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SECOND ENGROSSED SUBSTITUTE SENATE BILL 5034

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State of Washington

63rd Legislature

2013 1st Special Session

By Senate Ways & Means (originally sponsored by Senators Hill and Hargrove; by request of Governor Gregoire)

READ FIRST TIME 04/05/13.

1       AN ACT Relating to fiscal matters; amending RCW 2.68.020,  
2 13.40.466, 18.04.105, 18.43.150, 18.85.061, 19.28.351, 28B.15.069,  
3 28B.67.030, 28B.95.160, 28B.105.110, 28C.04.535, 28C.10.082, 38.52.540,  
4 41.26.802, 43.08.190, 43.09.475, 43.24.150, 43.24.150, 43.71.030,  
5 43.79.445, 43.79.480, 43.101.200, 43.155.050, 43.185.050, 43.185.020,  
6 46.66.080, 46.68.340, 70.42.090, 70.93.180, 70.119.150, 70.148.020,  
7 74.09.215, 74.09.215, 77.12.201, 77.12.203, 79.64.040, 82.08.160,  
8 82.14.310, and 86.26.007; reenacting and amending RCW 41.60.050,  
9 41.80.010, 41.80.020, 43.325.040, 70.105D.070, and 79.105.150; amending  
10 2012 2nd sp.s. c 7 ss 111, 112, 114, 115, 118, 121, 127, 129, 131, 132,  
11 136, 139, 142, 144, 149, 201, 202, 203, 204, 205, 206, 207, 208, 209,  
12 210, 211, 212, 213, 216, 218, 219, 220, 221, 302, 303, 307, 308, 311,  
13 402, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513,  
14 514, 602, 613, 615, 616, 617, 701, 702, 707, 801, 802, 803, and 804  
15 (uncodified); amending 2011 2nd sp.s. c 9 ss 506, and 703 (uncodified);  
16 amending 2011 1st sp.s. c 50 s 804 (uncodified); amending 2011 1st  
17 sp.s. c 41 s 3 (uncodified); adding a new section to 2011 1st sp.s. c  
18 50 (uncodified); creating new sections; repealing 2011 c 41 s 3  
19 (uncodified); making appropriations; providing an effective date;  
20 providing an expiration date; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**NEW SECTION. Sec. 1.** (1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through IX of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 2013, and ending June 30, 2015, except as otherwise provided, out of the several funds of the state hereinafter named.

(2) Unless the context clearly requires otherwise, the definitions in this section apply throughout this act.

(a) "Fiscal year 2014" or "FY 2014" means the fiscal year ending June 30, 2014.

(b) "Fiscal year 2015" or "FY 2015" means the fiscal year ending June 30, 2015.

(c) "FTE" means full time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

## **PART I**

### **GENERAL GOVERNMENT**

#### **NEW SECTION. Sec. 101. FOR THE HOUSE OF REPRESENTATIVES**

General Fund--State Appropriation (FY 2014)	\$30,246,000
General Fund--State Appropriation (FY 2015)	\$30,567,000
Motor Vehicle Account--State Appropriation	\$1,765,000
TOTAL APPROPRIATION	\$62,578,000

#### **NEW SECTION. Sec. 102. FOR THE SENATE**

General Fund--State Appropriation (FY 2014)	\$20,726,000
General Fund--State Appropriation (FY 2015)	\$23,021,000

1 Motor Vehicle Account--State Appropriation . . . . . \$1,514,000  
2 TOTAL APPROPRIATION . . . . . \$45,261,000

3 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**  
4 **COMMITTEE**

5 Performance Audits of Government Account--State  
6 Appropriation . . . . . \$5,641,000  
7 Accident Account--State Appropriation . . . . . \$332,000  
8 Medical Aid Account--State Appropriation . . . . . \$332,000  
9 TOTAL APPROPRIATION . . . . . \$6,305,000

10 The appropriations in this section are subject to the following  
11 conditions and limitations:

12 (1) Notwithstanding the provisions of this section, the joint  
13 legislative audit and review committee may adjust the due dates for  
14 projects included on the committee's 2013-2015 work plan as necessary  
15 to efficiently manage workload.

16 (2) \$332,000 of the medical aid account--state appropriation and  
17 \$332,000 of the accident account--state appropriation are provided for  
18 the purposes of chapter 37, Laws of 2011 1st sp. sess. (workers'  
19 compensation).

20 (3) \$323,000 of the performance audits of government account--state  
21 appropriation is provided for consultant and staff costs related to the  
22 economic analysis of tax preferences as directed by chapter 43.136 RCW.

23 (4) The committee shall conduct a study of the current methods of  
24 collecting legal financial obligations and compare those methods with  
25 other debt collection methods, including contracting for debt  
26 collection of legal financial obligations. The study shall include  
27 analysis of the costs and revenues of current methods and compare those  
28 to alternatives, and include analysis of the impact of current methods  
29 and alternatives to revenues received by the state. Included shall be  
30 an examination of costs and revenue generation before and after the  
31 implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362,  
32 Laws of 2005 (SSB 5256) and analysis of whether these changes met the  
33 legislative goals of reducing costs and increasing collections. A  
34 report on the results of the analysis shall be presented to the  
35 appropriate committees of the legislature by December 2014.

36 (5) The committee shall conduct a study of economic development  
37 programs and projects supported by the state general fund in the

1 department of commerce. The study shall first review the extent to  
2 which these programs: (a) Included specific economic development  
3 targets; (b) monitored economic development targets; (c) required for  
4 programs which provided support or services through contracts, whether  
5 the contracts were structured such that if economic development targets  
6 were not met, contracts were reviewed or revised; and (d) changed the  
7 economic development targets of associate development organizations  
8 relative to funding increases since 2007. The study will include the  
9 feasibility of determining how to isolate other factors, such as  
10 general economic trends, from the impacts of economic development  
11 programs. The costs and options for conducting future analysis of the  
12 outcomes specific to economic development programs shall be included  
13 and a briefing report shall be provided to the appropriate committees  
14 of the legislature by December 1, 2013. A complete report with study  
15 data and conclusions shall be provided to the appropriate committees of  
16 the legislature by December 1, 2014.

17 (6) The committee shall analyze the incidence and level of taxation  
18 and business incentives available to the financial services industry in  
19 Washington State, and identify the relative differences in taxes and  
20 business incentives compared to California. A report shall be provided  
21 to the appropriate committees of the legislature by December 1, 2014.

22 (7) The committee shall conduct an analysis of how school districts  
23 use school days. The analysis must include:

24 (a) How school districts define classroom time, nonclassroom time,  
25 instructional time, noninstructional time, and any other definitions of  
26 how the school day is divided or used;

27 (b) Estimates of time in each category;

28 (c) How noninstructional time is distributed over the annual number  
29 of school days;

30 (d) When noninstructional hours occur;

31 (e) How noninstructional hours are used, including how much  
32 noninstructional time is devoted to professional development for the  
33 purposes of teacher and principal evaluation training or common core  
34 state standards training; and

35 (f) The extent to which the use of each category of time is  
36 identified or defined in collective bargaining agreements.

37 To the extent data is not available at the statewide level, the

1 committee may use case studies or other methods to conduct the  
2 analysis. The committee shall submit a report of its findings to the  
3 education committees of the legislature by December 1, 2014.

4 (8) The committee shall conduct a review of the programs and  
5 services that are performed by state agencies to determine whether the  
6 program or service may be performed by the private sector in a more  
7 cost-efficient or effective manner than being performed by the agency.  
8 In conducting this review, the committee shall:

9 (a) Examine the existing activities currently being performed by  
10 state agencies, including but not limited to an examination of  
11 services, for their performance, staffing, capital requirements, and  
12 mission. Programs may be broken down into discrete services or  
13 activities or reviewed as a whole; and

14 (b) Examine the activities to determine which specific services are  
15 available in the marketplace and what potential for efficiency gains or  
16 savings exist.

17 (9) The committee shall review funding enhancement formulas that  
18 provide minimum staffing unit funding to small school districts and  
19 districts with school plants that have been judged by the state board  
20 of education to be remote and necessary. The committee will make an  
21 assessment of the current formulas and report any recommended  
22 adjustments to the legislative fiscal committees of the senate and the  
23 house of representatives by November 1, 2014. In assessing the current  
24 formulas, the committee may consider: Enhancements being made to basic  
25 education funding in the 2013-2015 omnibus appropriations act and  
26 committed to under Engrossed Substitute House Bill No. 2261 (chapter  
27 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236,  
28 Laws of 2010); developments in technology or educational service  
29 delivery since the formulas were established; practices in other  
30 states; districts' ability to provide students with access to a program  
31 of education; and inter-district equity.

32 (10) The committee shall conduct a study of the effectiveness of  
33 the state agency performance indicators and performance measurement  
34 process established in chapter 43.88 RCW, the state budget and  
35 accounting act. The study will focus on the integration of performance  
36 measurements into the state budgeting process and the ability of the  
37 legislative fiscal committees to use effective performance indicators

1 in developing the state budget. The committee shall present its  
2 findings and recommendations to the legislative fiscal committees in a  
3 public hearing during the 2014 legislative session.

4 (11) By June 30, 2014, the committee shall conduct a study of the  
5 electricity cost impacts for each qualifying utility to meet the 2016  
6 and 2020 renewable resource and conservation targets under chapter  
7 19.285 RCW. The study must also include an analysis of the impacts on  
8 each utility's commercial, industrial, and residential customers,  
9 including an additional analysis of the impacts on low-income  
10 residential customers.

11 (12) In carrying out the report required by RCW 44.28.157, the  
12 committee shall include an analysis of the impacts of using the  
13 Washington health benefit exchange established in chapter 43.71 RCW as  
14 a mechanism for providing health insurance for part-time certificated  
15 and classified K-12 public school employees. The analysis shall be  
16 conducted in coordination with the health care authority and shall  
17 include a review of how the exchange, federal health premium tax  
18 credits and subsidies for out-of-pocket expenses administered through  
19 the exchange, and Medicaid expansion have impacted, or could impact,  
20 health care costs for individuals, school districts, and the state.  
21 The analysis shall also include a review of the cost of stand-alone  
22 dental plans.

23 NEW SECTION.      **Sec. 104.      FOR THE LEGISLATIVE EVALUATION AND**  
24 **ACCOUNTABILITY PROGRAM COMMITTEE**

25 General Fund--State Appropriation (FY 2014) . . . . . \$1,614,000  
26 General Fund--State Appropriation (FY 2015) . . . . . \$1,773,000  
27 TOTAL APPROPRIATION . . . . . \$3,387,000

28 NEW SECTION.      **Sec. 105.      FOR THE JOINT LEGISLATIVE SYSTEMS**  
29 **COMMITTEE**

30 General Fund--State Appropriation (FY 2014) . . . . . \$7,890,000  
31 General Fund--State Appropriation (FY 2015) . . . . . \$7,773,000  
32 TOTAL APPROPRIATION . . . . . \$15,663,000

33 NEW SECTION.      **Sec. 106.      FOR THE OFFICE OF THE STATE ACTUARY**

34 Department of Retirement Systems Expense Account--State  
35 Appropriation . . . . . \$3,330,000

**NEW SECTION. Sec. 107. FOR THE STATUTE LAW COMMITTEE**

General Fund--State Appropriation (FY 2014)	\$3,804,000
General Fund--State Appropriation (FY 2015)	\$4,014,000
TOTAL APPROPRIATION	\$7,818,000

**NEW SECTION. Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES**

General Fund--State Appropriation (FY 2014)	\$3,694,000
General Fund--State Appropriation (FY 2015)	\$3,700,000
TOTAL APPROPRIATION	\$7,394,000

**NEW SECTION. Sec. 109. LEGISLATIVE AGENCIES**

In order to achieve operating efficiencies within the financial resources available to the legislative branch, the executive rules committee of the house of representatives and the facilities and operations committee of the senate by joint action may transfer funds among the house of representatives, senate, joint legislative audit and review committee, legislative evaluation and accountability program committee, legislative transportation committee, office of the state actuary, joint legislative systems committee, statute law committee, office of legislative support services, and redistricting commission.

**NEW SECTION. Sec. 110. FOR THE SUPREME COURT**

General Fund--State Appropriation (FY 2014)	\$6,679,000
General Fund--State Appropriation (FY 2015)	\$6,616,000
TOTAL APPROPRIATION	\$13,295,000

**NEW SECTION. Sec. 111. FOR THE LAW LIBRARY**

General Fund--State Appropriation (FY 2014)	\$1,414,000
General Fund--State Appropriation (FY 2015)	\$1,403,000
TOTAL APPROPRIATION	\$2,817,000

**NEW SECTION. Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT**

General Fund--State Appropriation (FY 2014)	\$1,020,000
General Fund--State Appropriation (FY 2015)	\$947,000
TOTAL APPROPRIATION	\$1,967,000

**NEW SECTION. Sec. 113. FOR THE COURT OF APPEALS**

General Fund--State Appropriation (FY 2014)	\$15,012,000
General Fund--State Appropriation (FY 2015)	\$15,031,000
TOTAL APPROPRIATION	\$30,043,000

**NEW SECTION. Sec. 114. FOR THE ADMINISTRATOR FOR THE COURTS**

General Fund--State Appropriation (FY 2014)	\$37,472,000
General Fund--State Appropriation (FY 2015)	\$37,200,000
General Fund--Federal Appropriation	\$2,125,000
General Fund--Private/Local Appropriation	\$658,000
Judicial Stabilization Trust Account--State Appropriation	\$12,673,000
Judicial Information Systems Account--State Appropriation	\$52,330,000
TOTAL APPROPRIATION	\$142,458,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,800,000 of the general fund--state appropriation for fiscal year 2014 and \$1,800,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

(2)(a) \$8,252,000 of the general fund--state appropriation for fiscal year 2014 and \$8,253,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than



1 average per-petition processing costs nor shall it penalize counties  
2 with lower than average per-petition processing costs.

3 (b) Each fiscal year during the 2013-2015 fiscal biennium, each  
4 county shall report the number of petitions processed and the total  
5 actual costs of processing truancy, children in need of services, and  
6 at-risk youth petitions. Counties shall submit the reports to the  
7 administrator for the courts no later than 45 days after the end of the  
8 fiscal year. The administrator for the courts shall electronically  
9 transmit this information to the chairs and ranking minority members of  
10 the house of representatives and senate fiscal committees no later than  
11 60 days after a fiscal year ends. These reports are deemed  
12 informational in nature and are not for the purpose of distributing  
13 funds.

14 (3) The distributions made under this subsection and distributions  
15 from the county criminal justice assistance account made pursuant to  
16 section 801 of this act constitute appropriate reimbursement for costs  
17 for any new programs or increased level of service for purposes of RCW  
18 43.135.060.

19 (4) \$540,000 of the general fund--state appropriation for fiscal  
20 year 2014 and \$540,000 of the general fund--state appropriation for  
21 fiscal year 2015 are provided solely for the office of public  
22 guardianship to provide guardianship services for low-income  
23 incapacitated persons.

24 (5) \$1,500,000 of the judicial information systems account--state  
25 appropriation is provided solely to continue development and  
26 implementation of the information networking hub.

