal property is to be included in the trustee's sale, include a description that reasonably identifies such personal property]

which is subject to that certain Deed of Trust dated,, recorded,, under Auditor's File No., records of County, Washington, from, as Grantor, to, as Trustee, to secure an obligation in favor of, as Beneficiary, the beneficial interest in which was assigned

by, under an Assignment recorded under Auditor's File No. [Include recording information for all counties if the Deed of Trust is recorded in more than one county.]

II.

No action commenced by the Beneficiary of the Deed of Trust is now pending to seek satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

[If there is another action pending to foreclose other security for all or part of the same debt, qualify the statement and identify the action.]

III.

The default(s) for which this foreclosure is made is/are as follows:

[If default is for other than payment of money, set forth the particulars]

Failure to pay when due the following amounts which are now in arrears:

IV.

The sum owing on the obligation secured by the Deed of Trust is: Principal \$, together with interest as provided in the note or other instrument secured from the day of,, and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

V.

The above-described real property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on the day of, The default(s) referred to in paragraph III must be cured by the day of, . . . (11 days before the sale date), to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before the day of, . . ., (11 days before the sale date), the default(s) as set forth in paragraph III is/are cured and the Trustee's fees and costs are paid. The sale may be terminated any time after the day of, . . . (11 days before the sale date), and before the sale by the Borrower, Grantor, any Guarantor, or the holder of any recorded junior lien or encumbrance paying the entire principal and interest secured by the Deed of Trust, plus costs, fees, and advances, if any, made pursuant to the terms of the obligation and/or

Deed of Trust, and curing all other defaults.

VI.

A written notice of default was transmitted by the Beneficiary or Trustee to the Borrower and Grantor at the following addresses:

by both first-class and certified mail on the day of,, proof of which is in the possession of the Trustee; and the Borrower and Grantor were personally served on the day of,, with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.

VII.

The Trustee whose name and address are set forth below will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.

IX.

Anyone having any objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's sale.

[Add Part X to this notice if applicable under RCW 61.24.040((9)) (11)]

, Trustee

Address
} Phone

[Acknowledgment]
((g)) (3) If the borrower received a letter under RCW 61.24.031, the notice specified in subsection ((1)(f)) (2) of this section ((shall)) must also include the following additional language:

"THIS NOTICE IS THE FINAL STEP BEFORE THE FORECLOSURE SALE OF YOUR HOME.

You have only 20 DAYS from the recording date on this notice to pursue mediation.

DO NOT DELAY. CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you are eligible and it may help you save your home. See below for safe sources of help.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: Web site:

The United States Department of Housing and Urban Development

Telephone: Web site:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Web site:"

The beneficiary or trustee shall obtain the toll-free numbers and web site information from the department for inclusion in the notice;

((2)) (4) In addition to providing the borrower and grantor the notice of sale described in subsection ((1)(f)) (2) of this section, the trustee shall include with the copy of the notice which is mailed to the grantor, a statement to the grantor in substantially the following form:

NOTICE OF FORECLOSURE

Pursuant to the Revised Code of Washington, Chapter 61.24 RCW

The attached Notice of Trustee's Sale is a consequence of default(s) in the obligation to, the Beneficiary of your Deed of Trust and owner of the obligation secured thereby. Unless the default(s) is/are cured, your property will be sold at auction on the day of,

To cure the default(s), you must bring the payments current, cure any other defaults, and pay accrued late charges and other costs, advances, and attorneys' fees as set forth below by the day of, [11 days before

the sale date]. To date, these arrears and costs are as follows:

	Currentl	Estimate
	y due	d amount
	to	that
	reinstate	will be due
	on	to
	. . . . .	reinstate
	. . . . .	on

		(11 days
		before
		the date
		set
		for
		sale)
	Delinquent payments	
	from	
 ,	
	. . . . , in	
	the	
	amount of	
	\$ /m	\$ \$
	o.:	. . . . .
	Late	
	charges in	
	the total	
	amount of:	\$ \$

		Estim
		ated
		Amoun
		ts
	Attorneys'	\$ \$
	fees:	. . . . .
	Trustee's	\$ \$
	fee:	. . . . .
	Trustee's expenses:	
	(Itemizatio	
	n)	
	Title	\$ \$
	report	. . . . .
	Recording	\$ \$
	fees	. . . . .
	Service/Pos	
	ting	\$ \$
	of Notices	. . . . .
	Postage/Cop	
	ying	\$ \$
	expense	. . . . .
	Publication	\$ \$

	Telephone	
	charges	\$ \$

	Inspection	\$ \$
	fees	. . . . .
	\$ \$

	\$ \$

TOTALS \$. . . \$. . .

To pay off the entire obligation secured by your Deed of Trust as of the day of you must pay a total of \$ in principal, \$ in interest, plus other costs and advances estimated to date in the amount of \$ From and after the date of this notice you must submit a written request to the Trustee to obtain the total amount to pay off the entire obligation secured by your Deed of Trust as of the payoff date.

As to the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust, you must cure each such default. Listed below are the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust. Opposite each such listed default is a brief description of the action necessary to cure the default and a description of the documentation necessary to show that the default has been cured.

Default	Description of Action Required to Cure and Documentation Necessary to Show Cure
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You may reinstate your Deed of Trust and the obligation secured thereby at any time up to and including the day of , . . . [11 days before the sale date], by paying the amount set forth or estimated above and by curing any other defaults described above. Of course, as time passes other payments may become due, and any further payments coming due and any additional late charges must be added to your reinstating payment. Any new defaults not involving payment of money that occur after the date of this notice must also be cured in order to effect reinstatement. In addition, because some of the charges can only be estimated at this time, and because the amount necessary to reinstate or to pay off the entire indebtedness may include presently unknown expenditures required to preserve the property or to comply with state or local law, it will be necessary for you to contact the Trustee before the time you tender reinstatement or the payoff amount so that you may be advised of the exact amount you will be required to pay.

Tender of payment or performance must be made to: , whose address is , telephone () AFTER THE DAY OF , . . . , YOU MAY NOT REINSTATE YOUR DEED OF TRUST BY PAYING THE BACK PAYMENTS AND COSTS AND FEES AND CURING THE OTHER DEFAULTS AS OUTLINED ABOVE. The Trustee will respond to any written request for current payoff or reinstatement amounts within ten days of receipt of your written request. In such a case, you will only be able to stop the sale by paying, before the sale, the total principal balance (\$) plus accrued interest, costs and advances, if any, made pursuant to the terms of the documents and by curing the other defaults as outlined above.

You may contest this default by initiating court action in the Superior Court of the county in which the sale is to be held. In such action, you may raise any legitimate defenses you have to this default. A copy of your Deed of Trust and documents evidencing the obligation secured thereby are enclosed. You may wish to consult a lawyer. Legal action on your part may prevent or restrain the sale, but only if you persuade the court of the merits of your defense. You may contact the Department of Financial Institutions or the statewide civil legal aid hotline for possible assistance or referrals.

The court may grant a restraining order or injunction to restrain a trustee's sale pursuant to RCW 61.24.130 upon five days notice to the trustee of the time when, place where, and the judge before whom the application for the restraining order or injunction is to be made. This notice shall include copies of all pleadings and related documents to be given to the judge. Notice and other process may be served on the trustee at:

NAME:
ADDRESS:

TELEPHONE
NUMBER:

If you do not reinstate the secured obligation and your Deed of Trust in the manner set forth above, or if you do not succeed in restraining the sale by court action, your property will be sold. The effect of such sale will be to deprive you and all those who hold by, through or under you of all interest in the property;

((3)) (5) In addition, the trustee shall cause a copy of the notice of sale described in subsection ((1)(f)) (2) of

this section (excluding the acknowledgment) to be published in a legal newspaper in each county in which the property or any part thereof is situated, once on or between the thirty-fifth and twenty-eighth day before the date of sale, and once on or between the fourteenth and seventh day before the date of sale;

((4)) (6) On the date and at the time designated in the notice of sale, the trustee or its authorized agent shall sell the property at public auction to the highest bidder. The trustee may sell the property in gross or in parcels as the trustee shall deem most advantageous;

((5)) (7) The place of sale shall be at any designated public place within the county where the property is located and if the property is in more than one county, the sale may be in any of the counties where the property is located. The sale shall be on Friday, or if Friday is a legal holiday on the following Monday, and during the hours set by statute for the conduct of sales of real estate at execution;

((6)) (8) The trustee has no obligation to, but may, for any cause the trustee deems advantageous, continue the sale for a period or periods not exceeding a total of one hundred twenty days by (a) a public proclamation at the time and place fixed for sale in the notice of sale and if the continuance is beyond the date of sale, by giving notice of the new time and place of the sale by both first class and either certified or registered mail, return receipt requested, to the persons specified in subsection (1)(b)(i) and (ii) of this section to be deposited in the mail (i) not less than four days before the new date fixed for the sale if the sale is continued for up to seven days; or (ii) not more than three days after the date of the continuance by oral proclamation if the sale is continued for more than seven days, or, alternatively, (b) by giving notice of the time and place of the postponed sale in the manner and to the persons specified in subsection (1)(b), (c), (d), and (e) of this section and publishing a copy of such notice once in the newspaper(s) described in subsection ((3)) (5) of this section, more than seven days before the date fixed for sale in the notice of sale. No other notice of the postponed sale need be given;

((7)) (9) The purchaser shall forthwith pay the price bid and on payment the trustee shall execute to the

purchaser its deed; the deed shall recite the facts showing that the sale was conducted in compliance with all of the requirements of this chapter and of the deed of trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value, except that these recitals shall not affect the lien or interest of any person entitled to notice under subsection (1) of this section, if the trustee fails to give the required notice to such person. In such case, the lien or interest of such omitted person shall not be affected by the sale and such omitted person shall be treated as if such person was the holder of the same lien or interest and was omitted as a party defendant in a judicial foreclosure proceeding;

((8)) (10) The sale as authorized under this chapter shall not take place less than one hundred ninety days from the date of default in any of the obligations secured;

((9)) (11) If the trustee elects to foreclose the interest of any occupant or tenant of property comprised solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, the following notice shall be included as Part X of the Notice of Trustee's Sale:

X. NOTICE TO OCCUPANTS OR TENANTS

The purchaser at the trustee's sale is entitled to possession of the property on the 20th day following the sale, as against the grantor under the deed of trust (the owner) and anyone having an interest junior to the deed of trust, including occupants who are not tenants. After the 20th day following the sale the purchaser has the right to evict occupants who are not tenants by summary proceedings under chapter 59.12 RCW. For tenant-occupied property, the purchaser shall provide a tenant with written notice in accordance with RCW 61.24.060;

((10)) (12) Only one copy of all notices required by this chapter need be given to a person who is both the borrower and the grantor. All notices required by this chapter that are given to a general partnership are deemed given to each of its general partners, unless otherwise agreed by the parties.

Sec. 10. RCW 61.24.030 and 2012 c 185 s 9 are each amended to read as follows:

It shall be requisite to a trustee's sale:

(1) That the deed of trust contains a power of sale;

(2) That the deed of trust contains a statement that the real property conveyed is not used principally for agricultural purposes; provided, if the statement is false on the date the deed of trust was granted or amended to include that statement, and false on the date of the trustee's sale, then the deed of trust must be foreclosed judicially. Real property is used for agricultural purposes if it is used in an operation that produces crops, livestock, or aquatic goods;

(3) That a default has occurred in the obligation secured or a covenant of the grantor, which by the terms of the deed of trust makes operative the power to sell;

(4) That no action commenced by the beneficiary of the deed of trust is now pending to seek satisfaction of an obligation secured by the deed of trust in any court by reason of the grantor's default on the obligation secured: PROVIDED, That (a) the seeking of the appointment of a receiver, or the filing of a civil case to obtain court approval to access, secure, maintain, and preserve property from waste or nuisance, shall not constitute an action for purposes of this chapter; and (b) if a receiver is appointed, the grantor shall be entitled to any rents or profits derived from property subject to a homestead as defined in RCW 6.13.010. If the deed of trust was granted to secure a commercial loan, this subsection shall not apply to actions brought to enforce any other lien or security interest granted to secure the obligation secured by the deed of trust being foreclosed;

(5) That the deed of trust has been recorded in each county in which the land or some part thereof is situated;

(6) That prior to the date of the notice of trustee's sale and continuing thereafter through the date of the trustee's sale, the trustee must maintain a street address in this state where personal service of process may be made, and the trustee must maintain a physical presence and have telephone service at such address;

(7)(a) That, for residential real property, before the notice of trustee's sale is recorded, transmitted, or served, the trustee shall have proof that the beneficiary is the owner of any promissory note or other obligation secured by the deed of trust. A declaration by the beneficiary made under

the penalty of perjury stating that the beneficiary is the actual holder of the promissory note or other obligation secured by the deed of trust shall be sufficient proof as required under this subsection.

(b) Unless the trustee has violated his or her duty under RCW 61.24.010(4), the trustee is entitled to rely on the beneficiary's declaration as evidence of proof required under this subsection.

(c) This subsection (7) does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW;

(8) That at least thirty days before notice of sale shall be recorded, transmitted or served, written notice of default shall be transmitted by the beneficiary or trustee to the borrower and grantor at their last known addresses by both first-class and either registered or certified mail, return receipt requested, and the beneficiary or trustee shall cause to be posted in a conspicuous place on the premises, a copy of the notice, or personally served on the borrower and grantor. This notice shall contain the following information:

(a) A description of the property which is then subject to the deed of trust;

(b) A statement identifying each county in which the deed of trust is recorded and the document number given to the deed of trust upon recording by each county auditor or recording officer;

(c) A statement that the beneficiary has declared the borrower or grantor to be in default, and a concise statement of the default alleged;

(d) An itemized account of the amount or amounts in arrears if the default alleged is failure to make payments;

(e) An itemized account of all other specific charges, costs, or fees that the borrower, grantor, or any guarantor is or may be obliged to pay to reinstate the deed of trust before the recording of the notice of sale;

(f) A statement showing the total of (d) and (e) of this subsection, designated clearly and conspicuously as the amount necessary to reinstate the note and deed of trust before the recording of the notice of sale;

(g) A statement that failure to cure the alleged default within thirty days of the date of mailing of the notice, or if personally served, within thirty days of the date of personal service thereof, may lead to recordation, transmittal, and publication of a notice of sale, and that the property described in (a) of this

subsection may be sold at public auction at a date no less than one hundred twenty days in the future, or no less than one hundred fifty days in the future if the borrower received a letter under RCW 61.24.031;

(h) A statement that the effect of the recordation, transmittal, and publication of a notice of sale will be to (i) increase the costs and fees and (ii) publicize the default and advertise the grantor's property for sale;

(i) A statement that the effect of the sale of the grantor's property by the trustee will be to deprive the grantor of all their interest in the property described in (a) of this subsection;

(j) A statement that the borrower, grantor, and any guarantor has recourse to the courts pursuant to RCW 61.24.130 to contest the alleged default on any proper ground;

(k) In the event the property secured by the deed of trust is owner-occupied residential real property, a statement, prominently set out at the beginning of the notice, which shall state as follows:

"THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

You may be eligible for mediation in front of a neutral third party to help save your home.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. Mediation MUST be requested between the time you receive the Notice of Default and no later than twenty days after the Notice of Trustee Sale is recorded.

DO NOT DELAY. If you do nothing, a notice of sale may be issued as soon as 30 days from the date of this notice of default. The notice of sale will provide a minimum of 120 days' notice of the date of the actual foreclosure sale.

BE CAREFUL of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

REFER TO THE CONTACTS BELOW for sources of assistance.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing

counselors recommended by the Housing Finance Commission

Telephone:
Web site:

The United States Department of Housing and Urban Development

Telephone:
Web site:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone:
Web site:"

The beneficiary or trustee shall obtain the toll-free numbers and web site information from the department for inclusion in the notice; and

(1) In the event the property secured by the deed of trust is residential real property, the name and address of the owner of any promissory notes or other obligations secured by the deed of trust and the name, address, and telephone number of a party acting as a servicer of the obligations secured by the deed of trust; and

(9) That, for owner-occupied residential real property, before the notice of the trustee's sale is recorded, transmitted, or served, the beneficiary has complied with RCW 61.24.031 and, if applicable, RCW 61.24.163."

Correct the title.

Representatives Orwall and Rodne spoke in favor of the adoption of the striking amendment.

Amendment (152) 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 Orwall and Rodne spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2057.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2057, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth,

Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Sambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2057, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2095, by Representatives Wylie, Stonier, Harris, Vick, Clibborn, Fey, McBride and Macri

Concerning preliminary work to develop a process for planning for a new Interstate 5 bridge spanning the Columbia river.

The bill was read the second time.

Representative Pike moved the adoption of amendment (256):

On page 7, line 1, after "(2)" insert "The amount provided in subsection (1) of this section must be held in unallotted status until the department of transportation provides the office of financial management with a written commitment from the state of Oregon to participate in the joint legislative action committee described in section 5 of this act.

(3) "

On page 7, line 1, after "2017," insert "if the office of financial management receives the written commitment described in subsection (2) of this section,"

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

Representative Wylie spoke against the adoption of the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Lovick presiding) divided the House. The result was 45 - YEAS; 52 - NAYS.

Amendment (256) was not adopted.

Representative Wylie moved the adoption of amendment (264):

On page 5, beginning on line 29, strike all of section 5 and insert the following:

"NEW SECTION. Sec. 5. A new section is added to chapter 47.01 RCW to read as follows:

(1) On behalf of the state, the legislature of the state of Washington invites the legislature of the state of Oregon to participate in a joint legislative action committee regarding the construction of a new Interstate 5 bridge spanning the Columbia river that achieves the following purposes:

(a) Works with both states' departments of transportation and transportation commissions and stakeholders to begin a process toward project development. It is assumed that the appropriate local and bistate entities already tasked with related work will also be included when the legislative and interagency agreements are ready to move forward. The legislative action committee must convene its first meeting by December 15, 2017;

(b) Reviews and confirms lead roles related to permitting, construction, operation, and maintenance of a future Interstate 5 bridge project;

(c) Establishes a process to seek public comment on the Interstate 5 bridge project development plan selected and presents final recommendations for the process and financing to both states;

(d) Works to ensure that there are sufficient resources available to both states' departments of transportation to inventory and utilize existing data and any prior relevant work to allow for nonduplicative and efficient decision making regarding a new project;

(e) Examines all of the potential mass transit options available for a future Interstate 5 bridge project;

(f) Utilizes design-build procurement, or an equivalent or better innovation delivery method, and determines the least costly, most efficient project management and best practices tools consistent with work already completed including, but not limited to, height, navigation needs, transparency, economic development, and other critical elements, while minimizing the impacts of congestion during construction;

(g) Considers the creation of a Columbia river bridge authority to review bridge needs for possible repair, maintenance, or new construction, prioritizing those needs and making recommendations to both states with

regard to financing specific projects, timing, authorities, and operations; and

(h) Provides a report to the legislatures of each state that details the findings and recommendations of the legislative action committee by December 15, 2018.