27 (6) \$2,138,000 of the judicial information systems account--state  
28 appropriation is provided solely to replace aged computer equipment and  
29 update systems within the office of the administrator for the courts.

30 (7) \$1,199,000 of the judicial information systems account--state  
31 appropriation is provided solely for replacing computer equipment at  
32 state courts and state judicial agencies.

33 (8) \$333,000 of the judicial information systems account--state  
34 appropriation is provided solely for the content management system for  
35 the appellate courts.

36 **NEW SECTION. Sec. 115. FOR THE OFFICE OF PUBLIC DEFENSE**

37 General Fund--State Appropriation (FY 2014) . . . . . \$30,507,000



1 TOTAL APPROPRIATION . . . . . \$1,402,000

2 NEW SECTION. Sec. 119. FOR THE PUBLIC DISCLOSURE COMMISSION

3 General Fund--State Appropriation (FY 2014) . . . . . \$2,063,000

4 General Fund--State Appropriation (FY 2015) . . . . . \$1,995,000

5 TOTAL APPROPRIATION . . . . . \$4,058,000

6 NEW SECTION. Sec. 120. FOR THE SECRETARY OF STATE

7 General Fund--State Appropriation (FY 2014) . . . . . \$11,883,000

8 General Fund--State Appropriation (FY 2015) . . . . . \$7,718,000

9 General Fund--Federal Appropriation . . . . . \$7,411,000

10 Public Records Efficiency, Preservation and Access

11 Account--State Appropriation . . . . . \$7,343,000

12 Charitable Organization Education Account--State

13 Appropriation . . . . . \$364,000

14 Washington State Heritage Center Account--State

15 Appropriation . . . . . \$8,860,000

16 Local Government Archives Account--State Appropriation . . . \$8,471,000

17 Election Account--Federal Appropriation . . . . . \$12,021,000

18 TOTAL APPROPRIATION . . . . . \$64,071,000

19 The appropriations in this section are subject to the following

20 conditions and limitations:

21 (1) \$1,847,000 of the general fund--state appropriation for fiscal

22 year 2014 and \$1,925,000 of the general fund--state appropriation for

23 fiscal year 2015 are provided solely for contracting with a nonprofit

24 organization to produce gavel-to-gavel television coverage of state

25 government deliberations and other events of statewide significance

26 during the 2013-2015 biennium. The funding level for each year of the

27 contract shall be based on the amount provided in this subsection. The

28 nonprofit organization shall be required to raise contributions or

29 commitments to make contributions, in cash or in kind, in an amount

30 equal to forty percent of the state contribution. The office of the

31 secretary of state may make full or partial payment once all criteria

32 in this subsection have been satisfactorily documented.

33 (a) The legislature finds that the commitment of on-going funding

34 is necessary to ensure continuous, autonomous, and independent coverage

35 of public affairs. For that purpose, the secretary of state shall

enter into a contract with the nonprofit organization to provide public affairs coverage.

(b) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(c) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(2) It is the intent of the legislature to consider during the 2014 legislative session funding for the publication and distribution of a primary election voters pamphlet.

(3) \$1,543,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the state library to purchase statewide on-line access to the information technology academy to allow public access to on-line courses and learning resources through public libraries.

**NEW SECTION.     Sec. 121.     FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS**

General Fund--State Appropriation (FY 2014) . . . . .	\$251,000
General Fund--State Appropriation (FY 2015) . . . . .	\$248,000
TOTAL APPROPRIATION . . . . .	\$499,000

The appropriations in this section are subject to the following conditions and limitations: The office shall assist the department of enterprise services on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the

participants of each session. The department of enterprise services shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

**NEW SECTION. Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2014)	\$211,000
General Fund--State Appropriation (FY 2015)	\$206,000
TOTAL APPROPRIATION	\$417,000

**NEW SECTION. Sec. 123. FOR THE STATE TREASURER**

State Treasurer's Service Account--State Appropriation	\$14,679,000
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**NEW SECTION. Sec. 124. FOR THE STATE AUDITOR**

General Fund--State Appropriation (FY 2014)	\$77,000
Auditing Services Revolving Account--State	
Appropriation	\$9,535,000
Performance Audits of Government Account--State	
Appropriation	\$1,507,000
TOTAL APPROPRIATION	\$11,119,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$77,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the state auditor to examine cases with extraordinary costs within the foster care system managed by the children's administration of the department of social and health services. This audit will examine the highest cost foster children to determine if the child's care could be provided in a more cost-effective manner and whether the cost for these placements is consistent across similarly acute children.

(2) By June 30, 2014, the state auditor shall conduct an audit of the department of health, department of social and health services, and the health care authority for compliance with federal law and fraud.

**NEW SECTION. Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

General Fund--State Appropriation (FY 2014)	\$141,000
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1 General Fund--State Appropriation (FY 2015) . . . . . \$172,000  
 2 TOTAL APPROPRIATION . . . . . \$313,000

3 **NEW SECTION. Sec. 126. FOR THE ATTORNEY GENERAL**

4 General Fund--State Appropriation (FY 2014) . . . . . \$9,840,000  
 5 General Fund--State Appropriation (FY 2015) . . . . . \$9,908,000  
 6 General Fund--Federal Appropriation . . . . . \$7,114,000  
 7 New Motor Vehicle Arbitration Account--State  
 8 Appropriation . . . . . \$991,000  
 9 Medicaid Fraud Penalty Account--State Appropriation . . . . \$2,279,000  
 10 Legal Services Revolving Account--State Appropriation . . \$190,831,000  
 11 Public Service Revolving Account--State Appropriation . . . \$2,093,000  
 12 Tobacco Prevention and Control Account--State  
 13 Appropriation . . . . . \$271,000  
 14 TOTAL APPROPRIATION . . . . . \$223,327,000

15 The appropriations in this section are subject to the following  
 16 conditions and limitations:

17 (1) The attorney general shall report each fiscal year on actual  
 18 legal services expenditures and actual attorney staffing levels for  
 19 each agency receiving legal services. The report shall be submitted to  
 20 the office of financial management and the fiscal committees of the  
 21 senate and house of representatives no later than ninety days after the  
 22 end of each fiscal year. As part of its by agency report to the  
 23 legislative fiscal committees and the office of financial management,  
 24 the office of the attorney general shall include information detailing  
 25 the agency's expenditures for its agency-wide overhead and a breakdown  
 26 by division of division administration expenses.

27 (2) Prior to entering into any negotiated settlement of a claim  
 28 against the state that exceeds five million dollars, the attorney  
 29 general shall notify the director of financial management and the  
 30 chairs of the senate committee on ways and means and the house of  
 31 representatives committee on ways and means.

32 (3) The attorney general shall annually report to the fiscal  
 33 committees of the legislature all new *cy pres* awards and settlements  
 34 and all new accounts, disclosing their intended uses, balances, the  
 35 nature of the claim or account, proposals, and intended timeframes for  
 36 the expenditure of each amount. The report shall be distributed

electronically and posted on the attorney general's web site. The report shall not be printed on paper or distributed physically.

(4) \$2,093,000 of the public service revolving account--state appropriation is provided solely for the work of the public counsel section of the office of the attorney general.

(5) \$353,000 of the general fund--state appropriation for fiscal year 2014 and \$353,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant to the Washington coalition of crime victim advocates to provide training, certification, and technical assistance for crime victim service center advocates.

**NEW SECTION. Sec. 127. FOR THE CASELOAD FORECAST COUNCIL**

General Fund--State Appropriation (FY 2014)	\$1,252,000
General Fund--State Appropriation (FY 2015)	\$1,222,000
TOTAL APPROPRIATION	\$2,474,000

**NEW SECTION. Sec. 128. FOR THE DEPARTMENT OF COMMERCE**

General Fund--State Appropriation (FY 2014)	\$36,608,000
General Fund--State Appropriation (FY 2015)	\$37,134,000
General Fund--Federal Appropriation	\$264,934,000
General Fund--Private/Local Appropriation	\$5,609,000
Public Works Assistance Account--State Appropriation	\$3,025,000
Drinking Water Assistance Administrative Account--State Appropriation	\$442,000
Lead Paint Account--State Appropriation	\$147,000
Building Code Council Account--State Appropriation	\$13,000
Home Security Fund Account--State Appropriation	\$29,029,000
Affordable Housing for All Account--State Appropriation	\$13,701,000
Financial Fraud and Identity Theft Crimes Investigation and Prosecution Account--State Appropriation	\$969,000
Low-Income Weatherization and Structural Rehabilitation Assistance Account--State Appropriation	\$1,881,000
Washington Community Technology Opportunity Account--Private/Local Appropriation	\$10,000
Community and Economic Development Fee Account--State Appropriation	\$5,298,000
Liquor Revolving Account--State Appropriation	\$5,605,000

Washington Housing Trust Account--State Appropriation . . . \$17,559,000  
Prostitution Prevention and Intervention Account--State  
Appropriation . . . . . \$26,000  
Public Facility Construction Loan Revolving  
Account--State Appropriation . . . . . \$759,000  
TOTAL APPROPRIATION . . . . . \$422,749,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Repayments of outstanding mortgage and rental assistance program loans administered by the department under RCW 43.63A.640 shall be remitted to the department, including any current revolving account balances. The department shall collect payments on outstanding loans, and deposit them into the state general fund. Repayments of funds owed under the program shall be remitted to the department according to the terms included in the original loan agreements.

(2) The department shall administer its growth management act technical assistance and pass-through grants so that smaller cities and counties receive proportionately more assistance than larger cities or counties. Grants shall only be used for purposes of administering the requirements of the growth management act.

(3) The department is authorized to require an applicant to pay an application fee to cover the cost of reviewing the project and preparing an advisory opinion on whether a proposed electric generation project or conservation resource qualifies to meet mandatory conservation targets.

(4) \$25,000 of the general fund--state appropriation for fiscal year 2014 and \$25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the economic impact and infrastructure cost study for Covington town center.

(5) \$5,298,000 of the community and economic development fee account--state appropriation is provided solely for services to homeless families through the Washington families fund.

(6) During the 2013-2015 fiscal biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086, and shall direct resources to limit the fiscal impact to associate development organizations where the state resources comprise 20 percent or more of the organization's



1 budget for the previous two years. Within the funds provided for  
2 associate development organizations, the department may provide funding  
3 for the economic development commission.

4 (7) \$375,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$375,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely as pass-through funding to Walla  
7 Walla Community College for its water and environmental center.

8 (8) The department, in consultation with the Washington state  
9 association of counties, is to provide ongoing analysis and assessment  
10 of information related to county fiscal health, and to annually assess  
11 the fiscal impacts on counties arising from selected laws enacted in  
12 the preceding five-year period. The assessments shall evaluate the  
13 effect of laws in the context of existing county fiscal health,  
14 including impacts on counties identified as fiscally distressed, and  
15 the extent to which the bills' fiscal impacts were fully described in  
16 local government fiscal notes prepared by the department. The  
17 department may include recommendations of ways to improved state data  
18 systems related to county fiscal health and the local government fiscal  
19 note process. Assessments shall be transmitted annually to the  
20 appropriate committees of the legislature and the office of financial  
21 management.

22 (9) \$400,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$400,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for the purposes of purchasing  
25 contracted services to expand and promote the tourism industry in the  
26 state of Washington.

27 (a) The department must contract with the Washington tourism  
28 alliance. Expenditure of state moneys is contingent upon the  
29 contractor providing a dollar for dollar cash or in-kind match.  
30 Funding must be provided for the following services:

31 (i) Serving as a central point of contact through developing and  
32 maintaining a web portal for Washington tourism, operating a call  
33 center, and mailing travel guides;

34 (ii) Promoting Washington as a tourism destination to national and  
35 international markets, with emphasis on markets in Europe and Asia;

36 (iii) Providing information to businesses and local communities on  
37 tourism opportunities that could expand local revenues; and

(iv) Conducting tourism-related research, including market research and measuring the return on investment of funded activities.

(b) The department may not use more than 4 percent of the funds to administer, monitor, and report the outcomes of the services. The department must electronically submit performance metrics by January 1, 2014, and report the outcomes of the services by January 1, 2015, to the economic development committees of the legislature.

(c) The department has the authority to designate one or more alternative contractors if necessary due to performance or other significant issues. Such change must only be made after consultation with the Washington tourism alliance, the governor's office, and the chairs and ranking members of the economic development committees of the legislature.

**NEW SECTION. Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

General Fund--State Appropriation (FY 2014)	\$760,000
General Fund--State Appropriation (FY 2015)	\$799,000
Lottery Administrative Account--State Appropriation	\$50,000
TOTAL APPROPRIATION	\$1,609,000

**NEW SECTION. Sec. 130. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund--State Appropriation (FY 2014)	\$15,797,000
General Fund--State Appropriation (FY 2015)	\$15,454,000
General Fund--Federal Appropriation	\$31,342,000
General Fund--Private/Local Appropriation	\$370,000
Economic Development Strategic Reserve Account--State Appropriation	\$289,000
Personnel Service Account--State Appropriation	\$8,629,000
Data Processing Revolving Account--State Appropriation	\$6,243,000
Higher Education Personnel Services Account--State Appropriation	\$1,497,000
Performance Audits of Government Account--State Appropriation	\$4,400,000
TOTAL APPROPRIATION	\$84,021,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The legislature intends to review for purchase parcel number one and surrounding property on McNeil Island. The office of financial management shall coordinate with the federal government to obtain an appraisal determining the fair market value and shall provide an estimate to the legislative fiscal committees by October 1, 2013.

(2) \$300,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Senate Bill No. 5802 (greenhouse gas emission targets). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

Administrative Hearings Revolving Account--State

Appropriation . . . . . \$37,749,000

**NEW SECTION. Sec. 132. FOR THE WASHINGTON STATE LOTTERY**

Lottery Administrative Account--State Appropriation . . . . \$25,594,000

The appropriation in this section is subject to the following conditions and limitations: \$596,000 of the lottery administrative account--state appropriation is provided solely for the replacement of the lottery's gaming systems vendor contract.

**NEW SECTION. Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**

General Fund--State Appropriation (FY 2014) . . . . . \$236,000

General Fund--State Appropriation (FY 2015) . . . . . \$234,000

TOTAL APPROPRIATION . . . . . \$470,000

**NEW SECTION. Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2014) . . . . . \$232,000

General Fund--State Appropriation (FY 2015) . . . . . \$224,000

TOTAL APPROPRIATION . . . . . \$456,000

**NEW SECTION. Sec. 135. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS OPERATIONS**

Department of Retirement Systems Expense Account--State

Appropriation . . . . . \$52,683,000

The appropriation in this section is subject to the following conditions and limitations: \$2,250,000 of the department of retirement

systems expense account--state appropriation is provided solely for implementation of Substitute Senate Bill No. 5851 (defined contribution plan option). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 136. FOR THE DEPARTMENT OF REVENUE**

General Fund--State Appropriation (FY 2014)	\$105,725,000
General Fund--State Appropriation (FY 2015)	\$110,126,000
Timber Tax Distribution Account--State Appropriation	\$6,079,000
Master License Account--State Appropriation	\$19,127,000
Waste Reduction/Recycling/Litter Control--State	
Appropriation	\$132,000
State Toxics Control Account--State Appropriation	\$91,000
TOTAL APPROPRIATION	\$241,280,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Pursuant to RCW 43.135.055, the department is authorized to increase the master application fee and the fee for renewal of the master application in RCW 19.02.075, to an amount necessary to fund the appropriations in the master license account but not to exceed the statutory maximums.