(2)(a) The joint Oregon-Washington legislative action committee is established, with members as provided in this subsection:

(i) The speaker of the house of representatives of both states shall appoint four members, two from each of the two largest caucuses of the house of representatives.

(ii) The majority leader and minority leader of the senate of both states shall jointly appoint four members, two from each of the two largest caucuses of the senate.

(b) The legislative action committee shall choose its cochaIRS from among its membership, one each from the senate and the house of representatives of both states.

(c) Executive agencies, including the departments of transportation and the transportation commissions, shall cooperate with the committee and provide information and other assistance as the cochaIRS may reasonably request.

(d) Staff support for the legislative action committee must be provided by the Washington house of representatives office of program research, Washington senate committee services, and the Oregon legislative policy and research office.

(e) Legislative members of the legislative action committee are reimbursed for travel expenses. For Washington legislative members, this reimbursement must be in accordance with RCW 44.04.120.

(f) The expenses of the legislative action committee must be paid jointly by both states' senate and house of representatives. In Washington, committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(g) Each meeting of the legislative action committee must allow an opportunity for public comment. Legislative action committee meetings must be scheduled and conducted in accordance with the requirements of both the senate and the house of representatives of both states."

Representative Pike moved the adoption of amendment (267) to amendment (264):

On page 2, line 20 of the amendment, after "speaker" insert "and minority leader"

On page 2, line 21 of the amendment, after "shall" insert "jointly"

Representatives Pike and Wylie spoke in favor of the adoption of the amendment (267) to amendment (264).

Amendment (267) to amendment (264) was adopted.

Representative Wylie spoke in favor of the adoption of the amendment (264) as amended.

Representative Pike spoke against the adoption of the amendment (264) as amended.

Division was demanded and the demand was sustained. The Speaker (Representative Lovick presiding) divided the House. The result was 53 - YEAS; 45 - NAYS.

Amendment (264), as amended, 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 Wylie, Stonier, Johnson, Vick and Harris spoke in favor of the passage of the bill.

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

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2095.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2095, and the bill passed the House by the following vote: Yeas, 60; Nays, 38; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Hansen, Harris, Hayes, Hudgins, Jinkins, Johnson, Kagi, Kilduff, Kirby, Kloba, Lovick, Lytton, Macri, Manweller, McBride, McCabe, Morris, Nealey, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Springer, Stanford, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Vick, Wilcox, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Calder, Chandler, Condotta, DeBolt, Dent, Dye, Griffey, Haler, Hargrove, Harmsworth, Holy, Irwin, Jenkin, Klippert,

Koster, Kraft, Kretz, Kristiansen, MacEwen, Maycumber, McCaslin, McDonald, Muri, Orcutt, Pike, Rodne, Schmick, Shea, Smith, Stambaugh, Steele, Taylor, Van Werven, Volz, J. Walsh and Young.

ENGROSSED HOUSE BILL NO. 2095, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1433, by Representatives Stambaugh, Orwall, Haler, Tarleton, Jinkins, Pollet, Stonier, Ryu, Hargrove, Santos and Doglio

Decoupling services and activities fees from tuition.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1433 was substituted for House Bill No. 1433 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1433 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 Stambaugh and Pollet spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1433.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1433, and the bill passed the House by the following vote: Yeas, 83; Nays, 15; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Caldier, Chapman, Clibborn, Cody, Dent, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Kloba, Koster, Kraft, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, McBride, McCabe, McDonald, Morris, Muri, Nealey, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie and Mr. Speaker.

Voting nay: Representatives Buys, Chandler, Condotta, DeBolt, Dye, Klippert, Kretz, Maycumber, McCaslin, Orcutt, Schmick, Shea, Stokesbary, Taylor and Young.

SUBSTITUTE HOUSE BILL NO. 1433, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2114, by Representatives Cody and Pollet

Protecting consumers from charges for out-of-network health services. Revised for 1st Substitute: Addressing protecting consumers from charges for out-of-network health services.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2114 was substituted for House Bill No. 2114 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2114 was read the second time.

Representative Graves moved the adoption of the striking amendment (266):

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 48.43.005 and 2016 c 65 s 2 are each amended to read as follows: Unless otherwise specifically provided, the definitions in this section apply throughout this chapter.

(1) "Adjusted community rate" means the rating method used to establish the premium for health plans adjusted to reflect actuarially demonstrated differences in utilization or cost attributable to geographic region, age, family size, and use of wellness activities.

(2) "Adverse benefit determination" means a denial, reduction, or termination of, or a failure to provide or make payment, in whole or in part, for a benefit, including a denial, reduction, termination, or failure to provide or make payment that is based on a determination of an enrollee's or applicant's eligibility to participate in a plan, and including, with respect to group health plans, a denial, reduction, or termination of, or a failure to provide or make payment, in whole or in part, for a benefit resulting from the application of any utilization review, as well as a failure to cover an item or service for which benefits are otherwise provided because it is determined to be experimental or investigational or not medically necessary or appropriate.

(3) "Applicant" means a person who applies for enrollment in an individual health plan as the subscriber or an enrollee, or the dependent or spouse of a subscriber or enrollee.

(4) "Balance bill" means a bill sent to a covered person by an out-of-network

provider or facility for health care services provided to the covered person after the provider or facility's billed amount is not fully reimbursed by the carrier, exclusive of permitted cost-sharing.

(5) "Basic health plan" means the plan described under chapter 70.47 RCW, as revised from time to time.

((5)) (6) "Basic health plan model plan" means a health plan as required in RCW 70.47.060(2)(e).

((6)) (7) "Basic health plan services" means that schedule of covered health services, including the description of how those benefits are to be administered, that are required to be delivered to an enrollee under the basic health plan, as revised from time to time.

((7)) (8) "Board" means the governing board of the Washington health benefit exchange established in chapter 43.71 RCW.

((8)) (9)(a) For grandfathered health benefit plans issued before January 1, 2014, and renewed thereafter, "catastrophic health plan" means:

(i) In the case of a contract, agreement, or policy covering a single enrollee, a health benefit plan requiring a calendar year deductible of, at a minimum, one thousand seven hundred fifty dollars and an annual out-of-pocket expense required to be paid under the plan (other than for premiums) for covered benefits of at least three thousand five hundred dollars, both amounts to be adjusted annually by the insurance commissioner; and

(ii) In the case of a contract, agreement, or policy covering more than one enrollee, a health benefit plan requiring a calendar year deductible of, at a minimum, three thousand five hundred dollars and an annual out-of-pocket expense required to be paid under the plan (other than for premiums) for covered benefits of at least six thousand dollars, both amounts to be adjusted annually by the insurance commissioner.

(b) In July 2008, and in each July thereafter, the insurance commissioner shall adjust the minimum deductible and out-of-pocket expense required for a plan to qualify as a catastrophic plan to reflect the percentage change in the consumer price index for medical care for a preceding twelve months, as determined by the United States department of labor. For a plan year beginning in 2014, the out-of-pocket limits must be adjusted as specified in section 1302(c)(1) of P.L.

111-148 of 2010, as amended. The adjusted amount shall apply on the following January 1st.

(c) For health benefit plans issued on or after January 1, 2014, "catastrophic health plan" means:

(i) A health benefit plan that meets the definition of catastrophic plan set forth in section 1302(e) of P.L. 111-148 of 2010, as amended; or

(ii) A health benefit plan offered outside the exchange marketplace that requires a calendar year deductible or out-of-pocket expenses under the plan, other than for premiums, for covered benefits, that meets or exceeds the commissioner's annual adjustment under (b) of this subsection.

((9)) (10) "Certification" means a determination by a review organization that an admission, extension of stay, or other health care service or procedure has been reviewed and, based on the information provided, meets the clinical requirements for medical necessity, appropriateness, level of care, or effectiveness under the auspices of the applicable health benefit plan.

((10)) (11) "Concurrent review" means utilization review conducted during a patient's hospital stay or course of treatment.

((11)) (12) "Covered person" or "enrollee" means a person covered by a health plan including an enrollee, subscriber, policyholder, beneficiary of a group plan, or individual covered by any other health plan.

((12)) (13) "Dependent" means, at a minimum, the enrollee's legal spouse and dependent children who qualify for coverage under the enrollee's health benefit plan.

((13)) (14) "Emergency medical condition" means a medical, mental health, or substance use disorder condition manifesting itself by acute symptoms of sufficient severity((,)) including, but not limited to, severe pain or emotional distress, such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical, mental health, or substance use disorder treatment attention to result in a condition (a) placing the health of the individual, or with respect to a pregnant woman, the health of the woman or her unborn child, in serious jeopardy, (b) serious impairment to bodily functions, or (c) serious dysfunction of any bodily organ or part.

((14)) (15) "Emergency services" means a medical screening examination, as required under section 1867 of the social security act (42 U.S.C. 1395dd), that is within the capability of the emergency department of a hospital, including ancillary services routinely available to the emergency department to evaluate that emergency medical condition, and further medical examination and treatment, to the extent they are within the capabilities of the staff and facilities available at the hospital, as are required under section 1867 of the social security act (42 U.S.C. 1395dd) to stabilize the patient. Stabilize, with respect to an emergency medical condition, has the meaning given in section 1867(e)(3) of the social security act (42 U.S.C. 1395dd(e)(3)).

((15)) (16) "Employee" has the same meaning given to the term, as of January 1, 2008, under section 3(6) of the federal employee retirement income security act of 1974.

((16)) (17) "Enrollee point-of-service cost-sharing" or "cost-sharing" means amounts paid to health carriers directly providing services, health care providers, or health care facilities by enrollees and may include copayments, coinsurance, or deductibles.

((17)) (18) "Episode of care" means health care services provided to a covered person after the covered person is admitted to, and before the covered person is discharged from, a health care facility.

(19) "Exchange" means the Washington health benefit exchange established under chapter 43.71 RCW.

((18)) (20) "Final external review decision" means a determination by an independent review organization at the conclusion of an external review.

((19)) (21) "Final internal adverse benefit determination" means an adverse benefit determination that has been upheld by a health plan or carrier at the completion of the internal appeals process, or an adverse benefit determination with respect to which the internal appeals process has been exhausted under the exhaustion rules described in RCW 48.43.530 and 48.43.535.

((20)) (22) "Grandfathered health plan" means a group health plan or an individual health plan that under section 1251 of the patient protection and affordable care act, P.L. 111-148 (2010) and as amended by the health care and education reconciliation act, P.L.

111-152 (2010) is not subject to subtitles A or C of the act as amended.

((21)) (23) "Grievance" means a written complaint submitted by or on behalf of a covered person regarding service delivery issues other than denial of payment for medical services or nonprovision of medical services, including dissatisfaction with medical care, waiting time for medical services, provider or staff attitude or demeanor, or dissatisfaction with service provided by the health carrier.

((22)) (24) "Health care facility" or "facility" means hospices licensed under chapter 70.127 RCW, hospitals licensed under chapter 70.41 RCW, rural health care facilities as defined in RCW 70.175.020, psychiatric hospitals licensed under chapter 71.12 RCW, nursing homes licensed under chapter 18.51 RCW, community mental health centers licensed under chapter 71.05 or 71.24 RCW, kidney disease treatment centers licensed under chapter 70.41 RCW, ambulatory diagnostic, treatment, or surgical facilities licensed under chapter 70.41 RCW, drug and alcohol treatment facilities licensed under chapter 70.96A RCW, and home health agencies licensed under chapter 70.127 RCW, and includes such facilities if owned and operated by a political subdivision or instrumentality of the state and such other facilities as required by federal law and implementing regulations.

((23)) (25) "Health care provider" or "provider" means:

(a) A person regulated under Title 18 or chapter 70.127 RCW, to practice health or health-related services or otherwise practicing health care services in this state consistent with state law; or

(b) An employee or agent of a person described in (a) of this subsection, acting in the course and scope of his or her employment.

((24)) (26) "Health care service" means that service offered or provided by health care facilities and health care providers relating to the prevention, cure, or treatment of illness, injury, or disease.

((25)) (27) "Health carrier" or "carrier" means a disability insurer regulated under chapter 48.20 or 48.21 RCW, a health care service contractor as defined in RCW 48.44.010, or a health maintenance organization as defined in RCW 48.46.020, and includes "issuers" as that term is used in the patient protection and affordable care act (P.L. 111-148).

((26)) (28) "Health plan" or "health benefit plan" means any policy, contract, or agreement offered by a health carrier to provide, arrange, reimburse, or pay for health care services except the following:

(a) Long-term care insurance governed by chapter 48.84 or 48.83 RCW;

(b) Medicare supplemental health insurance governed by chapter 48.66 RCW;

(c) Coverage supplemental to the coverage provided under chapter 55, Title 10, United States Code;

(d) Limited health care services offered by limited health care service contractors in accordance with RCW 48.44.035;

(e) Disability income;

(f) Coverage incidental to a property/casualty liability insurance policy such as automobile personal injury protection coverage and homeowner guest medical;

(g) Workers' compensation coverage;

(h) Accident only coverage;

(i) Specified disease or illness-triggered fixed payment insurance, hospital confinement fixed payment insurance, or other fixed payment insurance offered as an independent, noncoordinated benefit;

(j) Employer-sponsored self-funded health plans;

(k) Dental only and vision only coverage;

(l) Plans deemed by the insurance commissioner to have a short-term limited purpose or duration, or to be a student-only plan that is guaranteed renewable while the covered person is enrolled as a regular full-time undergraduate or graduate student at an accredited higher education institution, after a written request for such classification by the carrier and subsequent written approval by the insurance commissioner; and

(m) Civilian health and medical program for the veterans affairs administration (CHAMPVA).

((27)) (29) "In-network" or "participating" means a provider or facility that has contracted with a carrier or a carrier's contractor or subcontractor to provide health care services to covered persons with the expectation of receiving reimbursement from the carrier at specified levels as payment in full for the health care services.

(30) "Individual market" means the market for health insurance coverage offered to individuals other than in connection with a group health plan.

((28)) (31) "Material modification" means a change in the actuarial value of the health plan as modified of more than five percent but less than fifteen percent.

((29)) (32) "Open enrollment" means a period of time as defined in rule to be held at the same time each year, during which applicants may enroll in a carrier's individual health benefit plan without being subject to health screening or otherwise required to provide evidence of insurability as a condition for enrollment.

((30)) (33) "Out-of-network" or "nonparticipating" means a provider or facility that has not contracted with a carrier or a carrier's contractor or subcontractor to provide health care services to covered persons.

(34) "Out-of-pocket maximum" means the maximum amount a covered person is required to pay in the form of cost-sharing for covered benefits in a plan year, after which the carrier covers the entirety of the allowed amount of covered benefits under the contract of coverage.

(35) "Preexisting condition" means any medical condition, illness, or injury that existed any time prior to the effective date of coverage.

((31)) (36) "Premium" means all sums charged, received, or deposited by a health carrier as consideration for a health plan or the continuance of a health plan. Any assessment or any "membership," "policy," "contract," "service," or similar fee or charge made by a health carrier in consideration for a health plan is deemed part of the premium. "Premium" shall not include amounts paid as enrollee point-of-service cost-sharing.

((32)) (37) "Review organization" means a disability insurer regulated under chapter 48.20 or 48.21 RCW, health care service contractor as defined in RCW 48.44.010, or health maintenance organization as defined in RCW 48.46.020, and entities affiliated with, under contract with, or acting on behalf of a health carrier to perform a utilization review.

((33)) (38) "Small employer" or "small group" means any person, firm, corporation, partnership, association, political subdivision, sole proprietor, or self-employed individual that is actively engaged in business that employed an average of at least one but no more than fifty employees, during the previous calendar year and employed at least one employee on the first day of

the plan year, is not formed primarily for purposes of buying health insurance, and in which a bona fide employer-employee relationship exists. In determining the number of employees, companies that are affiliated companies, or that are eligible to file a combined tax return for purposes of taxation by this state, shall be considered an employer. Subsequent to the issuance of a health plan to a small employer and for the purpose of determining eligibility, the size of a small employer shall be determined annually. Except as otherwise specifically provided, a small employer shall continue to be considered a small employer until the plan anniversary following the date the small employer no longer meets the requirements of this definition. A self-employed individual or sole proprietor who is covered as a group of one must also: (a) Have been employed by the same small employer or small group for at least twelve months prior to application for small group coverage, and (b) verify that he or she derived at least seventy-five percent of his or her income from a trade or business through which the individual or sole proprietor has attempted to earn taxable income and for which he or she has filed the appropriate internal revenue service form 1040, schedule C or F, for the previous taxable year, except a self-employed individual or sole proprietor in an agricultural trade or business, must have derived at least fifty-one percent of his or her income from the trade or business through which the individual or sole proprietor has attempted to earn taxable income and for which he or she has filed the appropriate internal revenue service form 1040, for the previous taxable year.

((34)) (39) "Special enrollment" means a defined period of time of not less than thirty-one days, triggered by a specific qualifying event experienced by the applicant, during which applicants may enroll in the carrier's individual health benefit plan without being subject to health screening or otherwise required to provide evidence of insurability as a condition for enrollment.

((35)) (40) "Standard health questionnaire" means the standard health questionnaire designated under chapter 48.41 RCW.

((36)) (41) "Utilization review" means the prospective, concurrent, or retrospective assessment of the necessity and appropriateness of the allocation of health care resources and

services of a provider or facility, given or proposed to be given to an enrollee or group of enrollees.