(2) If the department finds that the funds appropriated in the master license account are insufficient to complete the authorized funding of the business licensing system replacement, the department may enter into a financial contract to reduce the current cost of the project, payable only from the master license account.

(3) \$113,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5688 (concerning state and local tax systems). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(4) \$2,060,000 of the master license account--state appropriation is for the implementation of Engrossed Substitute Senate Bill No. 5656 (revising business licensing systems). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 137. FOR THE BOARD OF TAX APPEALS**

General Fund--State Appropriation (FY 2014)	\$1,209,000
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1 General Fund--State Appropriation (FY 2015) . . . . . \$1,171,000  
2 TOTAL APPROPRIATION . . . . . \$2,380,000

3 NEW SECTION. **Sec. 138. FOR THE OFFICE OF MINORITY AND WOMEN'S**  
4 **BUSINESS ENTERPRISES**

5 OMWBE Enterprises Account--State Appropriation . . . . . \$4,090,000

6 NEW SECTION. **Sec. 139. FOR THE INSURANCE COMMISSIONER**

7 General Fund--State Appropriation (FY 2014) . . . . . \$200,000  
8 General Fund--State Appropriation (FY 2015) . . . . . \$100,000  
9 General Fund--Federal Appropriation . . . . . \$4,492,000  
10 Insurance Commissioners Regulatory Account--State  
11 Appropriation . . . . . \$49,869,000  
12 TOTAL APPROPRIATION . . . . . \$54,661,000

13 The appropriations in this section are subject to the following  
14 conditions and limitations:

15 (1) \$1,209,000 of the insurance commissioner's regulatory account--  
16 state appropriation is provided solely for implementation of Second  
17 Substitute Senate Bill No. 5540 (out-of-state health insurance plans).  
18 If the bill is not enacted by June 30, 2013, the amount provided in  
19 this subsection shall lapse.

20 (2) \$758,000 of the insurance commissioner's regulatory account--  
21 state appropriation is provided solely for implementation of Substitute  
22 Senate Bill No. 5605 (association health insurance plans). If the bill  
23 is not enacted by June 30, 2013, the amount provided in this subsection  
24 shall lapse.

25 NEW SECTION. **Sec. 140. FOR THE STATE INVESTMENT BOARD**

26 State Investment Board Expense Account--State  
27 Appropriation . . . . . \$32,078,000

28 NEW SECTION. **Sec. 141. FOR THE LIQUOR CONTROL BOARD**

29 General Fund--Federal Appropriation . . . . . \$945,000  
30 General Fund--Private/Local Appropriation . . . . . \$25,000  
31 Liquor Revolving Account--State Appropriation . . . . . \$63,852,000  
32 TOTAL APPROPRIATION . . . . . \$64,822,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations:

(1) Within the amounts appropriated in this section from the liquor revolving account--state appropriation, up to \$2,494,000 may be used during the 2013-2015 fiscal biennium by the liquor control board to implement Initiative Measure No. 502.

(2)(a) The liquor control board must work with the department of health and the department of revenue to develop recommendations for the legislature regarding the interaction of medical marijuana regulations and the provisions of Initiative Measure No. 502. At a minimum, the recommendations must include provisions addressing the following:

- (i) Age limits;
- (ii) Authorizing requirements for medical marijuana;
- (iii) Regulations regarding health care professionals;
- (iv) Collective gardens;
- (v) Possession amounts;
- (vi) Location requirements;
- (vii) Requirements for medical marijuana producing, processing, and retail licensing; and
- (viii) Taxation of medical marijuana in relation to recreational marijuana.

(b) The board must submit its recommendations to the appropriate committees of the legislature by January 1, 2014.

**NEW SECTION.    Sec. 142.    FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

General Fund--Federal Appropriation . . . . .	\$150,000
General Fund--Private/Local Appropriation . . . . .	\$11,224,000
Public Service Revolving Account--State Appropriation . . . . .	\$31,485,000
Pipeline Safety Account--State Appropriation . . . . .	\$4,480,000
Pipeline Safety Account--Federal Appropriation . . . . .	\$1,932,000
TOTAL APPROPRIATION . . . . .	\$49,271,000

The appropriations in this section are subject to the following conditions and limitations: Up to \$200,000 of the total appropriation is provided for the commission to continue to evaluate the regulatory processes for energy companies and identify and implement administrative actions to improve those processes. The commission shall develop and adopt a schedule for such administrative actions.

1        NEW SECTION.    **Sec. 143.    FOR THE MILITARY DEPARTMENT**

2    General Fund--State Appropriation (FY 2014) . . . . . \$1,763,000  
3    General Fund--State Appropriation (FY 2015) . . . . . \$1,699,000  
4    General Fund--Federal Appropriation . . . . . \$140,082,000  
5    Enhanced 911 Account--State Appropriation . . . . . \$58,510,000  
6    Disaster Response Account--State Appropriation . . . . . \$13,640,000  
7    Disaster Response Account--Federal Appropriation . . . . . \$53,253,000  
8    Military Department Rent and Lease Account--State  
9        Appropriation . . . . . \$615,000  
10   Worker and Community Right-to-Know Account--State  
11        Appropriation . . . . . \$2,793,000  
12        TOTAL APPROPRIATION . . . . . \$272,355,000

13        The appropriations in this section are subject to the following  
14    conditions and limitations:

15        (1)    \$13,640,000    of    the    disaster    response    account--state  
16    appropriation and \$53,253,000 of the disaster response account--federal  
17    appropriation may be spent only on disasters declared by the governor  
18    and with the approval of the office of financial management. The  
19    military department shall submit a report to the office of financial  
20    management and the legislative fiscal committees on October 1st and  
21    February 1st of each year detailing information on the disaster  
22    response account, including: (a) The amount and type of deposits into  
23    the account; (b) the current available fund balance as of the reporting  
24    date; and (c) the projected fund balance at the end of the 2013-2015  
25    biennium based on current revenue and expenditure patterns.

26        (2)    \$75,000,000 of the general fund--federal appropriation is  
27    provided solely for homeland security, subject to the following  
28    conditions:

29        (a) Any communications equipment purchased by local jurisdictions  
30    or state agencies shall be consistent with standards set by the  
31    Washington state interoperability executive committee; and

32        (b) The department shall submit an annual report to the office of  
33    financial management and the legislative fiscal committees detailing  
34    the governor's domestic security advisory group recommendations;  
35    homeland security revenues and expenditures, including estimates of  
36    total federal funding for the state; and incremental changes from the  
37    previous estimate.

NEW SECTION.     **Sec. 144.     FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . .	\$1,952,000
General Fund--State Appropriation (FY 2015) . . . . .	\$2,012,000
Personnel Service Account--State Appropriation . . . . .	\$3,289,000
Higher Education Personnel Services Account--State	
Appropriation . . . . .	\$519,000
TOTAL APPROPRIATION . . . . .	\$7,772,000

NEW SECTION.     **Sec. 145.     FOR THE BOARD OF ACCOUNTANCY**

Certified Public Accountants' Account--State	
Appropriation . . . . .	\$2,702,000

NEW SECTION.     **Sec. 146.     FOR THE FORENSIC INVESTIGATION COUNCIL**

Death Investigations Account--State Appropriation . . . . .	\$498,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) \$250,000 of the death investigations account appropriation is provided solely for providing financial assistance to local jurisdictions in multiple death investigations. The forensic investigation council shall develop criteria for awarding these funds for multiple death investigations involving an unanticipated, extraordinary, and catastrophic event or those involving multiple jurisdictions.

(2) \$210,000 of the death investigations account appropriation is provided solely for providing financial assistance to local jurisdictions in identifying human remains.

NEW SECTION.     **Sec. 147.     FOR THE HORSE RACING COMMISSION**

Horse Racing Commission Operating Account--State	
Appropriation . . . . .	\$3,566,000

The appropriation in this section is subject to the following conditions and limitations: Pursuant to RCW 43.135.055, the commission is authorized to increase licensing fees by up to five percent in fiscal year 2014 and up to five percent in fiscal year 2015; and background check fees by up to one dollar in fiscal year 2014, and up to one dollar in fiscal year 2015.



1        NEW SECTION.    **Sec. 148.    FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

2    General Fund--State Appropriation (FY 2014) . . . . . \$3,609,000  
3    General Fund--State Appropriation (FY 2015) . . . . . \$3,595,000  
4    Building Code Council Account--State Appropriation . . . . . \$860,000  
5        TOTAL APPROPRIATION . . . . . \$8,064,000

6        The appropriations in this section are subject to the following  
7    conditions and limitations:

8        (1) \$3,287,000 of the general fund--state appropriation for fiscal  
9    year 2014 and \$3,286,000 of the general fund--state appropriation for  
10   fiscal year 2015 are provided solely for the payment of facilities and  
11   services charges, utilities and contracts charges, public and historic  
12   facilities charges, and capital projects surcharges allocable to the  
13   senate, house of representatives, statute law committee, legislative  
14   support services, and joint legislative systems committee. The  
15   department shall allocate charges attributable to these agencies among  
16   the affected revolving funds. The department shall maintain an  
17   interagency agreement with these agencies to establish performance  
18   standards, prioritization of preservation and capital improvement  
19   projects, and quality assurance provisions for the delivery of services  
20   under this subsection. The legislative agencies named in this  
21   subsection shall continue to enjoy all of the same rights of occupancy  
22   and space use on the capitol campus as historically established.

23        (2) In accordance with RCW 46.08.172 and 43.135.055, the department  
24   is authorized to increase parking fees in fiscal years 2014 and 2015 as  
25   necessary to meet the actual costs of conducting business.

26        (3) From the fee charged to master contract vendors, the department  
27   shall transfer to the office of minority and women's business  
28   enterprises in equal monthly installments \$1,513,000 in fiscal year  
29   2014 and \$1,514,000 in fiscal year 2015.

30        (4) The budget for the department of enterprise services is  
31   adjusted to reflect a twenty percent reduction in the rent charged to  
32   the Olympia-Lacey-Tumwater visitor and convention bureau to reflect the  
33   service provided for continued operation of the capitol campus visitor  
34   center.

35        (5) The building code council account appropriation is provided  
36   solely for the operation of the state building code council as required  
37   by statute and modified by the standards established by executive order  
38   10-06. The council shall not consider any proposed code amendment or

1 take any other action not authorized by statute or in compliance with  
2 the standards established in executive order 10-06. No member of the  
3 council may receive compensation, per diem, or reimbursement for  
4 activities other than physical attendance at those meetings of the  
5 state building code council or the council's designated committees, at  
6 which the opportunity for public comment is provided generally and on  
7 all agenda items upon which the council proposes to take action. The  
8 building code council shall comply with chapter 19.85 RCW known as the  
9 regulatory fairness act, by including with all proposed substantial  
10 code amendments an analysis addressing cost effectiveness, net  
11 benefits, payback periods, and life-cycle costs.

12 NEW SECTION. **Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**  
13 Volunteer Firefighters' and Reserve Officers' Administrative  
14 Account--State Appropriation . . . . . \$1,054,000

15 NEW SECTION. **Sec. 150. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**  
16 **HISTORIC PRESERVATION**  
17 General Fund--State Appropriation (FY 2014) . . . . . \$1,291,000  
18 General Fund--State Appropriation (FY 2015) . . . . . \$1,239,000  
19 General Fund--Federal Appropriation . . . . . \$1,937,000  
20 General Fund--Private/Local Appropriation . . . . . \$14,000  
21 TOTAL APPROPRIATION . . . . . \$4,481,000

22 The appropriations in this section are subject to the following  
23 conditions and limitations: Within the amounts appropriated in this  
24 section, the department shall report the following data on the survey  
25 and inventory processes to the appropriate policy and fiscal committees  
26 of the legislature on December 1, 2013, and December 1, 2014: The  
27 number of survey and inventory processes, by month, required under  
28 state and federal laws and implemented by the department; the number,  
29 by month, of resources or records reported pursuant to the survey and  
30 inventory processes; the distance that such resources or records were  
31 located within the area of potential effect, measured from the proposed  
32 construction activity; the cost of compliance, by each survey and  
33 inventory process, that is incurred by each person submitting the  
34 information and forms required by the processes; and any identifiable

1 costs to local governments implementing the survey and inventory  
2 processes.

(End of part)

PART II  
HUMAN SERVICES

NEW SECTION.    **Sec. 201.    FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the department may combine and transfer such medicaid funds appropriated

1 under sections 204, 206, 208, and 213 of this act as may be necessary  
2 to finance a unified health care plan for the WMIP and the MICP program  
3 enrollment. The WMIP pilot projects shall not exceed a daily  
4 enrollment of 6,000 persons, nor expand beyond one county during the  
5 2013-2015 fiscal biennium. The amount of funding assigned from each  
6 program may not exceed the average per capita cost assumed in this act  
7 for individuals covered by that program, actuarially adjusted for the  
8 health condition of persons enrolled, times the number of clients  
9 enrolled. In implementing the WMIP and the MICP, the health care  
10 authority and the department may: (i) Withhold from calculations of  
11 "available resources" as set forth in RCW 71.24.025 a sum equal to the  
12 capitated rate for enrolled individuals; and (ii) employ capitation  
13 financing and risk-sharing arrangements in collaboration with health  
14 care service contractors licensed by the office of the insurance  
15 commissioner and qualified to participate in both the medicaid and  
16 medicare programs.

17 (b) If Washington is selected to participate in a financial  
18 capitation model of the federal demonstration project for persons  
19 dually-eligible for both medicare and medicaid, the department and the  
20 authority may initiate the MICP. Participation in the project shall be  
21 limited to persons who are eligible for both medicare and medicaid and  
22 to counties in which the county legislative authority has agreed to the  
23 terms and conditions under which it will operate. The purpose of the  
24 project shall be to demonstrate and evaluate ways to improve care while  
25 reducing state expenditures for persons enrolled both in medicare and  
26 medicaid. To that end, prior to initiating the project, the department  
27 and the authority shall assure that state expenditures shall be no  
28 greater on either a per person or total basis than the state would  
29 otherwise incur. Individuals who are solely eligible for medicaid may  
30 also participate if their participation is agreed to by the health care  
31 authority, the department, and the county legislative authority.

32 (4) The legislature finds that medicaid payment rates, as  
33 calculated by the department pursuant to the appropriations in this  
34 act, bear a reasonable relationship to the costs incurred by  
35 efficiently and economically operated facilities for providing quality  
36 services and will be sufficient to enlist enough providers so that care  
37 and services are available to the extent that such care and services  
38 are available to the general population in the geographic area. The

1 legislature finds that cost reports, payment data from the federal  
2 government, historical utilization, economic data, and clinical input  
3 constitute reliable data upon which to determine the payment rates.