((37)) (42) "Wellness activity" means an explicit program of an activity consistent with department of health guidelines, such as, smoking cessation, injury and accident prevention, reduction of alcohol misuse, appropriate weight reduction, exercise, automobile and motorcycle safety, blood cholesterol reduction, and nutrition education for the purpose of improving enrollee health status and reducing health service costs.

Sec. 2. RCW 48.43.093 and 1997 c 231 s 301 are each amended to read as follows:

(1) When conducting a review of the necessity and appropriateness of emergency services or making a benefit determination for emergency services:

(a) A health carrier shall cover emergency services necessary to screen and stabilize a covered person if a prudent layperson acting reasonably would have believed that an emergency medical condition existed. In addition, a health carrier shall not require prior authorization of ((such)) emergency services provided prior to the point of stabilization if a prudent layperson acting reasonably would have believed that an emergency medical condition existed. With respect to care obtained from ((a nonparticipating)) an out-of-network hospital emergency department, a health carrier shall cover emergency services necessary to screen and stabilize a covered person ((if a prudent layperson would have reasonably believed that use of a participating hospital emergency department would result in a delay that would worsen the emergency, or if a provision of federal, state, or local law requires the use of a specific provider or facility)). In addition, a health carrier shall not require prior authorization of ((such)) the services provided prior to the point of stabilization ((if a prudent layperson acting reasonably would have believed that an emergency medical condition existed and that use of a participating hospital emergency department would result in a delay that would worsen the emergency)).

(b) If an authorized representative of a health carrier authorizes coverage of emergency services, the health carrier shall not subsequently retract its authorization after the emergency services have been provided, or reduce payment for an item or service furnished

in reliance on approval, unless the approval was based on a material misrepresentation about the covered person's health condition made by the provider of emergency services with the patient's knowledge and consent.

(c) Coverage of emergency services may be subject to applicable in-network copayments, coinsurance, and deductibles, ((and a health carrier may impose reasonable differential cost-sharing arrangements for emergency services rendered by nonparticipating providers, if such differential between cost-sharing amounts applied to emergency services rendered by participating provider versus nonparticipating provider does not exceed fifty dollars. Differential cost sharing for emergency services may not be applied when a covered person presents to a nonparticipating hospital emergency department rather than a participating hospital emergency department when the health carrier requires preauthorization for postevaluation or poststabilization emergency services if:

(i) Due to circumstances beyond the covered person's control, the covered person was unable to go to a participating hospital emergency department in a timely fashion without serious impairment to the covered person's health; or

(ii) A prudent layperson possessing an average knowledge of health and medicine would have reasonably believed that he or she would be unable to go to a participating hospital emergency department in a timely fashion without serious impairment to the covered person's health)) as provided in sections 3 through 16 of this act.

((d)) (2) If a health carrier requires preauthorization for postevaluation or poststabilization services, the health carrier shall provide access to an authorized representative twenty-four hours a day, seven days a week, to facilitate review. In order for postevaluation or poststabilization services to be covered by the health carrier, the provider or facility must make a documented good faith effort to contact the covered person's health carrier within thirty minutes of stabilization, if the covered person needs to be stabilized. The health carrier's authorized representative is required to respond to a telephone request for preauthorization from a provider or facility within thirty minutes. Failure of the health carrier to

respond within thirty minutes constitutes authorization for the provision of immediately required medically necessary postevaluation and poststabilization services, unless the health carrier documents that it made a good faith effort but was unable to reach the provider or facility within thirty minutes after receiving the request.

((e)) (3) A health carrier shall immediately arrange for an alternative plan of treatment for the covered person if ((a nonparticipating)) an out-of-network emergency provider and health plan cannot reach an agreement on which services are necessary beyond those immediately necessary to stabilize the covered person consistent with state and federal laws.

((2)) (4) Nothing in this section is to be construed as prohibiting the health carrier from requiring notification within the time frame specified in the contract for inpatient admission or as soon thereafter as medically possible but no less than twenty-four hours. Nothing in this section is to be construed as preventing the health carrier from reserving the right to require transfer of a hospitalized covered person upon stabilization. Follow-up care that is a direct result of the emergency must be obtained in accordance with the health plan's usual terms and conditions of coverage. All other terms and conditions of coverage may be applied to emergency services.

NEW SECTION. Sec. 3. This subchapter may be known and cited as the balance billing protection act.

NEW SECTION. Sec. 4. (1) An out-of-network provider or facility may not balance bill a covered person for the following health care services:

(a) Emergency services provided to a covered person; and

(b) Nonemergency health care services provided to a covered person at an in-network hospital licensed under chapter 70.41 RCW or an in-network ambulatory surgical facility licensed under chapter 70.230 RCW if the services:

(i) Involve surgical or ancillary services; and

(ii) Are provided by an out-of-network provider because an in-network provider was unavailable or the need for the services arose at the time the services were rendered and was unforeseen.

(2) Payment for services described in subsection (1) of this section is subject to sections 5 through 7 of this act.

(3) For purposes of this subchapter, "surgical or ancillary services" means surgery, anesthesiology, pathology, radiology, laboratory, or hospitalist services.

NEW SECTION. Sec. 5. (1)(a) Before billing a covered person for in-network cost-sharing for the services described in section 4 of this act, an out-of-network provider or facility must request that the carrier provide a written explanation of benefits specifying the applicable in-network cost-sharing amounts owed by the covered person. The carrier must provide the explanation of benefits within sixty days of the provider's or facility's request.

(b) A carrier must calculate the in-network cost-sharing amount for the out-of-network provider's or facility's services using the carrier's median contracted rate for similar services in the geographic area where the services were provided. If there is more than one level of cost-sharing, the carrier must use the cost-sharing amount most beneficial to the covered person.

(2) If a covered person receives emergency or nonemergency health care services under the circumstances described in section 4 of this act:

(a) The covered person satisfies his or her obligation to pay for the health care services if he or she pays the in-network cost-sharing amount specified in the carrier's explanation of benefits;

(b) A carrier, out-of-network provider, or out-of-network facility, and an agent, trustee, or assignee of a carrier, out-of-network provider, or out-of-network facility:

(i) Must ensure that the covered person incurs no greater cost than he or she would have incurred if the services had been provided by an in-network provider or at an in-network facility;

(ii) May not balance bill or otherwise attempt to collect from the covered person any amount greater than the in-network cost-sharing amount specified in the carrier's explanation of benefits;

(iii) May not report adverse information to a consumer credit reporting agency or commence a civil action against the covered person before the expiration of one hundred fifty days after the initial billing for the amount owed by the covered person under this section; and

(iv) May not use wage garnishments or liens on the primary residence of the covered person as a means of collecting unpaid bills under this section;

(c) The carrier must treat any cost-sharing amounts paid by the covered person for such services in the same manner as cost-sharing for health care services provided by an in-network provider and must apply any cost-sharing amounts paid by the covered person for such services toward the limit on the covered person's in-network out-of-pocket maximum expenses;

(d) If the covered person pays the out-of-network provider, out-of-network facility, or carrier an amount that exceeds the in-network cost-sharing amount specified in the carrier's explanation of benefits, the provider, facility, or carrier must refund any amount in excess of the in-network cost-sharing amount to the covered person within thirty business days of receipt. Interest must be paid to the covered person for any unrefunded payments at a rate of twelve percent beginning on the first calendar day after the thirty business days.

NEW SECTION. Sec. 6. (1) Upon receipt of an out-of-network provider or facility's bill for health care services described in section 4 of this act, the carrier must make payment directly to the provider or facility, rather than the covered person.

(2)(a) If the billed amount is less than three hundred dollars, the carrier must pay the out-of-network provider or facility the full billed amount.

(b) If the billed amount is more than three hundred dollars, the carrier and the out-of-network provider or facility may agree to resolve the payment dispute:

(i) Using the dispute resolution process described in section 7 of this act if the amount in dispute is two thousand dollars or more; or

(ii) Using mediation. If the amount in dispute is less than two thousand dollars, mediation expenses, not including attorneys' fees, must be divided equally among the carrier, the out-of-network provider who provided the health care services, and the in-network or out-of-network facility at which the services were provided. The provisions of chapter 7.07 RCW apply to mediations conducted under this subsection.

NEW SECTION. Sec. 7. (1)(a) A carrier, out-of-network provider, or out-of-network facility may initiate arbitration to resolve a payment dispute if the requirements described in section 6 of this act are met. Each arbitration proceeding may not involve more than one episode of care or more than one out-of-

network provider or facility. The arbitrator may not consolidate multiple disputes for resolution in a single arbitration proceeding.

(b) To initiate arbitration, the carrier, provider, or facility must file a request with the commissioner no later than ninety days after the provider's or facility's receipt of the written explanation of benefits under section 5 of this act. The party requesting arbitration must provide the nonrequesting party with a written notification that arbitration has been initiated. The notification must state the requesting party's final offer. No later than thirty days following receipt of the notification, the nonrequesting party must provide its final offer to the requesting party.

(2)(a) Once the requesting party has filed a request for arbitration with the commissioner, the commissioner must provide the parties with a list of approved arbitrators or entities that provide binding arbitration. The arbitrators on the list must be trained by the American arbitration association or the American health lawyers association.

(b) To select an arbitrator, the parties may agree on an arbitrator from the list provided by the commissioner. If the parties do not agree on an arbitrator, the commissioner must provide the parties with the names of five arbitrators from the list. Each party may veto two of the five named arbitrators. If one arbitrator remains, that person is the chosen arbitrator. If more than one arbitrator remains, the commissioner must choose the arbitrator from the remaining arbitrators. The parties and the commissioner must complete this process within twenty days of receipt of the list from the commissioner.

(3)(a) Each party must make written submissions to the arbitrator in support of its position no later than thirty days after the request for arbitration is filed with the commissioner. No later than thirty days after the receipt of the parties' written submissions, the arbitrator must: Issue a written decision requiring payment of the final offer amount of either the requesting party or the nonrequesting party; notify the parties of its decision; and provide the decisions and the information described in section 8 of this act regarding the decision to the commissioner.

(b) In reviewing the submissions of the parties and making a decision related to the appropriate amount to be paid to the out-of-network provider or facility, the arbitrator must consider the following factors:

(i) Whether there is a gross disparity between the amount charged by the out-of-network provider or facility and: (A) Amounts paid to the provider or facility for the same services provided to other patients by carriers with respect to which the provider or facility is out-of-network; and (B) the amounts paid by the carrier to reimburse similarly qualified out-of-network providers or facilities for the same services in the same region;

(ii) The circumstances and complexity of the case; and

(iii) Patient characteristics.

(4) Expenses incurred in the course of arbitration, including the arbitrator's expenses and fees, but not including attorneys' fees, must be paid by the party whose final offer was rejected by the arbitrator.

(5) The parties must enter into a nondisclosure agreement to protect any personal health information or fee information provided to the arbitrator.

(6) Chapter 7.04A RCW applies to arbitrations conducted under this section, but in the event of a conflict between this section and chapter 7.04A RCW, this section governs.

(7) The covered person is not liable for any of the costs of the arbitration and may not be required to participate in the arbitration proceeding as a witness or otherwise.

NEW SECTION. Sec. 8. (1) The commissioner must prepare an annual report summarizing the dispute resolution information provided by arbitrators under section 7 of this act. The report must include summary information related to the matters decided through arbitration, as well as the following information for each dispute resolved through arbitration: The carrier; the health care provider; the health care provider's employer or the business entity in which the provider has an ownership interest; the health care facility where the services were provided; and the type of health care services at issue.

(2) The commissioner must post the report on the office of the insurance commissioner's web site and submit it to the relevant committees of the legislature annually by July 1st.

(3) This section expires January 1, 2023.

NEW SECTION. Sec. 9. The office of the insurance commissioner, in consultation with carriers, health care providers, health care facilities, and consumers, must develop standard template language for notifying consumers that they may not be balance billed for health care services under the circumstances described in section 4 of this act. The standard template language must include contact information for the office of the insurance commissioner so that consumers may contact the office of the insurance commissioner if they believe they have received a balance bill in violation of this subchapter.

NEW SECTION. Sec. 10. (1) A nonemployed provider group that provides surgical or ancillary services at a hospital or ambulatory surgical facility must notify the hospital or ambulatory surgical facility of the carriers with which the provider group contracts. The provider group must notify the hospital or ambulatory surgical facility if the contract between the provider group and a carrier will be terminated. The provider group must provide the notice as soon as practicable, but in no case less than forty-five days prior to termination of the contract.

(2) A hospital or ambulatory surgical facility must post the following information on its web site:

(a) A list of the carriers with which the hospital or ambulatory surgical facility contracts; and

(b) For each nonemployed provider group with which the hospital or ambulatory surgical facility has a contract to provide surgical or ancillary services, whether the provider group contracts with the same carriers as the hospital or ambulatory surgical facility.

(3) On a quarterly basis, a hospital or ambulatory surgical facility must provide a notice to each carrier with which it contracts regarding the network status of its contracted provider groups. The notice must include, for each type of surgical or ancillary service, whether at least seventy-five percent of the nonemployed providers providing the service in the facility were in-network with the carrier during the previous three months. If the seventy-five percent threshold is not met, the carrier must treat the facility as out-of-network for services other than emergency services, unless the facility notifies the carrier

that the seventy-five percent threshold has been met. The carrier must notify the commissioner if it determines that the seventy-five percent threshold has not been met.

(4) When a patient is scheduled for nonemergency health care services, a hospital or ambulatory surgical facility must provide the patient with notice as required by this subsection at least ten days prior to the scheduled admission or outpatient service.

(a) If the facility is an in-network facility with respect to the patient's health plan, the notice must:

(i) Advise the patient that he or she may request that the facility provide only in-network providers;

(ii) Disclose the names and contact information for any providers who will provide surgical or ancillary services and indicate whether each provider is in-network or out-of-network with respect to the patient's health plan;

(iii) Advise the patient of his or her rights under this subchapter using the standard template language developed under section 9 of this act; and

(iv) Provide an estimated range of the cost of services with a disclaimer that the estimate does not account for permitted cost-sharing and that the patient should contact his or her health plan for additional information regarding applicable cost-sharing requirements.

(b) If the facility is an out-of-network facility with respect to the patient's health plan, the notice must:

(i) Advise the patient that the facility is an out-of-network facility and that the patient may choose to obtain the services at an in-network facility;

(ii) Advise the patient that he or she will have the financial responsibility applicable to services provided at an out-of-network facility in excess of applicable cost-sharing amounts and that the patient may be responsible for any costs in excess of those allowed by the health plan;

(iii) Provide an estimated range of the cost of services and advise the patient to contact the carrier for further consultation on those costs; and

(iv) Inform the patient that he or she may qualify for a discount for some or all of the facility's bill, regardless of insurance status, and that the patient should contact the facility's financial assistance office.

(c) If the facility's network status with respect to the patient's health plan

changes after the provision of the notice required by this section and before the services are provided, the facility must promptly notify the patient of the change.

NEW SECTION. Sec. 11. (1) A health care provider must provide information on its web site listing the carriers with which the provider contracts.

(2) An in-network provider must submit accurate information to a carrier regarding the provider's network status in a timely manner, consistent with the terms of the contract between the provider and the carrier.

(3) When a patient is scheduled for nonemergency health care services at an out-of-network hospital or ambulatory surgical facility, a health care provider must provide the patient with notice as required by this subsection if the provider is out-of-network with respect to the patient's health plan. The provider must provide the notice at least ten days prior to the scheduled admission or outpatient service. The notice must:

(a) Disclose that the provider is out-of-network with respect to the patient's health plan;

(b) Advise the patient that he or she may seek other alternatives, including an in-network provider;

(c) Advise the patient that because he or she will be receiving health care services at an out-of-network facility, he or she will have the financial responsibility applicable to services provided outside the health plan's network in excess of applicable cost-sharing amounts and that the patient may be responsible for any costs in excess of those allowed by the health plan; and

(d) Provide an estimated range of the cost of services and the estimated amount that the provider may bill the patient and advise the patient to contact his or her carrier for further consultation regarding those costs.

NEW SECTION. Sec. 12. (1) A carrier must update its web site and provider directory no later than thirty days after the addition or termination of a facility or provider, so long as the carrier had notice of the change.

(2) A carrier must provide a covered person with:

(a) A clear description of the health plan's out-of-network health benefits;

(b) Notice of rights under this subchapter using the standard template language developed under section 9 of this act;

(c) Notification that if the covered person receives services from an out-of-network provider or facility, under circumstances other than those described in section 4 of this act, the covered person will have the financial responsibility applicable to services provided outside the health plan's network in excess of applicable cost-sharing amounts and that the covered person may be responsible for any costs in excess of those allowed by the health plan;

(d) Information on how to use the carrier's member transparency tools under RCW 48.43.007;

(e) Upon request, information regarding whether a health care provider is in-network or out-of-network; and

(f) Upon request, an estimated range of the out-of-pocket costs for an out-of-network benefit.

NEW SECTION. Sec. 13. (1) If the commissioner has cause to believe that any person, including a health care provider, hospital, or ambulatory surgical facility, is violating a provision of this subchapter, the commissioner may order the person to cease and desist.

(2) If any person, including a health care provider, hospital, or ambulatory surgical facility, violates or has violated a provision of this subchapter, the commissioner may levy a fine upon the person in an amount not to exceed one thousand dollars per violation and take other action as permitted under this title for a violation of this title.

NEW SECTION. Sec. 14. The commissioner may adopt rules to implement and administer this subchapter, including rules governing the dispute resolution process established in section 7 of this act.

NEW SECTION. Sec. 15. This subchapter does not apply to health plans that provide benefits under chapter 74.09 RCW.

NEW SECTION. Sec. 16. This subchapter must be liberally construed to promote the public interest by ensuring that consumers are not billed out-of-network charges and do not receive additional bills from providers under the circumstances described in section 4 of this act.

Sec. 17. RCW 41.05.017 and 2016 c 139 s 4 are each amended to read as follows:

Each health plan that provides medical insurance offered under this chapter, including plans created by insuring entities, plans not subject to the provisions of Title 48 RCW, and plans

created under RCW 41.05.140, are subject to the provisions of RCW 48.43.500, 70.02.045, 48.43.505 through 48.43.535, 48.43.537, 48.43.545, 48.43.550, 70.02.110, 70.02.900, 48.43.190, ((and)) 48.43.083, and sections 3 through 16 of this act.