4 (5) The department shall to the maximum extent practicable use the  
5 same system for delivery of spoken-language interpreter services for  
6 social services appointments as the one established for medical  
7 appointments in section 213 of this act. When contracting directly  
8 with an individual to deliver spoken language interpreter services, the  
9 department shall only contract with language access providers who are  
10 working at a location in the state and who are state-certified or  
11 state-authorized, except that when such a provider is not available,  
12 the department may use a language access provider who meets other  
13 certifications or standards deemed to meet state standards, including  
14 interpreters in other states.

15 (6)(a) The appropriations to the department of social and health  
16 services in this act shall be expended for the programs and in the  
17 amounts specified in this act. However, after May 1, 2014, unless  
18 specifically prohibited by this act, the department may transfer  
19 general fund--state appropriations for fiscal year 2014 among programs  
20 after approval by the director of financial management. However, the  
21 department shall not transfer state moneys that are provided solely for  
22 a specified purpose except as expressly provided in (b) of this  
23 subsection.

24 (b) To the extent that transfers under (a) of this subsection are  
25 insufficient to fund actual expenditures in excess of fiscal year 2014  
26 caseload forecasts and utilization assumptions in the long-term care,  
27 foster care, adoptions support, medicaid personal care, and child  
28 support programs, the department may transfer state moneys that are  
29 provided solely for a specified purpose. The department shall not  
30 transfer funds, and the director of financial management shall not  
31 approve the transfer, unless the transfer is consistent with the  
32 objective of conserving, to the maximum extent possible, the  
33 expenditure of state funds. The director of financial management shall  
34 notify the appropriate fiscal committees of the senate and house of  
35 representatives in writing seven days prior to approving any allotment  
36 modifications or transfers under this subsection. The written  
37 notification shall include a narrative explanation and justification of

the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

**NEW SECTION. Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

General Fund--State Appropriation (FY 2014)	\$292,001,000
General Fund--State Appropriation (FY 2015)	\$290,031,000
General Fund--Federal Appropriation	\$485,399,000
General Fund--Private/Local Appropriation	\$1,354,000
Domestic Violence Prevention Account--State	
Appropriation	\$1,240,000
Education Legacy Trust Account--State Appropriation	\$725,000
Home Security Fund Account--State Appropriation	\$10,741,000
Child and Family Reinvestment Account--State	
Appropriation	\$4,979,000
TOTAL APPROPRIATION	\$1,086,470,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(2) \$668,000 of the general fund--state appropriation for fiscal year 2014 and \$668,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract.

1 (3)(a) \$22,695,000 of the general fund--state appropriation for  
2 fiscal year 2014, \$22,695,000 of the general fund--state appropriation  
3 for fiscal year 2015, and \$28,450,000 of the general fund--federal  
4 appropriation are provided solely for services for children and  
5 families. Prior to approval of contract services pursuant to RCW  
6 74.13B.020, the amounts provided in this section shall be allotted on  
7 a monthly basis and expenditures shall not exceed allotments based on  
8 a three-month rolling average without approval of the office of  
9 financial management following notification to the legislative fiscal  
10 committees.

11 (b) The department shall provide these services to safely reduce  
12 the number of children in out-of-home care, the time spent in out-of-  
13 home care prior to achieving permanency, and the number of children  
14 returning to out-of-home care following permanency.

15 (4) \$76,000 of the general fund--state appropriation for fiscal  
16 year 2014, \$77,000 of the general fund--state appropriation for fiscal  
17 year 2015, \$656,000 of the general fund--private/local appropriation,  
18 \$253,000 of the general fund--federal appropriation, and \$725,000 of  
19 the education legacy trust account--state appropriation are provided  
20 solely for children's administration to contract with an educational  
21 advocacy provider with expertise in foster care educational outreach.  
22 The amounts in this subsection are provided solely for contracted  
23 education coordinators to assist foster children in succeeding in K-12  
24 and higher education systems and to assure a focus on education during  
25 the transition to performance based contracts. Funding shall be  
26 prioritized to regions with high numbers of foster care youth and/or  
27 regions where backlogs of youth that have formerly requested  
28 educational outreach services exist. The department shall use private  
29 matching funds to maintain educational advocacy services.

30 (5) \$670,000 of the general fund--state appropriation for fiscal  
31 year 2014 and \$670,000 of the general fund--state appropriation for  
32 fiscal year 2015 are provided solely for services provided through  
33 children's advocacy centers.

34 (6) \$579,000 of the general fund--state appropriation for fiscal  
35 year 2014, \$579,000 of the general fund--state appropriation for fiscal  
36 year 2015, and \$109,000 of the general fund--federal appropriation are  
37 provided solely for a receiving care center east of the Cascade  
38 mountains.



1 (7) \$250,000 of the general fund--state appropriation for fiscal  
2 year 2014, \$250,000 of the general fund--state appropriation for fiscal  
3 year 2015, \$5,239,000 of the general fund--federal appropriation, and  
4 \$4,741,000 of the child and family reinvestment account--state  
5 appropriation are provided solely for services to children and families  
6 pursuant to RCW 26.44.270. Upon approval of contract services pursuant  
7 to RCW 74.13B.020, these funds will be contracted for using  
8 performance-based contracts.

9 (8) To ensure expenditures remain within available funds  
10 appropriated in this section as required by RCW 74.13A.005 and  
11 74.13A.020, the secretary shall not set the amount of any adoption  
12 assistance payment or payments, made pursuant to RCW 26.33.320 and  
13 74.13A.005 through 74.13A.080, to more than fifty percent of the foster  
14 care maintenance payment for that child had he or she remained in a  
15 foster family home during the same period, if that child is not  
16 considered to have any special needs. This subsection does not apply  
17 to adoption assistance agreements in existence on the effective date of  
18 this section.

19 (9) \$10,741,000 of the home security fund--state appropriation is  
20 provided solely for the department to contract for services pursuant to  
21 RCW 13.32A.030 and 74.15.220. The department shall contract and  
22 collaborate with service providers in a manner that maintains the  
23 availability and geographic representation of secure and semi-secure  
24 crisis residential centers and HOPE centers. To achieve efficiencies  
25 and increase utilization, the department shall allow the co-location of  
26 these centers, except that a youth may not be placed in a secure  
27 facility or the secure portion of a co-located facility except as  
28 specifically authorized by chapter 13.32A RCW. The reductions to  
29 appropriations in this subsection related to semi-secure crisis  
30 residential centers reflect a reduction to the number of beds for semi-  
31 secure crisis residential centers and not a reduction in rates. Any  
32 secure crisis residential center or semi-secure crisis residential  
33 center bed reduction shall not be based solely upon bed utilization.  
34 The department is to exercise its discretion in reducing the number of  
35 beds but to do so in a manner that maintains availability and  
36 geographic representation of semi-secure and secure crisis residential  
37 centers.

(10) \$1,173,000 of the general fund--state appropriation for fiscal year 2014, \$1,907,000 of the general fund--state appropriation for fiscal year 2015, and \$939,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5405 (extended foster care). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(11) \$50,000 of the general fund--state appropriation for fiscal year 2014, and \$50,000 of the general fund--state appropriation for fiscal year 2015, and \$256,000 of the general fund--federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5315 (Powell fatality team). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE REHABILITATION PROGRAM**

General Fund--State Appropriation (FY 2014)	\$87,760,000
General Fund--State Appropriation (FY 2015)	\$88,127,000
General Fund--Federal Appropriation	\$694,000
General Fund--Private/Local Appropriation	\$1,914,000
Reinvesting in Youth--State Appropriation	\$383,000
Washington Auto Theft Prevention Authority Account--State Appropriation	\$196,000
Juvenile Accountability Incentive Account--Federal Appropriation	\$2,801,000
TOTAL APPROPRIATION	\$181,875,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$331,000 of the general fund--state appropriation for fiscal year 2014 and \$331,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated

1 with the implementation of chapter 338, Laws of 1997 and shall be  
2 distributed in accordance with RCW 82.14.310.

3 (2) \$2,716,000 of the general fund--state appropriation for fiscal  
4 year 2014 and \$2,716,000 of the general fund--state appropriation for  
5 fiscal year 2015 are provided solely for the implementation of chapter  
6 338, Laws of 1997 (juvenile code revisions). The amounts provided in  
7 this subsection are intended to provide funding for county impacts  
8 associated with the implementation of chapter 338, Laws of 1997 and  
9 shall be distributed to counties as prescribed in the current  
10 consolidated juvenile services (CJS) formula.

11 (3) \$3,482,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$3,482,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely to implement community juvenile  
14 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile  
15 code revisions). Funds provided in this subsection may be used solely  
16 for community juvenile accountability grants, administration of the  
17 grants, and evaluations of programs funded by the grants.

18 (4) \$1,130,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$1,130,000 of the general fund--state appropriation for  
20 fiscal year 2015 are provided solely to implement alcohol and substance  
21 abuse treatment programs for locally committed offenders. The juvenile  
22 rehabilitation administration shall award these moneys on a competitive  
23 basis to counties that submitted a plan for the provision of services  
24 approved by the division of alcohol and substance abuse. The juvenile  
25 rehabilitation administration shall develop criteria for evaluation of  
26 plans submitted and a timeline for awarding funding and shall assist  
27 counties in creating and submitting plans for evaluation.

28 (5) \$3,123,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$3,123,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely for grants to county juvenile  
31 courts for the following programs identified by the Washington state  
32 institute for public policy (institute) in its October 2006 report:  
33 "Evidence-Based Public Policy Options to Reduce Future Prison  
34 Construction, Criminal Justice Costs and Crime Rates": Functional  
35 family therapy, multi-systemic therapy, aggression replacement training  
36 and interagency coordination programs, or other programs with a  
37 positive benefit-cost finding in the institute's report. County  
38 juvenile courts shall apply to the juvenile rehabilitation

1 administration for funding for program-specific participation and the  
2 administration shall provide grants to the courts consistent with the  
3 per-participant treatment costs identified by the institute.

4 (6) \$1,537,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$1,537,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for expansion of the following  
7 treatments and therapies in juvenile rehabilitation administration  
8 programs identified by the Washington state institute for public policy  
9 in its October 2006 report: "Evidence-Based Public Policy Options to  
10 Reduce Future Prison Construction, Criminal Justice Costs and Crime  
11 Rates": Multidimensional treatment foster care, family integrated  
12 transitions, and aggression replacement training, or other programs  
13 with a positive benefit-cost finding in the institute's report. The  
14 administration may concentrate delivery of these treatments and  
15 therapies at a limited number of programs to deliver the treatments in  
16 a cost-effective manner.

17 (7)(a) The juvenile rehabilitation administration shall administer  
18 a block grant, rather than categorical funding, of consolidated  
19 juvenile service funds, community juvenile accountability act grants,  
20 the chemical dependency disposition alternative funds, the mental  
21 health disposition alternative, and the sentencing disposition  
22 alternative for the purpose of serving youth adjudicated in the  
23 juvenile justice system. In making the block grant, the juvenile  
24 rehabilitation administration shall follow the following formula and  
25 will prioritize evidence-based programs and disposition alternatives  
26 and take into account juvenile courts program-eligible youth in  
27 conjunction with the number of youth served in each approved evidence-  
28 based program or disposition alternative: (i) Thirty-seven and one-  
29 half percent for the at-risk population of youth ten to seventeen years  
30 old; (ii) fifteen percent for moderate and high-risk youth; (iii)  
31 twenty-five percent for evidence-based program participation; (iv)  
32 seventeen and one-half percent for minority populations; (v) three  
33 percent for the chemical dependency disposition alternative; and (vi)  
34 two percent for the mental health and sentencing dispositional  
35 alternatives. Funding for the special sex offender disposition  
36 alternative (SSODA) shall not be included in the block grant, but  
37 allocated on the average daily population in juvenile courts. Funding  
38 for the evidence-based expansion grants shall be excluded from the

1 block grant formula. Funds may be used for promising practices when  
2 approved by the juvenile rehabilitation administration and juvenile  
3 courts, through the community juvenile accountability act committee,  
4 based on the criteria established in consultation with Washington state  
5 institute for public policy and the juvenile courts.

6 (b) The juvenile rehabilitation administration and the juvenile  
7 courts shall establish a block grant funding formula oversight  
8 committee with equal representation from the juvenile rehabilitation  
9 administration and the juvenile courts. The purpose of this committee  
10 is to assess the ongoing implementation of the block grant funding  
11 formula, utilizing data-driven decision making and the most current  
12 available information. The committee will be cochaired by the juvenile  
13 rehabilitation administration and the juvenile courts, who will also  
14 have the ability to change members of the committee as needed to  
15 achieve its purpose. Initial members will include one juvenile court  
16 representative from the finance committee, the community juvenile  
17 accountability act committee, the risk assessment quality assurance  
18 committee, the executive board of the Washington association of  
19 juvenile court administrators, the Washington state center for court  
20 research, and a representative of the superior court judges  
21 association; two representatives from the juvenile rehabilitation  
22 administration headquarters program oversight staff, two  
23 representatives of the juvenile rehabilitation administration regional  
24 office staff, one representative of the juvenile rehabilitation  
25 administration fiscal staff and a juvenile rehabilitation  
26 administration division director. The committee may make changes to  
27 the formula categories other than the evidence-based program and  
28 disposition alternative categories if it is determined the changes will  
29 increase statewide service delivery or effectiveness of evidence-based  
30 program or disposition alternative resulting in increased cost benefit  
31 savings to the state. Long-term cost benefit must be considered.  
32 Percentage changes may occur in the evidence-based program or  
33 disposition alternative categories of the formula should it be  
34 determined the changes will increase evidence-based program or  
35 disposition alternative delivery and increase the cost benefit to the  
36 state. These outcomes will also be considered in determining when  
37 evidence-based expansion or special sex offender disposition

1 alternative funds should be included in the block grant or left  
2 separate.

3 (c) The juvenile courts and administrative office of the courts  
4 shall be responsible for collecting and distributing information and  
5 providing access to the data systems to the juvenile rehabilitation  
6 administration and the Washington state institute for public policy  
7 related to program and outcome data. The juvenile rehabilitation  
8 administration and the juvenile courts will work collaboratively to  
9 develop program outcomes that reinforce the greatest cost benefit to  
10 the state in the implementation of evidence-based practices and  
11 disposition alternatives.

12 (8) The juvenile courts and administrative office of the courts  
13 shall collect and distribute information related to program outcome and  
14 provide access to these data systems to the juvenile rehabilitation  
15 administration and Washington state institute for public policy. The  
16 agreements between administrative office of the courts, the juvenile  
17 courts, and the juvenile rehabilitation administration shall be  
18 executed to ensure that the juvenile rehabilitation administration  
19 receives the data that the juvenile rehabilitation administration  
20 identifies as needed to comply with this subsection. This includes,  
21 but is not limited to, information by program at the statewide  
22 aggregate level, individual court level, and individual client level  
23 for the purpose of the juvenile rehabilitation administration providing  
24 quality assurance and oversight for the locally committed youth block  
25 grant and associated funds and at times as specified by the juvenile  
26 rehabilitation administration as necessary to carry out these  
27 functions. The data shall be provided in a manner that reflects the  
28 collaborative work the juvenile rehabilitation administration and  
29 juvenile courts have developed regarding program outcomes that  
30 reinforce the greatest cost benefit to the state in the implementation  
31 of evidence-based practices and disposition alternatives.