NEW SECTION. Sec. 18. Sections 3 through 16 of this act are each added to chapter 48.43 RCW and codified with the subchapter heading of "health care services balance billing."

NEW SECTION. Sec. 19. This act takes effect January 1, 2018.

NEW SECTION. Sec. 20. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

Representatives Graves and Cody spoke in favor of the adoption of the striking amendment.

Amendment (266) 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, Orcutt, Harris and Caldier spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2114.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2114, and the bill passed the House by the following vote: Yeas, 81; Nays, 17; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Caldier, Chapman, Clibborn, Cody, DeBolt, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Kloba, Koster, Kraft, Lovick, Lytton, MacEwen, Macri, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Volz, J. Walsh, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Chandler, Condotta, Dent, Haler, Klippert, Kretz, Kristiansen, Manweller, Maycumber, Steele, Stokesbary, Taylor, Van Werven, Vick and Wilcox.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2114, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1070, by Representatives Jinkins, Appleton, Robinson, Kirby, Doglio and Fey

Concerning filing fee surcharges for funding dispute resolution centers.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1070 was substituted for House Bill No. 1070 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1070 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 Jinkins and Rodne spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1070.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1070, and the bill passed the House by the following vote: Yeas, 68; Nays, 30; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Chandler, Chapman, Clibborn, Cody, DeBolt, Dent, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Griffey, Haler, Hansen, Harris, Hayes, Hudgins, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Lovick, Lytton, MacEwen, Macri, Manweller, McBride, McCabe, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Smith, Springer, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Caldier, Condotta, Dye, Graves, Hargrove, Harmsworth, Holy, Irwin, Jenkin, Kraft, Kretz, Kristiansen, Maycumber, McCaslin, McDonald, Pike, Schmick, Shea, Stambaugh, Steele, Stokesbary, Taylor, Van Werven, Vick, Volz, J. Walsh, Wilcox and Young.

SUBSTITUTE HOUSE BILL NO. 1070, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1168, by Representatives Gregerson, Haler, Pollet, Appleton, Stanford, Orwall, Sells, Tarleton, Chapman, Goodman, Fitzgibbon, Peterson, Lytton, Doglio, Frame, Farrell, Riccelli, Lovick, Pettigrew, Sawyer, Springer, Ortiz-Self, Bergquist, Ormsby, Fey, Hudgins, Santos and Macri

Supporting student success at community and technical colleges by increasing full-time faculty.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1168 was substituted for House Bill No. 1168 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1168 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 Gregerson and Nealey spoke in favor of the passage of the bill.

Representative Holy spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1168.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1168, and the bill passed the House by the following vote: Yeas, 51; Nays, 47; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hansen, Hudgins, Jinkins, Kagi, Kilduff, Kirby, Kloba, Lovick, Lytton, Macri, Manweller, McBride, Morris, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Reeves, Riccelli, Robinson, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Springer, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Caldier, Chandler, Condotta, DeBolt, Dent, Dye, Graves, Griffey, Haler, Hargrove, Harmsworth, Harris, Hayes, Holy, Irwin, Jenkin, Johnson, Klippert, Koster, Kraft, Kretz, Kristiansen, MacEwen, Maycumber, McCabe, McCaslin, McDonald, Muri, Nealey, Orcutt, Pike, Rodne, Schmick, Shea, Smith, Stambaugh, Steele, Stokesbary, Taylor, Van Werven, Vick, Volz, J. Walsh, Wilcox and Young.

SECOND SUBSTITUTE HOUSE BILL NO. 1168, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1089, by Representatives Appleton and Fitzgibbon

Amending the schedule for updates to the comprehensive plan of Kitsap county.

The bill was read the second time.

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

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

Representative Taylor spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 1089.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1089, and the bill passed the House by the following vote: Yeas, 55; Nays, 43; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Caldier, Chapman, Clibborn, Cody, Doglio, Dolan, Farrell, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Griffey, Hansen, Hudgins, Jinkins, Johnson, Kagi, Kilduff, Kirby, Kloba, Lovick, Lytton, MacEwen, Macri, McBride, McDonald, Morris, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pollet, Riccelli, Robinson, Ryu, Santos, Sawyer, Sells, Senn, Slatter, Springer, Stambaugh, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Buys, Chandler, Condotta, DeBolt, Dent, Dye, Graves, Haler, Hargrove, Harmsworth, Harris, Hayes, Holy, Irwin, Jenkin, Klippert, Koster, Kraft, Kretz, Kristiansen, Manweller, Maycumber, McCabe, McCaslin, Muri, Nealey, Orcutt, Pike, Reeves, Rodne, Schmick, Shea, Smith, Steele, Stokesbary, Taylor, Van Werven, Vick, Volz, J. Walsh, Wilcox and Young.

HOUSE BILL NO. 1089, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1475, by Representatives Irwin, Goodman, Hayes, Ryu, Kilduff, Holy, Klippert, Kirby and Lovick

Clarifying the limited authority of gambling commission officers.

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 Irwin and Kilduff spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 1475.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1475, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

HOUSE BILL NO. 1475, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1109, by Representatives Orwall, McCabe, Griffey, Hayes, McBride, Frame, Goodman, Klippert, Stanford, Stambaugh, Jinkins, Fey, Harmsworth, Dolan, Sells, Muri, Gregerson, McDonald, Wylie, Kilduff, Kloba, Tarleton, Pollet, Farrell, Kagi, Riccelli, Senn, Peterson, Bergquist and Doglio

Supporting victims of sexual assault.

The bill was read the second time.

There being no objection Substitute House Bill No. 1109 was substituted for House Bill No. 1109 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1109 was read the second time.

Representative Orwall moved the adoption of amendment (263):

On page 7, line 13, after "Task force" insert "meetings and"

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

Amendment (263) 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 Orwall, Klippert, McCabe and Goodman spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1109.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1109, and the bill passed the House by the following vote: Yeas, 96; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker. par Voting nay: Representatives Orcutt and Taylor.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1109, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1155, by Representatives Griffey, Orwall, Klippert, McCabe, Kraft, Caldier, Muri, Bergquist, Stanford, Fitzgibbon, McDonald, Doglio and Macri

Making felony sex offenses a crime that may be prosecuted at any time after its commission.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1155 was substituted for House Bill No. 1155 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1155 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 Griffey, Goodman, Kraft and Griffey (again) spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1155.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1155, and the bill passed the House by the following vote: Yeas, 90; Nays, 8; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Reeves, Riccelli, Robinson, Rodne, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Chandler, Frame, Kagi, Ortiz-Self, Pollet, Ryu, Santos and Taylor.

SUBSTITUTE HOUSE BILL NO. 1155, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1927, by Representative Hudgins

Concerning government efficiency by eliminating, revising or decodifying obsolete or inactive statutory provisions that concern the office of financial management.

The bill was read the second time.

Representative Hudgins moved the adoption of the striking amendment (115):

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 4.84.360 and 1995 c 403 s 904 are each amended to read as follows:

Fees and other expenses awarded under RCW 4.84.340 and 4.84.350 shall be paid by the agency over which the party prevails from operating funds appropriated to the agency within sixty days. ((Agencies paying fees and other expenses pursuant to RCW 4.84.340 and 4.84.350 shall report all payments to the

office of financial management within five days of paying the fees and other expenses.)) Fees and other expenses awarded by the court shall be subject to the provisions of chapter 39.76 RCW and shall be deemed payable on the date the court announces the award.

Sec. 2. RCW 38.40.030 and 1989 c 19 s 47 are each amended to read as follows:

If any member of the organized militia is injured, incapacitated, or otherwise disabled while in active state service or inactive duty as a member of the organized militia, he or she shall receive from the state of Washington just and reasonable relief in the amount to be determined as provided in this section, including necessary medical care. If the member dies from disease contracted or injury received or is killed while in active state service or inactive duty under order of the governor, then the dependents of the deceased shall receive such compensation as may be allowed as provided in this section. If the United States or any agent thereof, in accordance with any federal statute or regulation, furnishes monetary assistance, benefits, or other temporary or permanent relief to militia members or to their dependents for injuries arising out of and occurring in the course of their activities as militia members, but not including Social Security benefits, then the amount of compensation which any militia member or his or her dependents are otherwise entitled to receive from the state of Washington as provided in this section shall be reduced by the amount of monetary assistance, benefits, or other temporary or permanent relief the militia member or his or her dependents have received and will receive from the United States or any agent thereof as a result of his or her injury. All claims arising under this section shall be inquired into by a board of three officers, at least one being a medical officer, to be appointed by the adjutant general. The board has the same power to take evidence, administer oaths, issue subpoenas, compel witnesses to attend and testify and produce books and papers, and punish their failure to do so as is possessed by a general court martial. The amount of compensation or benefits payable shall conform as nearly as possible to the general schedule of payments and awards provided under the workers' compensation law in effect in

the state of Washington at the time the disability or death occurred. The findings of the board shall be reviewed by the adjutant general ((and submitted to the governor)) for final approval. The ((reviewing officer or the governor)) adjutant general may return the proceedings for revision or for the taking of further testimony. The action of the board when finally approved by the ((governor)) adjutant general is final and conclusive and constitutes the fixed award for the injury or loss and is a debt of the state of Washington.

Sec. 3. RCW 43.03.049 and 2011 1st sp.s. c 21 s 63 are each amended to read as follows:

Exceptions to restrictions on subsistence, lodging, or travel expenses under this chapter may be granted for the critically necessary work of an agency. For boards, commissions, councils, committees, or similar groups in agencies of the executive branch, the exceptions shall be subject to approval by the ((director of financial management or the director's designee)) agency head or authorized designee. For boards, commissions, councils, committees, or similar groups in the executive branch under the purview of a separately elected official, president of an institution of higher education, chair, or executive director, the exceptions shall be subject to approval of the separately elected official, president of an institution of higher education, chair, or executive director. For agencies of the judicial branch, the exceptions shall be subject to approval of the chief justice of the supreme court. For the house of representatives and the senate, the exceptions shall be subject to the approval of the chief clerk of the house of representatives and the secretary of the senate, respectively, under the direction of the senate committee on facilities and operations and the executive rules committee of the house of representatives. For other legislative agencies, the exceptions shall be subject to approval of both the chief clerk of the house of representatives and the secretary of the senate under the direction of the senate committee on facilities and operations and the executive rules committee of the house of representatives.

Sec. 4. RCW 43.08.015 and 1993 c 500 s 3 are each amended to read as follows:

Within the policies and procedures established pursuant to RCW 43.41.110(13) and 43.88.160(1), the state treasurer shall take such actions as are necessary to ensure the effective cash management of public funds. This cash management shall include the authority to represent the state in all contractual relationships with financial institutions. The state treasurer may delegate cash management responsibilities to the affected agencies ((with the concurrence of the office of financial management)).

Sec. 5. RCW 43.320.090 and 1993 c 472 s 23 are each amended to read as follows:

(1) It shall be unlawful for the director of financial institutions, any deputized assistant of the director, or any employee of the department of financial institutions to borrow money from any bank, consumer loan company, credit union, foreign bank branch, savings bank, savings and loan association, or trust company or department, securities broker-dealer or investment advisor, or similar lending institution under the department's direct jurisdiction unless the extension of credit:

(a) Is made on substantially the same terms (including interest rates and collateral) as, and following credit underwriting procedures that are not less stringent than, those prevailing at the time for comparable transactions by the financial institution with other persons that are not employed by either the department or the institution; and

(b) Does not involve more than the normal risk of repayment or present other unfavorable features.

(2) ((The director of the office of financial management shall adopt rules, policies, and procedures interpreting and implementing this section.

(3)) Every person who knowingly violates this section shall forfeit his or her office or employment and be guilty of a gross misdemeanor.

Sec. 6. RCW 43.41.230 and 1994 sp.s. c 9 s 874 are each amended to read as follows:

(1) The director must compile, and revise within ninety days after the

beginning of each biennium, a current list of all permanent and temporary, statutory and nonstatutory boards, commissions, councils, committees, and other groups of similar nomenclature that are established by the executive branch of state government and whose members are eligible to receive travel expenses for their meetings in accordance with RCW 43.03.050 and 43.03.060.

(2) The boards and commissions to be reviewed by the governor under RCW 43.41.220 must be all entities ((that are required to be included in the list prepared by the office of financial management under RCW 43.88.505)) included in the list required in subsection (1) of this section, other than entities established under: ((1)) (a) Constitutional mandate; ((2)) (b) court order or rule; ((3)) (c) requirement of federal law; or ((4)) (d) requirement as a condition of the state or a local government receiving federal financial assistance if, in the judgment of the governor, no other state agency, board, or commission would satisfy the requirement.

Sec. 7. RCW 43.41.240 and 1998 c 245 s 64 are each amended to read as follows:

A new nonstatutory board or commission ((not established or required in statute that must be included in the report required by RCW 43.88.505)) subject to governor review under RCW 43.41.220 may not be established without the express approval of the director of financial management.

NEW SECTION. Sec. 8. The following sections are decodified:

(1) RCW 43.41.901 (Construction—1977 ex.s. c 270);

(2) RCW 43.41.940 (Central budget agency abolished); and

(3) RCW 43.41.950 (Saving—1969 ex.s. c 239).

NEW SECTION. Sec. 9. The following acts or parts of acts are each repealed:

(1) RCW 28B.15.101 (Authority to modify tuition rates—Performance-based measures and goals—Institutional performance plans) and 2011 1st sp.s. c 10 s 5;

(2) RCW 43.41.250 (Criteria for new board or commission not established or

required by statute) and 1994 sp.s. c 9 s 876; and

(3) RCW 43.41.905 (Interagency task force on unintended pregnancy) and 1997 c 58 s 1001."

Correct the title.

Representatives Hudgins and Koster spoke in favor of the adoption of the striking amendment.

Amendment (115) 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 Hudgins and Koster spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1927.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1927, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

ENGROSSED HOUSE BILL NO. 1927, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1314, by Representatives Caldier, Jinkins, DeBolt, Cody, Rodne, Griffey, Harris, Haler and Appleton

Concerning health care authority auditing practices. Revised for 1st Substitute: Addressing health care authority auditing practices.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1314 was substituted for House Bill No. 1314 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1314 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 Caldier and Cody spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1314.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1314, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

SUBSTITUTE HOUSE BILL NO. 1314, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1859, by Representatives Pellicciotti, Griffey, Pettigrew, Chapman, Goodman and Ormsby

Providing an aggravating circumstance for assault against a utility worker.

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 Pellicciotti and Klippert spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 1859.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1859, and the bill passed the House by the following vote: Yeas, 94; Nays, 4; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Tharinger, Van Werven, Volz, J. Walsh, Wilcox, Wylie and Mr. Speaker.

Voting nay: Representatives MacEwen, Taylor, Vick and Young.

HOUSE BILL NO. 1859, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2052, by Representative Buys

Concerning recertification of public bodies using alternative contracting methods.

The bill was read the second time.

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

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

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2052.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2052, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri,

Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

HOUSE BILL NO. 2052, having received the necessary constitutional majority, was declared passed.

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

HOUSE JOINT MEMORIAL NO. 4011, by Representatives Blake, Chapman, Lovick, J. Walsh, Kilduff, Tharinger and Muri

Requesting that the United States Coast Guard name a Coast Guard cutter in honor of Petty Officer Matthew E. Schlimme.

The joint memorial was read the second time.

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

Representatives Blake, J. Walsh, McCabe and Lovick spoke in favor of the passage of the memorial.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Joint Memorial No. 4011.

ROLL CALL

The Clerk called the roll on the final passage of House Joint Memorial No. 4011, and the joint memorial passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Farrell, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth, Harris, Hayes, Holy, Hudgins, Irwin, Jenkin, Jinkins, Johnson, Kagi, Kilduff, Kirby, Klippert, Kloba, Koster, Kraft, Kretz, Kristiansen, Lovick, Lytton, MacEwen, Macri, Manweller, Maycumber, McBride, McCabe, McCaslin, McDonald, Morris, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Pellicciotti, Peterson, Pettigrew, Pike, Pollet, Reeves, Riccelli, Robinson, Rodne, Ryu, Santos, Sawyer, Schmick, Sells, Senn, Shea, Slatter, Smith, Springer, Stambaugh, Stanford, Steele, Stokesbary, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Van Werven, Vick, Volz, J. Walsh, Wilcox, Wylie, Young and Mr. Speaker.

HOUSE JOINT MEMORIAL NO. 4011, 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 3, 2017

HB 1913 Prime Sponsor, Representative Dolan: Creating a leasehold excise tax exemption for certain leasehold interests in facilities owned or used by schools, colleges, or universities. Reported by Committee on Finance

MAJORITY recommendation: Do pass. Signed by Representatives Lytton, Chair; Orcutt, Assistant Ranking Minority Member; Dolan; Pollet; Springer; Stokesbary; Wilcox and Wylie.

MINORITY recommendation: Do not pass. Signed by Representative Condotta.

MINORITY recommendation: Without recommendation. Signed by Representatives Frame, Vice Chair Nealey, Ranking Minority Member.

There being no objection, the bill listed on the day's committee reports under the fifth order of business was placed on the second reading calendar.

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

There being no objection, the Committee on Rules was relieved of the following bills and the bills were placed on the second reading calendar:

- HOUSE BILL NO. 1001
- HOUSE BILL NO. 1052
- HOUSE BILL NO. 1299
- HOUSE BILL NO. 1317
- HOUSE BILL NO. 1339
- HOUSE BILL NO. 1376
- HOUSE BILL NO. 1377
- HOUSE BILL NO. 1532
- HOUSE BILL NO. 1562
- HOUSE BILL NO. 1721
- HOUSE BILL NO. 1763
- HOUSE BILL NO. 1812
- HOUSE BILL NO. 1823
- HOUSE BILL NO. 1833
- HOUSE BILL NO. 1873
- HOUSE BILL NO. 1907
- HOUSE BILL NO. 1930
- HOUSE BILL NO. 1967
- HOUSE BILL NO. 1980
- HOUSE BILL NO. 1991
- HOUSE BILL NO. 2003
- HOUSE BILL NO. 2006
- HOUSE BILL NO. 2037
- HOUSE BILL NO. 4010

There being no objection, the House adjourned until 9 a.m., March 7, 2017, the 58 Day of the Regular Session.

FRANK CHOPP, Speaker

BERNARD DEAN, Chief Clerk