32 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
33 **SERVICES--MENTAL HEALTH PROGRAM**

34 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS  
35 General Fund--State Appropriation (FY 2014) . . . . . \$327,503,000  
36 General Fund--State Appropriation (FY 2015) . . . . . \$310,354,000  
37 General Fund--Federal Appropriation . . . . . \$555,880,000

General Fund--Private/Local Appropriation . . . . . \$17,864,000  
TOTAL APPROPRIATION . . . . . \$1,211,601,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$105,265,000 of the general fund--state appropriation for fiscal year 2014 and \$85,895,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for persons and services not covered by the medicaid program. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

(b) \$6,590,000 of the general fund--state appropriation for fiscal year 2014, \$6,590,000 of the general fund--state appropriation for fiscal year 2015, and \$7,620,000 of the general fund--federal appropriation are provided solely for the department and regional support networks to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to regional support networks with PACT teams, the department shall consider the differences between regional support networks in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The department may allow regional support networks which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under section 204(1)(a) of this act. The department and regional support networks shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

(c) From the general fund--state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund--state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(d) The department is authorized to continue to contract directly,

1 rather than through contracts with regional support networks, for  
2 children's long-term inpatient facility services.

3 (e) Regional support networks may use local funds to earn  
4 additional federal medicaid match, provided the locally matched rate  
5 does not exceed the upper-bound of their federally allowable rate  
6 range, and provided that the enhanced funding is used only to provide  
7 medicaid state plan or waiver services to medicaid clients.  
8 Additionally, regional support networks may use a portion of the state  
9 funds allocated in accordance with (a) of this subsection to earn  
10 additional medicaid match, but only to the extent that the application  
11 of such funds to medicaid services does not diminish the level of  
12 crisis and commitment, community inpatient, residential care, and  
13 outpatient services presently available to persons not eligible for  
14 medicaid.

15 (f) \$5,850,000 of the general fund--state appropriation for fiscal  
16 year 2014, \$5,850,000 of the general fund--state appropriation for  
17 fiscal year 2015, and \$1,300,000 of the general fund--federal  
18 appropriation are provided solely for the western Washington regional  
19 support networks to provide either community- or hospital campus-based  
20 services for persons who require the level of care previously provided  
21 by the program for adaptive living skills (PALS) at western state  
22 hospital.

23 (g) The number of nonforensic beds allocated for use by regional  
24 support networks at eastern state hospital shall be 192 per day. The  
25 number of nonforensic beds allocated for use by regional support  
26 networks at western state hospital shall be 557 per day.

27 (h) \$4,582,000 of the general fund--state appropriation for fiscal  
28 year 2014 and \$4,582,000 of the general fund--state appropriation for  
29 fiscal year 2015 are provided solely for mental health services for  
30 mentally ill offenders while confined in a county or city jail and for  
31 facilitating access to programs that offer mental health services upon  
32 release from confinement.

33 (i) \$750,000 of the general fund--state appropriation for fiscal  
34 year 2014 and \$750,000 of the general fund--state appropriation for  
35 fiscal year 2015 are provided solely to continue performance-based  
36 incentive contracts to provide appropriate community support services  
37 for individuals with severe mental illness who were discharged from the  
38 state hospitals as part of the expanding community services initiative.



1 These funds will be used to enhance community residential and support  
2 services provided by regional support networks through other state and  
3 federal funding.

4 (j) \$1,125,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$1,125,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for the Spokane regional support  
7 network to implement services to reduce utilization and the census at  
8 eastern state hospital. Such services shall include:

9 (i) High-intensity treatment team for persons who are high  
10 utilizers of psychiatric inpatient services, including those with co-  
11 occurring disorders and other special needs;

12 (ii) Crisis outreach and diversion services to stabilize in the  
13 community individuals in crisis who are at risk of requiring inpatient  
14 care or jail services;

15 (iii) Mental health services provided in nursing facilities to  
16 individuals with dementia, and consultation to facility staff treating  
17 those individuals; and

18 (iv) Services at the sixteen-bed evaluation and treatment facility.

19 At least annually, the Spokane regional support network shall  
20 assess the effectiveness of these services in reducing utilization at  
21 eastern state hospital, identify services that are not optimally  
22 effective, and modify those services to improve their effectiveness.

23 (k) \$1,529,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$1,529,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely to reimburse Pierce and Spokane  
26 counties for the cost of conducting 180-day commitment hearings at the  
27 state psychiatric hospitals.

28 (l) Due to recent approval of federal medicaid matching funds for  
29 the disability lifeline and the alcohol and drug abuse treatment  
30 support act programs, the department shall charge regional support  
31 networks for only the state share rather than the total cost of  
32 community psychiatric hospitalization for persons enrolled in those  
33 programs.

34 (m) The department shall work cooperatively with the health care  
35 authority to explore the feasibility of incentivizing small, rural  
36 hospitals to convert, in part or fully, some of their beds to  
37 psychiatric treatment beds. No later than December 31, 2014, the  
38 department shall report to the appropriate fiscal committees of the

1 legislature on the feasibility of such conversion. The report shall  
2 consider rate enhancements and the ability to claim federal medicaid  
3 matching funds on converted beds.

4 (n) \$5,986,000 of the general fund--state appropriation for fiscal  
5 year 2014, \$9,690,000 of the general fund--state appropriation for  
6 fiscal year 2015, and \$7,118,000 of the general fund--federal  
7 appropriation are provided solely for the provisions of Engrossed  
8 Substitute Senate Bill No. 5480 (concerning mental health involuntary  
9 commitment laws).

10 (o) \$523,000 of the general fund--state appropriation for fiscal  
11 year 2014, \$775,000 of the general fund--state appropriation for fiscal  
12 year 2015, and \$854,000 of the general fund--federal appropriation are  
13 provided solely for implementation of chapter 289, Laws of 2013 (E2SHB  
14 1114) related to criminal incompetency.

15 (2) INSTITUTIONAL SERVICES

16	General Fund--State Appropriation (FY 2014) . . . . .	\$133,109,000
17	General Fund--State Appropriation (FY 2015) . . . . .	\$130,847,000
18	General Fund--Federal Appropriation . . . . .	\$148,886,000
19	General Fund--Private/Local Appropriation . . . . .	\$62,737,000
20	TOTAL APPROPRIATION . . . . .	\$475,579,000

21 The appropriations in this subsection are subject to the following  
22 conditions and limitations:

23 (a) The state psychiatric hospitals may use funds appropriated in  
24 this subsection to purchase goods and supplies through hospital group  
25 purchasing organizations when it is cost-effective to do so.

26 (b) \$231,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$231,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for a community partnership  
29 between western state hospital and the city of Lakewood to support  
30 community policing efforts in the Lakewood community surrounding  
31 western state hospital. The amounts provided in this subsection (2)(b)  
32 are for the salaries, benefits, supplies, and equipment for one full-  
33 time investigator, one full-time police officer, and one full-time  
34 community service officer at the city of Lakewood.

35 (c) \$45,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$45,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for payment to the city of

Lakewood for police services provided by the city at western state hospital and adjacent areas.

(d) \$2,068,000 of the general fund--state appropriation for fiscal year 2014, \$2,068,000 of the general fund--state appropriation for fiscal year 2015, and \$240,000 of the general fund--federal appropriation are provided solely to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the world health organization's tenth revision of the international classification of diseases medical classification system. The system chosen by the department shall share and facilitate the transfer of client medical records with other state electronic medical records systems.

(3) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2014)	\$1,608,000
General Fund--State Appropriation (FY 2015)	\$1,609,000
General Fund--Federal Appropriation	\$6,286,000
TOTAL APPROPRIATION	\$9,503,000

(4) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2014)	\$5,160,000
General Fund--State Appropriation (FY 2015)	\$4,734,000
General Fund--Federal Appropriation	\$7,692,000
General Fund--Private/Local Appropriation	\$502,000
TOTAL APPROPRIATION	\$18,088,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to increase license and certification fees in fiscal years 2014 and 2015 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for

1 organizations with such proof of accreditation must reflect the lower  
2 costs of licensing for these programs than for other organizations  
3 which are not accredited.

4 (b) \$160,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$80,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for implementation of chapter 284,  
7 Laws of 2013 (ESSB 5551).

8 (c) \$349,000 of the general fund--state appropriation for fiscal  
9 year 2014, \$212,000 of the general fund--state appropriation for fiscal  
10 year 2015, and \$302,000 of the general fund--federal appropriation are  
11 provided solely for service coordination and implementation of  
12 behavioral health services related to chapter 320, Laws of 2013 (ESHB  
13 1519) and chapter 338, Laws of 2013 (2SSB 5732).

14 NEW SECTION. **Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
15 **SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

16 (1) COMMUNITY SERVICES

17	General Fund--State Appropriation (FY 2014) . . . . .	\$441,353,000
18	General Fund--State Appropriation (FY 2015) . . . . .	\$458,861,000
19	General Fund--Federal Appropriation . . . . .	\$820,761,000
20	General Fund--Private/Local Appropriation . . . . .	\$21,000
21	TOTAL APPROPRIATION . . . . .	\$1,720,996,000

22 The appropriations in this subsection are subject to the following  
23 conditions and limitations:

24 (a) Individuals receiving services as supplemental security income  
25 (SSI) state supplemental payments shall not become eligible for medical  
26 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
27 supplemental payments.

28 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and  
29 43.135.055, the department is authorized to increase nursing facility  
30 and assisted living facility fees as necessary to fully support the  
31 actual costs of conducting the licensure, inspection, and regulatory  
32 programs. License fees for adult family homes shall be set to the  
33 amounts specified in this subsection. The license fees may not exceed  
34 the department's annual licensing and oversight activity costs and  
35 shall include the department's cost of paying providers for the amount  
36 of the license fee attributed to medicaid clients.

1 (i) The current annual renewal license fee for adult family homes  
2 shall be increased to \$225 per bed beginning in fiscal year 2014 and  
3 shall remain \$225 per bed beginning in fiscal year 2015. A processing  
4 fee of \$2,750 shall be charged to each adult family home when the home  
5 is initially licensed. This fee is nonrefundable.

6 (ii) The current annual renewal license fee for assisted living  
7 facilities shall be \$106 per bed in fiscal year 2014 and \$106 per bed  
8 in fiscal year 2015.

9 (iii) The current annual renewal license fee for nursing facilities  
10 shall be \$359 per bed in fiscal year 2014 and \$359 per bed in fiscal  
11 year 2015.

12 (c) \$13,301,000 of the general fund--state appropriation for fiscal  
13 year 2014, \$20,607,000 of the general fund--state appropriation for  
14 fiscal year 2015, and \$33,901,000 of the general fund federal  
15 appropriation are provided solely for the implementation of the  
16 agreement reached between the governor and the service employees  
17 international union healthcare 775nw through an interest arbitration  
18 decision under the provisions of chapters 74.39A and 41.56 RCW for the  
19 2013-2015 fiscal biennium.

20 (d) \$1,707,000 of the general fund--state appropriation for fiscal  
21 year 2014, \$2,670,000 of the general fund--state appropriation for  
22 fiscal year 2015, and \$4,376,000 of the general fund--federal  
23 appropriation are provided solely for the homecare agency parity  
24 impacts of the service employees international union healthcare 775nw  
25 arbitration award.

26 (e) No later than December 31, 2013, the department shall report to  
27 the appropriate fiscal committees of the legislature with a strategy to  
28 reduce the rate disparity between urban and suburban residential  
29 service providers. The department shall incorporate a rate component  
30 that recognizes differences in costs as they relate to the geographical  
31 location of the provider; however, the proposed component shall use a  
32 geographical variable that is more granular than the provider's county.

33 (f) \$5,988,000 of the general fund--state appropriation for fiscal  
34 year 2014 and \$5,988,000 of the general fund--state appropriation for  
35 fiscal year 2015 are appropriated solely for the individual and family  
36 support program. Within these amounts, the department shall expand the  
37 current number of clients receiving services and focus on extending

1 services to individuals with developmental disabilities who are not  
2 otherwise receiving paid services from the department.

3 (2) INSTITUTIONAL SERVICES

4	General Fund--State Appropriation (FY 2014) . . . . .	\$84,062,000
5	General Fund--State Appropriation (FY 2015) . . . . .	\$83,954,000
6	General Fund--Federal Appropriation . . . . .	\$159,093,000
7	General Fund--Private/Local Appropriation . . . . .	\$23,041,000
8	TOTAL APPROPRIATION . . . . .	\$350,150,000

9 The appropriations in this subsection are subject to the following  
10 conditions and limitations:

11 (a) Individuals receiving services as supplemental security income  
12 (SSI) state supplemental payments shall not become eligible for medical  
13 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
14 supplemental payments.

15 (b) \$721,000 of the general fund--state appropriation for fiscal  
16 year 2014 and \$721,000 of the general fund--state appropriation for  
17 fiscal year 2015 are for the department to fulfill its contracts with  
18 the school districts under chapter 28A.190 RCW to provide  
19 transportation, building space, and other support services as are  
20 reasonably necessary to support the educational programs of students  
21 living in residential habilitation centers.

22 (3) PROGRAM SUPPORT

23	General Fund--State Appropriation (FY 2014) . . . . .	\$1,934,000
24	General Fund--State Appropriation (FY 2015) . . . . .	\$1,988,000
25	General Fund--Federal Appropriation . . . . .	\$1,957,000
26	TOTAL APPROPRIATION . . . . .	\$5,879,000

27 (4) SPECIAL PROJECTS

28	General Fund--State Appropriation (FY 2014) . . . . .	\$1,397,000
29	General Fund--State Appropriation (FY 2015) . . . . .	\$1,397,000
30	General Fund--Federal Appropriation . . . . .	\$1,200,000
31	TOTAL APPROPRIATION . . . . .	\$3,994,000

32 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
33 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

34	General Fund--State Appropriation (FY 2014) . . . . .	\$870,672,000
35	General Fund--State Appropriation (FY 2015) . . . . .	\$919,407,000
36	General Fund--Federal Appropriation . . . . .	\$1,918,231,000

General Fund--Private/Local Appropriation . . . . .	\$30,122,000
Traumatic Brain Injury Account--State Appropriation . . . . .	\$3,393,000
Skilled Nursing Facility Net Trust Fund--State	
Appropriation . . . . .	\$88,000,000
TOTAL APPROPRIATION . . . . .	\$3,829,825,000

The appropriations in this section are subject to the following conditions and limitations:

(1) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed \$171.32 for fiscal year 2014 and shall not exceed \$171.53 for fiscal year 2015, including the rate add-ons described in (a) and (b) of this subsection. However, if the waiver requested from the federal centers for medicare and medicaid services in relation to the safety net assessment is for any reason disapproved, the weighted average nursing facility payment rate shall not exceed \$161.52 for fiscal year 2014 and shall not exceed \$161.73 for fiscal year 2015. There will be no adjustments for economic trends and conditions in fiscal years 2014 and 2015. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the component rate allocations established in accordance with chapter 74.46 RCW. When no economic trends and conditions factor for either fiscal year is defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the component rate allocations established in accordance with chapter 74.46 RCW.

(a) Within the funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed \$1.57. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than \$15 in calendar year 2008, according to cost report data. The add-on may also be used to address resulting wage compression for related job classes immediately affected by wage increases to low-wage workers. The department shall continue reporting requirements and a

1 settlement process to ensure that the funds are spent according to this  
2 subsection.

3 (b) For fiscal years 2014 and 2015 and subject to appropriation,  
4 the department of social and health services shall do a comparative  
5 analysis of the facility-based payment rates calculated on July 1,  
6 2013, using the payment methodology defined in chapter 74.46 RCW, to  
7 the facility-based payment rates in effect June 30, 2010. If the  
8 facility-based payment rate calculated on July 1, 2013, is smaller than  
9 the facility-based payment rate on June 30, 2010, the difference shall  
10 be provided to the individual nursing facilities as an add-on payment  
11 per medicaid resident day.

12 (c) During the comparative analysis performed in (b) of this  
13 subsection, if it is found that the direct care rate for any facility  
14 calculated under chapter 74.46 RCW is greater than the direct care rate  
15 in effect on June 30, 2010, then the facility shall receive a ten  
16 percent direct care rate add-on to compensate that facility for taking  
17 on more acute clients than it has in the past.

18 (d) The rate add-ons provided in (c) of this subsection are subject  
19 to the reconciliation and settlement process provided in RCW  
20 74.46.022(6).

21 (e) The department shall provide a medicaid rate add-on to  
22 reimburse the medicaid share of the skilled nursing facility safety net  
23 assessment as a medicaid allowable cost.

24 (2) In accordance with chapter 74.46 RCW, the department shall  
25 issue no additional certificates of capital authorization for fiscal  
26 year 2014 and no new certificates of capital authorization for fiscal  
27 year 2015 and shall grant no rate add-ons to payment rates for capital  
28 improvements not requiring a certificate of need and a certificate of  
29 capital authorization for fiscal years 2014 and 2015.

30 (3) Individuals receiving services as supplemental security income  
31 (SSI) state supplemental payments shall not become eligible for medical  
32 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
33 supplemental payments.

34 (4) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and  
35 43.135.055, the department is authorized to increase nursing facility  
36 and assisted living facility fees as necessary to fully support the  
37 actual costs of conducting the licensure, inspection, and regulatory  
38 programs. The department shall increase adult family home license fees



1 as specified in (a) of this subsection. The license fees may not  
2 exceed the department's annual licensing and oversight activity costs  
3 and shall include the department's cost of paying providers for the  
4 amount of the license fee attributed to medicaid clients.

5 (a) The current annual renewal license fee for adult family homes  
6 shall be increased to \$225 per bed beginning in fiscal year 2014 and  
7 shall remain at \$225 per bed in fiscal year 2015. A processing fee of  
8 \$2,750 shall be charged to each adult family home when the home is  
9 initially licensed. This fee is nonrefundable.

10 (b) The current annual renewal license fee for assisted living  
11 facilities shall be increased to \$106 per bed beginning in fiscal year  
12 2014 and \$106 per bed beginning in fiscal year 2015.

13 (c) The current annual renewal license fee for nursing facilities  
14 shall be increased to \$359 per bed beginning in fiscal year 2014 and  
15 \$359 per bed beginning in fiscal year 2015.

16 (5) The department is authorized to place long-term care clients  
17 residing in nursing homes and paid for with state only funds into less  
18 restrictive community care settings while continuing to meet the  
19 client's care needs.

20 (6) \$32,559,000 of the general fund--state appropriation for fiscal  
21 year 2014, \$50,142,000 of the general fund--state appropriation for  
22 fiscal year 2015, and \$82,701,000 of the general fund federal  
23 appropriation are provided solely for the implementation of the  
24 agreement has been reached between the governor and the service  
25 employees international union healthcare 775nw through an interest  
26 arbitration decision under the provisions of chapters 74.39A and 41.56  
27 RCW for the 2013-2015 fiscal biennium.

28 (7) \$10,800,000 of the general fund--state appropriation for fiscal  
29 year 2014, \$17,768,000 of the general fund--state appropriation for  
30 fiscal year 2015 and \$28,567,000 of the general fund--federal  
31 appropriation are provided solely for the homecare agency parity  
32 impacts of the service employees international union healthcare 775nw  
33 arbitration award.

34 (8) \$25,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$25,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for the department, working  
37 collaboratively with stakeholders, the office of financial management,  
38 and the legislature, by December 31, 2014 to:

1 (a) Develop a phased plan to expand services to meet the demands of  
2 an aging society and extend caregiver support to a greater percentage  
3 of caregivers in need. The report should include evaluation of the  
4 program's potential to: (i) Delay or divert medicaid utilization  
5 rates; and (ii) improve the health and well-being of family caregivers  
6 including, but not limited to, reducing rates of depression and other  
7 health or mental health issues. In developing the plan, the aging and  
8 disability services administration must consult with stakeholders,  
9 including individuals with developmental disabilities, physical  
10 disabilities, behavioral health needs, and long-term care needs;

11 (b) Report to the appropriate committees of the legislature on:

12 (i) The existing funding of the following aging and disability  
13 resource centers: (A) The northwest regional council in Skagit and  
14 Whatcom counties; (B) Pierce county community connections; (C)  
15 southeast Washington aging and disability resource centers in Asotin,  
16 Benton, Columbia, Franklin, Garfield, Kittitas, Yakima, and Walla Walla  
17 counties; and (D) aging and long-term care of eastern Washington in  
18 Ferry, Pend Oreille, Spokane, Stevens, and Whitman counties;

19 (ii) The level of funding necessary to achieve the full complement  
20 of aging and disability resource center functions statewide by December  
21 1, 2017. The full complement of services includes five core functions:  
22 (A) Information and assistance; (B) options counseling; (C) streamlines  
23 access; (D) person-centered care transitions; (E) quality assurance and  
24 evaluation; and (F) care coordination. This proposal must include ways  
25 to maximize opportunities to leverage federal dollars and requirements  
26 to establish local partnerships to draw in additional funding;

27 (iii) Preliminary results of evaluations the department has  
28 conducted on the aging and disability resource centers and a proposal  
29 for ongoing evaluations and assessments; and

30 (iv) The roles and responsibilities of the aging and disability  
31 resource centers, how they serve different populations including  
32 individuals with developmental disabilities, individuals with physical  
33 disabilities, and individuals with behavioral health needs, and how the  
34 centers interact with existing information and assistance programs such  
35 as 211, parent-to-parent, centers for independent living, and regional  
36 support networks;

37 (c) Work cooperatively with the office of financial management to

1 evaluate the following options to support families as they prepare for  
2 the cost of long-term services and supports needs:

3 (i) Tax incentives or other measures to encourage individuals to  
4 purchase private long-term care insurance and to encourage employers to  
5 offer private long-term care insurance to their employees;

6 (ii) Options to incentivize state workers to participate in  
7 employer offered private long-term care insurance;

8 (iii) Options to increase take-up rate of long-term care  
9 partnership policies, including a public option;

10 (iv) Regulatory changes necessary to encourage the use of life  
11 insurance to finance long-term services and supports;

12 (v) A public insurance option financed through voluntary  
13 contributions; and

14 (vi) A public insurance option financed through mandatory  
15 contributions;

16 (d) Evaluate each of the options listed in (c) of this subsection  
17 based on how it meets the following goals:

18 (i) Delay or divert medicaid long-term care utilization and provide  
19 relief for family caregivers;

20 (ii) Support individuals with functional or cognitive limitations  
21 or both so that they are able to remain in the community by purchasing  
22 nonmedical services and supports such as home care and adult day health  
23 services and avoid institutional care;

24 (iii) Expand long-term coverage and supports for the greatest  
25 number of people;

26 (iv) Address direct care workforce recruitment and retention issues  
27 to ensure access to long-term services and supports;

28 (v) Be affordable for families and include comprehensive benefits;

29 (vi) Reduce inequality and promote economic security for middle  
30 class families; and

31 (vii) Include a minimal impact on the state general fund and bring  
32 additional funds into the long-term care system;

33 (e) Establish a profile of Washington's current elderly population  
34 and population with disabilities and their needs;

35 (f) Establish an inventory of the services and supports currently  
36 available to the elderly population and population with disabilities,  
37 including health care providers and facilities, long-term care

1 providers and facilities, caregiver supports, public and private  
2 financing, transportation services, and housing;

3 (g) Assess the areas of the current system where the additional  
4 support is needed for Washington's current elderly population;

5 (h) Establish a profile of Washington's expected elderly population  
6 and population with disabilities in 2025 and evaluate their anticipated  
7 needs;

8 (i) Establish an anticipated inventory of future services and  
9 supports that will be required to meet the needs of the elderly  
10 population and population with disabilities in 2025; and

11 (j) Develop a strategy of actions that the state may take to  
12 prepare for the future demographic trends in the elderly population and  
13 population with disabilities and build the necessary capacity to meet  
14 these demands, including the identification of:

15 (i) Statutory and regulatory changes to promote the most efficient  
16 use of resources, such as simplifying administrative procedures,  
17 facilitating points of entry into the long-term care services and  
18 supports system, and improving transitions between care settings;

19 (ii) Practices for promoting the use of technology, chronic care  
20 management, and disability prevention programs to maintain the  
21 independence of the elderly population and population with  
22 disabilities;

23 (iii) Caregiver supports;

24 (iv) Specialized resources for populations with special needs, such  
25 as chronic conditions and dementia; and

26 (v) Housing and transportation programs to help individuals who are  
27 elderly or individuals with disabilities to maintain their  
28 independence.

29 (9) \$441,000 of the general fund--state appropriation for fiscal  
30 year 2014, \$420,000 of the general fund--state appropriation for fiscal  
31 year 2015 and \$863,000 of the general fund--federal appropriation are  
32 provided solely for the provisions of Substitute Senate Bill No. 5630,  
33 (recommendations of the adult family home quality assurance panel). If  
34 the bill is not enacted by June 30, 2013, the amounts provided in this  
35 subsection shall lapse.

36 (10) \$2,090,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$2,127,000 of the general fund--state appropriation for  
38 fiscal year 2015 are provided solely for operation of the volunteer

services program. Funding shall be prioritized towards serving populations traditionally served by long-term care services to include senior citizens and persons with disabilities.

**NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . .	\$367,974,000
General Fund--State Appropriation (FY 2015) . . . . .	\$356,880,000
General Fund--Federal Appropriation . . . . .	\$1,204,925,000
General Fund--Private/Local Appropriation . . . . .	\$30,594,000
TOTAL APPROPRIATION . . . . .	\$1,960,373,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$66,374,000 of the general fund--state appropriation for fiscal year 2014, \$8,502,000 of the general fund--state appropriation for fiscal year 2015, and \$361,231,000 of the general fund--federal appropriation are provided solely for assistance to clients, including grants and diversion cash assistance under RCW 74.08A.210. The department may provide assistance using state-only funds for families eligible for temporary assistance for needy families.

(2) \$13,053,000 of the general fund--state appropriation for fiscal year 2014, \$8,000,000 of the general fund--state appropriation for fiscal year 2015, and \$134,224,000 of the general fund--federal appropriation are provided solely for WorkFirst job search, education and training activities, barrier removal services, limited English proficiency services, and tribal assistance under RCW 74.08A.040. Funding provided in this subsection must be allocated using a formula that accounts for client caseload and client outcomes, including outcome and accountability measures adopted by the legislative-executive WorkFirst oversight task force under RCW 74.08A.260 and outcomes under RCW 74.08A.410.

(3) \$87,284,000 of the general fund--state appropriation for fiscal year 2014, \$75,475,000 of the general fund--state appropriation for fiscal year 2015, and \$179,728,000 of the general fund--federal appropriation are provided solely for the working connections child care program under RCW 43.215.135.

(4) \$34,818,000 of the general fund--state appropriation for fiscal year 2014, \$30,695,000 of the general fund--state appropriation for

1 fiscal year 2015, and \$77,147,000 of the general fund--federal  
2 appropriation are provided solely for WorkFirst and working connections  
3 child care administration and overhead.

4 (5)(a) The amounts in subsections (1) through (4) of this section  
5 shall be expended for the programs and in the amounts specified.  
6 However, the department may transfer funding between subsections (1)  
7 and (3) of this section, but only if the funding is available to  
8 transfer solely due to utilization or caseload changes. Amounts in  
9 subsection (2) of this section may be transferred to subsections (1) or  
10 (3) of this section. The approval of the director of financial  
11 management is required prior to any transfer under this subsection.  
12 The department shall provide notification prior to any transfer to the  
13 appropriate legislative committees and the legislative-executive  
14 WorkFirst oversight task force.

15 (6)(a) \$3,932,000 of the general fund--state appropriation for  
16 fiscal year 2014 and \$4,066,000 of the general fund--state  
17 appropriation for fiscal year 2015 are provided solely for the programs  
18 created in Senate Bill No. . . . . (S-2297.2) (assistance programs).

19 (b) The department shall review clients receiving services through  
20 the aged assistance program to determine whether they would benefit  
21 from assistance in becoming naturalized citizens, and thus be eligible  
22 to receive federal supplemental security income benefits. Those cases  
23 shall be given high priority for naturalization funding through the  
24 department.

25 (7) Within the amounts appropriated in this section, the department  
26 may continue to provide incapacity examinations to determine if clients  
27 are eligible for medical coverage due to their age or disability  
28 through January 1, 2014. The department may not begin facilitating new  
29 clients onto the social security income program beginning July 1, 2014.  
30 All facilitation services for current clients will end by July 1, 2015.

31 (8) \$1,657,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$1,657,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely for naturalization services.

34 (9) \$2,366,000 of the general fund--state appropriation for fiscal  
35 year 2014 is provided solely for refugee employment services, of which  
36 \$1,774,000 is provided solely for the department to pass through to  
37 statewide refugee assistance organizations for limited English  
38 proficiency pathway services; and \$2,366,000 of the general fund--state

appropriation for fiscal year 2015 is provided solely for refugee employment services, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee assistance organizations for limited English proficiency pathway services.

(10) On December 1, 2013, and annually thereafter, the department must report to the legislature on all sources of funding available for both refugee and immigrant services and naturalization services during the current fiscal year and the amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

(11) To ensure expenditures remain within available funds appropriated in this section, the legislature establishes the benefit under the state food assistance program, pursuant to RCW 74.08A.120, to be seventy-five percent of the federal supplemental nutrition assistance program benefit amount.

**NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

General Fund--State Appropriation (FY 2014)	\$61,890,000
General Fund--State Appropriation (FY 2015)	\$57,116,000
General Fund--Federal Appropriation	\$267,370,000
General Fund--Private/Local Appropriation	\$13,541,000
Criminal Justice Treatment Account--State	
Appropriation	\$14,285,000
Problem Gambling Account--State Appropriation	\$1,450,000
TOTAL APPROPRIATION	\$415,652,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) Within the amounts appropriated in this section, the department shall continue to provide for chemical dependency treatment services for adult medicaid eligible, pregnant and parenting women, disability lifeline, and alcoholism and drug addiction treatment and support act, and medical care services clients.

(3) In accordance with RCW 70.96A.090 and 43.135.055, the department is authorized to increase fees for the review and approval of treatment programs in fiscal years 2014 and 2015 as necessary to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(4) The department shall not discontinue a residential provider contract solely because the treatment facility used by the provider has a capacity in excess of sixteen beds.

(5) Within the amounts appropriated in this section, the department shall contract with the Washington state institute for public policy for a long-term efficacy study of the chemical dependency treatment programs funded by the division of alcohol and substance abuse. The study shall focus on how many program participants successfully complete dependency programs and how long they abstain from use of drugs and alcohol.

**NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL REHABILITATION PROGRAM**

General Fund--State Appropriation (FY 2014)	\$11,134,000
General Fund--State Appropriation (FY 2015)	\$11,076,000
General Fund--Federal Appropriation	\$99,413,000
Telecommunications Devices for the Hearing and Speech	
Impaired--State Appropriation	\$2,775,000
TOTAL APPROPRIATION	\$124,398,000

The appropriations in this section are subject to the following conditions and limitations: \$480,000 of the telecommunications devices for the hearing and speech impaired account--state appropriation is provided solely for the office of deaf and hard of hearing to contract



for services that provide support and help with life activities for deaf-blind individuals in the Puget Sound area.

**NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT PROGRAM**

General Fund--State Appropriation (FY 2014)	\$34,725,000
General Fund--State Appropriation (FY 2015)	\$34,578,000
TOTAL APPROPRIATION	\$69,303,000

The appropriations in this section are subject to the following conditions and limitations:

(a) The department shall transfer the stewardship of McNeil Island to the department of corrections industries program. The transferred responsibilities shall include marine operations, the fire department, waste water treatment, water treatment, road maintenance, and any other general island maintenance that is not site specific to the operations of the special commitment center or the Pierce county secure community transition facility. Facility maintenance within the perimeter of the special commitment center shall remain the responsibility of the department of social and health services.

(b) \$2,100,000 of the general fund--state appropriation for fiscal year 2014 and \$2,100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for operational costs specific to island operations of the special commitment center and the Pierce county secure community transition facility. The department shall establish an accounting structure that enables it to track and report on costs specific to island operations.

**NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

General Fund--State Appropriation (FY 2014)	\$27,369,000
General Fund--State Appropriation (FY 2015)	\$26,699,000
General Fund--Federal Appropriation	\$39,298,000
General Fund--Private/Local Appropriation	\$716,000
Performance Audits of State Government--State Appropriation	\$4,941,000
TOTAL APPROPRIATION	\$99,023,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$250,000 of the general fund--state appropriation for fiscal year 2014 and \$250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant program focused on criminal street gang prevention and intervention. The Washington state partnership council on juvenile justice may award grants under this subsection. The council shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering effective criminal street gang prevention and intervention programs may apply for funding under this subsection.

(2) \$300,000 of the general fund--state appropriation for fiscal year 2014 and \$300,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state mentors program to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(3) \$445,000 of the general fund--state appropriation for fiscal year 2014 and \$445,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for funding of the teamchild project.

**NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund--State Appropriation (FY 2014)	\$60,734,000
General Fund--State Appropriation (FY 2015)	\$59,740,000
General Fund--Federal Appropriation	\$55,044,000
TOTAL APPROPRIATION	\$175,518,000

**NEW SECTION. Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY**

General Fund--State Appropriation (FY 2014)	\$2,126,935,000
General Fund--State Appropriation (FY 2015)	\$2,140,099,000
General Fund--Federal Appropriation	\$6,961,816,000
General Fund--Private/Local Appropriation	\$38,811,000
Emergency Medical Services and Trauma Care Systems Trust	
Account--State Appropriation	\$15,082,000
Hospital Safety Net Assessment Account--State	

1	Appropriation . . . . .	\$611,076,000
2	Medicaid Fraud Penalty Account--State Appropriation . . . .	\$21,206,000
3	State Health Care Authority Administration	
4	Account--State Appropriation . . . . .	\$35,309,000
5	Medical Aid Account--State Appropriation . . . . .	\$528,000
6	TOTAL APPROPRIATION . . . . .	\$11,950,862,000

7 The appropriations in this section are subject to the following  
8 conditions and limitations:

9 (1) Within amounts appropriated in this section and sections 205  
10 and 206 of this act, the health care authority shall continue to  
11 provide an enhanced basic health plan subsidy for foster parents  
12 licensed under chapter 74.15 RCW and workers in state-funded home care  
13 programs through December 31, 2013. Under this enhanced subsidy  
14 option, foster parents eligible to participate in the basic health plan  
15 as subsidized enrollees and home care workers with family incomes below  
16 200 percent of the federal poverty level shall be allowed to enroll in  
17 the basic health plan at the minimum premium amount charged to  
18 enrollees with incomes below sixty-five percent of the federal poverty  
19 level.

20 (2) The health care authority shall require organizations and  
21 individuals that are paid to deliver basic health plan services and  
22 that choose to sponsor enrollment in the subsidized basic health plan  
23 to pay 133 percent of the premium amount which would otherwise be due  
24 from the sponsored enrollees through December 31, 2013, unless medicaid  
25 expansion is not implemented.

26 (3) The administrator shall take at least the following actions to  
27 assure that persons participating in the basic health plan are eligible  
28 for the level of assistance they receive: (a) Require submission of  
29 (i) income tax returns, and recent pay history, from all applicants, or  
30 (ii) other verifiable evidence of earned and unearned income from those  
31 persons not required to file income tax returns; (b) check employment  
32 security payroll records at least once every twelve months on all  
33 enrollees; (c) require enrollees whose income as indicated by payroll  
34 records exceeds that upon which their subsidy is based to document  
35 their current income as a condition of continued eligibility; (d)  
36 require enrollees for whom employment security payroll records cannot  
37 be obtained to document their current income at least once every six  
38 months; (e) not reduce gross family income for self-employed persons by

1 noncash-flow expenses such as, but not limited to, depreciation,  
2 amortization, and home office deductions, as defined by the United  
3 States internal revenue service; and (f) pursue repayment and civil  
4 penalties from persons who have received excessive subsidies, as  
5 provided in RCW 70.47.060(9).

6 (4) Until December 31, 2013, enrollment in the subsidized basic  
7 health plan shall be limited to only include persons who qualify as  
8 subsidized enrollees as defined in RCW 70.47.020 and who (a) qualify  
9 for services under 1115 medicaid demonstration project number 11-W-  
10 00254/10; or (b) are foster parents licensed under chapter 74.15 RCW.

11 (5) Based on quarterly expenditure reports and caseload forecasts,  
12 if the health care authority estimates that expenditures for the  
13 medical assistance program will exceed the appropriations, the health  
14 care authority shall take steps including but not limited to reduction  
15 of rates or elimination of optional services to reduce expenditures so  
16 that total program costs do not exceed the annual appropriation  
17 authority.

18 (6) When a person is ineligible for medicaid solely by reason of  
19 residence in an institution for mental diseases, the health care  
20 authority shall provide the person with the same benefits as he or she  
21 would receive if eligible for medicaid, using state-only funds to the  
22 extent necessary.

23 (7) \$4,261,000 of the general fund--state appropriation for fiscal  
24 year 2014, \$4,261,000 of the general fund--state appropriation for  
25 fiscal year 2015, and \$8,522,000 of the general fund--federal  
26 appropriation are provided solely for low-income disproportionate share  
27 hospital payments under RCW 74.09.730(1)(a).

28 (8) \$6,000,000 of the general fund--federal appropriation is  
29 provided solely for supplemental payments to nursing homes operated by  
30 public hospital districts. The public hospital district shall be  
31 responsible for providing the required nonfederal match for the  
32 supplemental payment, and the payments shall not exceed the maximum  
33 allowable under federal rules. It is the legislature's intent that the  
34 payments shall be supplemental to and shall not in any way offset or  
35 reduce the payments calculated and provided in accordance with part E  
36 of chapter 74.46 RCW. It is the legislature's further intent that  
37 costs otherwise allowable for rate-setting and settlement against  
38 payments under chapter 74.46 RCW shall not be disallowed solely because

1 such costs have been paid by revenues retained by the nursing home from  
2 these supplemental payments. The supplemental payments are subject to  
3 retrospective interim and final cost settlements based on the nursing  
4 homes' as-filed and final medicare cost reports. The timing of the  
5 interim and final cost settlements shall be at the health care  
6 authority's discretion. During either the interim cost settlement or  
7 the final cost settlement, the health care authority shall recoup from  
8 the public hospital districts the supplemental payments that exceed the  
9 medicaid cost limit and/or the medicare upper payment limit. The  
10 health care authority shall apply federal rules for identifying the  
11 eligible incurred medicaid costs and the medicare upper payment limit.

12 (9) The health care authority shall continue the inpatient hospital  
13 certified public expenditures program for the 2013-2015 fiscal  
14 biennium. The program shall apply to all public hospitals, including  
15 those owned or operated by the state, except those classified as  
16 critical access hospitals or state psychiatric institutions. The  
17 health care authority shall submit reports to the governor and  
18 legislature by November 1, 2013, and by November 1, 2014, that evaluate  
19 whether savings continue to exceed costs for this program. If the  
20 certified public expenditures (CPE) program in its current form is no  
21 longer cost-effective to maintain, the health care authority shall  
22 submit a report to the governor and legislature detailing cost-  
23 effective alternative uses of local, state, and federal resources as a  
24 replacement for this program. During fiscal year 2014 and fiscal year  
25 2015, hospitals in the program shall be paid and shall retain one  
26 hundred percent of the federal portion of the allowable hospital cost  
27 for each medicaid inpatient fee-for-service claim payable by medical  
28 assistance and one hundred percent of the federal portion of the  
29 maximum disproportionate share hospital payment allowable under federal  
30 regulations. Inpatient medicaid payments shall be established using an  
31 allowable methodology that approximates the cost of claims submitted by  
32 the hospitals. Payments made to each hospital in the program in each  
33 fiscal year of the biennium shall be compared to a baseline amount.  
34 The baseline amount will be determined by the total of (a) the  
35 inpatient claim payment amounts that would have been paid during the  
36 fiscal year had the hospital not been in the CPE program based on the  
37 reimbursement rates developed, implemented, and consistent with  
38 policies approved in the 2013-2015 biennial operating appropriations

1 act and in effect on July 1, 2013, (b) one half of the indigent  
2 assistance disproportionate share hospital payment amounts paid to and  
3 retained by each hospital during fiscal year 2005, and (c) all of the  
4 other disproportionate share hospital payment amounts paid to and  
5 retained by each hospital during fiscal year 2005 to the extent the  
6 same disproportionate share hospital programs exist in the 2013-2015  
7 fiscal biennium. If payments during the fiscal year exceed the  
8 hospital's baseline amount, no additional payments will be made to the  
9 hospital except the federal portion of allowable disproportionate share  
10 hospital payments for which the hospital can certify allowable match.  
11 If payments during the fiscal year are less than the baseline amount,  
12 the hospital will be paid a state grant equal to the difference between  
13 payments during the fiscal year and the applicable baseline amount.  
14 Payment of the state grant shall be made in the applicable fiscal year  
15 and distributed in monthly payments. The grants will be recalculated  
16 and redistributed as the baseline is updated during the fiscal year.  
17 The grant payments are subject to an interim settlement within eleven  
18 months after the end of the fiscal year. A final settlement shall be  
19 performed. To the extent that either settlement determines that a  
20 hospital has received funds in excess of what it would have received as  
21 described in this subsection, the hospital must repay the excess  
22 amounts to the state when requested. \$12,803,000 of the general fund--  
23 state appropriation for fiscal year 2014, of which \$6,570,000 is  
24 appropriated in section 204(1) of this act, and \$6,934,000 of the  
25 general fund--state appropriation for fiscal year 2015, of which  
26 \$6,570,000 is appropriated in section 204(1) of this act, are provided  
27 solely for state grants for the participating hospitals. CPE hospitals  
28 will receive the inpatient and outpatient reimbursement rate  
29 restorations in RCW 74.60.080 and rate increases in RCW 74.60.090  
30 funded through the hospital safety net assessment fund rather than  
31 through the baseline mechanism specified in this subsection.

32 (10) Within the amounts appropriated in this section, the health  
33 care authority shall provide disproportionate share hospital payments  
34 to hospitals that provide services to children in the children's health  
35 program who are not eligible for services under Title XIX or XXI of the  
36 federal social security act due to their citizenship status.

37 (11) The health care authority shall not initiate any services that  
38 require expenditure of state general fund moneys unless expressly

1 authorized in this act or other law. The health care authority may  
2 seek, receive, and spend, under RCW 43.79.260 through 43.79.282,  
3 federal moneys not anticipated in this act as long as the federal  
4 funding does not require expenditure of state moneys for the program in  
5 excess of amounts anticipated in this act. If the health care  
6 authority receives unanticipated unrestricted federal moneys, those  
7 moneys shall be spent for services authorized in this act or in any  
8 other legislation providing appropriation authority, and an equal  
9 amount of appropriated state general fund moneys shall lapse. Upon the  
10 lapsing of any moneys under this subsection, the office of financial  
11 management shall notify the legislative fiscal committees. As used in  
12 this subsection, "unrestricted federal moneys" includes block grants  
13 and other funds that federal law does not require to be spent on  
14 specifically defined projects or matched on a formula basis by state  
15 funds.

16 (12) The legislature finds that medicaid payment rates, as  
17 calculated by the health care authority pursuant to the appropriations  
18 in this act, bear a reasonable relationship to the costs incurred by  
19 efficiently and economically operated facilities for providing quality  
20 services and will be sufficient to enlist enough providers so that care  
21 and services are available to the extent that such care and services  
22 are available to the general population in the geographic area. The  
23 legislature finds that the cost reports, payment data from the federal  
24 government, historical utilization, economic data, and clinical input  
25 constitute reliable data upon which to determine the payment rates.

26 (13) \$571,690 of the state health care authority administration  
27 account--state appropriation is provided solely for implementation of  
28 Engrossed Substitute Senate Bill No. 5811 (employee wellness program).  
29 If the bill is not enacted by June 30, 2013, the amount provided in  
30 this subsection shall lapse.

31 (14) In determining financial eligibility for medicaid-funded  
32 services, the health care authority is authorized to disregard  
33 recoveries by Holocaust survivors of insurance proceeds or other  
34 assets, as defined in RCW 48.104.030.

35 (15) The legislature affirms that it is in the state's interest for  
36 Harborview medical center to remain an economically viable component of  
37 the state's health care system.

1 (16) \$357,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$357,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely to reduce premiums for children  
4 with family incomes above 200 percent of the federal poverty level in  
5 the state-funded children's health program who are not eligible for  
6 coverage under the federal children's health insurance program.  
7 Premiums in the state and federal children's health insurance program  
8 shall be equal.

9 (17) \$1,531,000 of the general fund--state appropriation for fiscal  
10 year 2014, \$280,000 of the general fund--state appropriation for fiscal  
11 year 2015, and \$10,803,000 of the general fund--federal appropriation  
12 are provided solely to implement phase two of the project to create a  
13 single provider payment system that consolidates medicaid medical and  
14 social services payments and replaces the social service payment  
15 system.

16 (18) Within the amounts appropriated in this section, the health  
17 care authority and the department of social and health services shall  
18 implement the state option to provide health homes for enrollees with  
19 chronic conditions under section 2703 of the federal affordable care  
20 act. The total state match for enrollees who are dually-eligible for  
21 both medicare and medicaid and not enrolled in managed care shall be no  
22 more than the net savings to the state from the enhanced match rate for  
23 its medicaid-only managed care enrollees under section 2703.

24 (19) Effective January 1, 2014, the authority shall not pay monthly  
25 enhancements directly to federally qualified health clinics and rural  
26 health centers and shall instead include the full encounter payments in  
27 managed care contracts. The managed care contracts shall require the  
28 managed care plans to pay at least the full encounter payment to  
29 federally qualified health clinics and rural health centers. Managed  
30 care premiums shall be adjusted to reflect this increased payment.  
31 Effective January 1, 2015, the managed care premiums shall be  
32 calculated based on calendar year 2012 and 2013 federally qualified  
33 health clinic and rural health center utilization experience.

34 (20) The appropriations in this section reflect savings and  
35 efficiencies by transferring children receiving medical care provided  
36 through fee-for-service to medical care provided through managed care.

37 (21) The authority shall exclude antiretroviral drugs used to treat  
38 HIV/AIDS, anticancer medication that is used to kill or slow the growth



1 of cancerous cells, antihemophilic drugs, and transplant drugs from  
2 fail first limitations implemented to operate within the appropriations  
3 provided in this section.

4 (22) The appropriations in this section reflect savings and  
5 efficiencies by modifying the dispensing methods of contraceptive  
6 drugs. The authority must make arrangements for all medicaid programs  
7 offered through managed care plans or fee-for-service to require  
8 dispensing of contraceptive drugs with up to a one-year supply provided  
9 at one time. Contracts with managed care plans must allow on-site  
10 dispensing of the prescribed contraceptive drugs at family planning  
11 clinics. Dispensing practices must follow clinical guidelines for  
12 appropriate prescribing and dispensing to ensure the health of the  
13 patient while maximizing access to effective contraceptive drugs.

14 (23) \$90,000 of the general fund--state appropriation for fiscal  
15 year 2014, \$90,000 of the general fund--state appropriation for fiscal  
16 year 2015, and \$180,000 of the general fund--federal appropriation are  
17 provided solely to continue operation by a nonprofit organization of a  
18 toll-free hotline that assists families to learn about and enroll in  
19 the apple health for kids program.

20 (24) \$1,762,000 of the general fund--state appropriation for fiscal  
21 year 2014, \$2,389,000 of the general fund--state appropriation for  
22 fiscal year 2015, \$80,000 of the general fund-private/local  
23 appropriation, and \$6,204,000 of the general fund--federal  
24 appropriation are provided solely for the medicaid and children's  
25 health insurance program share of costs allocated from the health  
26 benefit exchange. The amounts provided in this section are contingent  
27 on the health benefit exchange developing a self-sustaining methodology  
28 under which charges to enrollees and the state shall not exceed 1.8  
29 percent of premiums paid.

30 (25) \$92,000 of the general fund--state appropriation for fiscal  
31 year 2014, \$92,000 of the general fund--state appropriation for fiscal  
32 year 2015, and \$184,000 of the general fund--federal appropriation are  
33 provided solely for the authority to build and enhance a financial  
34 oversight system of medicaid managed care organizations and related  
35 costs. The authority's financial oversight system shall be able to  
36 monitor performance and financial data independently of outside  
37 organizations, have the systems and resources necessary to perform

these functions, and understand how state and federal reforms will affect the state general fund.

(26) \$213,000 of the general fund--state appropriation for fiscal year 2014, \$565,000 of the general fund--state appropriation for fiscal year 2015, and \$778,000 of the general fund--federal appropriation are provided solely to provide the mental health visit limit removal, shingles vaccine, and the screening, brief intervention, and referral to treatment benefits available in the medicaid alternative benefit plan to the current medicaid benefit plan beginning January 1, 2014. The authority shall monitor the habilitative benefit costs as part of the forecasting process but shall not provide this benefit in the current medicaid benefit without a direct appropriation in the omnibus appropriations act.

(27) \$3,382,000 of the general fund--state appropriation for fiscal year 2014, \$6,407,000 of the general fund--state appropriation for fiscal year 2015, and \$20,901,000 of the general fund--federal appropriation are provided solely for the authority to restore adult dental restorative benefits beginning January 1, 2014. The authority shall not provide additional dental service benefits without a direct appropriation in the omnibus appropriations act.

(28) Within the amounts appropriated in this section, the health care authority shall consider services provided by rural health clinics associated with the alternative payment methodology number 2, alternative payment methodology number 3, and the calendar year 2009 managed care enhancement and fee-for-service encounter reconciliation as partial payment.

**NEW SECTION. Sec. 214. FOR THE HUMAN RIGHTS COMMISSION**

General Fund--State Appropriation (FY 2014)	\$2,073,000
General Fund--State Appropriation (FY 2015)	\$1,990,000
General Fund--Federal Appropriation	\$2,179,000
TOTAL APPROPRIATION	\$6,242,000

**NEW SECTION. Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

Worker and Community Right-to-Know Account--State

Appropriation	\$10,000
Accident Account--State Appropriation	\$19,794,000

1 Medical Aid Account--State Appropriation . . . . . \$19,795,000  
2 TOTAL APPROPRIATION . . . . . \$39,599,000

3 NEW SECTION.      **Sec. 216.**      **FOR THE CRIMINAL JUSTICE TRAINING**  
4 **COMMISSION**

5 General Fund--State Appropriation (FY 2014) . . . . . \$14,078,000  
6 General Fund--State Appropriation (FY 2015) . . . . . \$13,966,000  
7 General Fund--Private/Local Appropriation . . . . . \$3,305,000  
8 Death Investigations Account--State Appropriation . . . . . \$148,000  
9 Municipal Criminal Justice Assistance Account--State  
10 Appropriation . . . . . \$460,000  
11 Washington Auto Theft Prevention Authority Account--State  
12 Appropriation . . . . . \$8,597,000  
13 TOTAL APPROPRIATION . . . . . \$40,554,000

14 The appropriations in this section are subject to the following  
15 conditions and limitations:

16 (1) \$5,000,000 of the general fund--state appropriation for fiscal  
17 year 2014 and \$5,000,000 of the general fund--state appropriation for  
18 fiscal year 2015, are provided as a grant to the Washington association  
19 of sheriffs and police chiefs solely to verify the address and  
20 residency of registered sex offenders and kidnapping offenders under  
21 RCW 9A.44.130.

22 (2) Jurisdictions shall reimburse to the criminal justice training  
23 commission the costs of ammunition, based on the average cost of  
24 ammunition per cadet, for cadets that they enroll in the basic law  
25 enforcement academy.

26 (3) \$100,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$100,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for a school safety program. The  
29 commission, in collaboration with the school safety center advisory  
30 committee, shall provide the school safety training for all school  
31 administrators and school safety personnel hired after the effective  
32 date of this section.

33 (4) \$96,000 of the general fund--state appropriation for fiscal  
34 year 2014 and \$96,000 of the general fund--state appropriation for  
35 fiscal year 2015 are provided solely for the school safety center  
36 within the commission. The safety center shall act as an information  
37 dissemination and resource center when an incident occurs in a school

district in Washington or in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. Through an interagency agreement, the commission shall provide funding for the office of the superintendent of public instruction to continue to develop and maintain a school safety information web site. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety, for all school safety personnel. The commission shall provide research-related programs in school safety and security issues beneficial to both law enforcement and schools.

(5) The criminal justice training commission may not run a basic law enforcement academy class with fewer than 30 students.

(6) \$165,000 of the general fund--state appropriation for fiscal year 2014 and \$165,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for crisis intervention training for peace officers. The commission shall incorporate eight hours of crisis intervention curriculum into its basic law enforcement academy and shall offer an eight-hour in-service crisis intervention training course.

**NEW SECTION.      Sec. 217.      FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund--State Appropriation (FY 2014) . . . . .	\$16,355,000
General Fund--State Appropriation (FY 2015) . . . . .	\$16,946,000
General Fund--Federal Appropriation . . . . .	\$11,876,000
Asbestos Account--State Appropriation . . . . .	\$367,000
Electrical License Account--State Appropriation . . . . .	\$36,812,000
Farm Labor Contractor Account--State Appropriation . . . . .	\$28,000
Worker and Community Right-to-Know Account--State Appropriation . . . . .	\$903,000
Public Works Administration Account--State Appropriation . . . . .	\$5,972,000
Manufactured Home Installation Training Account--State Appropriation . . . . .	\$351,000
Accident Account--State Appropriation . . . . .	\$254,099,000
Accident Account--Federal Appropriation . . . . .	\$13,622,000
Medical Aid Account--State Appropriation . . . . .	\$272,619,000

1	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000
2	Plumbing Certificate Account--State Appropriation . . . . .	\$1,723,000
3	Pressure Systems Safety Account--State Appropriation . . . . .	\$4,173,000
4	TOTAL APPROPRIATION . . . . .	\$639,032,000

5       The appropriations in this section are subject to the following  
6 conditions and limitations:

7       (1) Pursuant to RCW 43.135.055, the department is authorized to  
8 increase elevator fees by up to 13.1 percent during the 2013-2015  
9 fiscal biennium. This increase is necessary to support expenditures  
10 authorized in this section, consistent with chapter 70.87 RCW.

11       (2) Within the amounts appropriated in this section, the department  
12 shall: (a) Maintain a list of all determinations about what prevailing  
13 wages must be paid for specific types of construction work and provide  
14 information on how to access the list on all approved statements of  
15 intent to pay prevailing wages; (b) whenever the department makes a  
16 determination, place a notice of that determination in the state  
17 register, include an informational note on every listed prevailing wage  
18 classification that may be impacted by the determination and how to get  
19 a copy of the determination, take other necessary actions to publish  
20 the determination of prevailing wages; and (c) report all  
21 determinations issued to the appropriate committees of the legislature  
22 by December 1, 2013, and December 1, 2014.

23       (3) \$221,000 of the medical aid account--state appropriation and  
24 \$221,000 of the accident account--state appropriation are provided  
25 solely to implement Engrossed Substitute Senate Bill No. 5127  
26 (structured settlements) or Engrossed Substitute Senate Bill No. 5128  
27 (compensation for injured workers). If neither bill is enacted by June  
28 30, 2013, the amounts provided in this subsection shall lapse.

29       (4) \$208,000 of the general fund--state appropriation is provided  
30 solely to implement Substitute Senate Bill No. 5123 (farm internships).  
31 If the bill is not enacted by June 30, 2013, the amount provided in  
32 this subsection shall lapse.

33       (5) Within the amounts appropriated in this section, the department  
34 shall create within its secure online system, the claim and account  
35 center, an employer representative code and make it available to  
36 employers or their representatives no later than September 1, 2013.

37       (6) The department of labor and industries must establish and  
38 perform, within existing funds, a formal review process of its existing

rules. The goal of the review is to decrease the numbers of, simplify the process, and decrease the time required for obtaining licenses, permits, and inspections, as applicable, in order to reduce the regulatory burden on businesses without compromising public health and safety. Benchmarks must be adopted to assess the effectiveness of streamlining efforts. The department must establish a process for effectively applying sunset provisions to rules when applicable. The department must report to the applicable committees of the legislature with its review process and benchmarks by January 2014.

**NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

**(1) HEADQUARTERS**

General Fund--State Appropriation (FY 2014)	\$1,969,000
General Fund--State Appropriation (FY 2015)	\$1,875,000
Charitable, Educational, Penal, and Reformatory	
Institutions Account--State Appropriation	\$10,000
TOTAL APPROPRIATION	\$3,854,000

**(2) FIELD SERVICES**

General Fund--State Appropriation (FY 2014)	\$5,299,000
General Fund--State Appropriation (FY 2015)	\$5,273,000
General Fund--Federal Appropriation	\$3,463,000
General Fund--Private/Local Appropriation	\$4,418,000
Veterans Innovations Program Account--State	
Appropriation	\$814,000
Veteran Estate Management Account--Private/Local	
Appropriation	\$1,103,000
TOTAL APPROPRIATION	\$20,370,000

**(3) INSTITUTIONAL SERVICES**

General Fund--State Appropriation (FY 2014)	\$84,000
General Fund--Federal Appropriation	\$68,619,000
General Fund--Private/Local Appropriation	\$39,208,000
TOTAL APPROPRIATION	\$107,911,000

**NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF HEALTH**

General Fund--State Appropriation (FY 2014)	\$57,853,000
General Fund--State Appropriation (FY 2015)	\$57,150,000
General Fund--Federal Appropriation	\$539,101,000
General Fund--Private/Local Appropriation	\$140,288,000

1	Hospital Data Collection Account--State Appropriation . . . . .	\$220,000
2	Health Professions Account--State Appropriation . . . . .	\$102,870,000
3	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$604,000
4	Emergency Medical Services and Trauma Care Systems Trust	
5	Account--State Appropriation . . . . .	\$12,318,000
6	Safe Drinking Water Account--State Appropriation . . . . .	\$5,239,000
7	Drinking Water Assistance Account--Federal	
8	Appropriation . . . . .	\$14,724,000
9	Waterworks Operator Certification--State Appropriation . . . . .	\$2,198,000
10	Drinking Water Assistance Administrative Account--State	
11	Appropriation . . . . .	\$337,000
12	Site Closure Account--State Appropriation . . . . .	\$159,000
13	Biotoxin Account--State Appropriation . . . . .	\$1,323,000
14	State Toxics Control Account--State Appropriation . . . . .	\$3,910,000
15	Medical Test Site Licensure Account--State	
16	Appropriation . . . . .	\$4,734,000
17	Youth Tobacco Prevention Account--State Appropriation . . . . .	\$1,512,000
18	Public Health Supplemental Account--Private/Local	
19	Appropriation . . . . .	\$3,236,000
20	Accident Account--State Appropriation . . . . .	\$304,000
21	Medical Aid Account--State Appropriation . . . . .	\$300,000
22	Medicaid Fraud Penalty Account--State Appropriation . . . . .	\$737,000
23	Companion Animal Spay Neuter Assistance Account--State	
24	Appropriation . . . . .	\$409,000
25	TOTAL APPROPRIATION . . . . .	\$949,526,000

26       The appropriations in this section are subject to the following  
27 conditions and limitations:

28       (1)(a) The department of health shall not initiate any services  
29 that will require expenditure of state general fund moneys unless  
30 expressly authorized in this act or other law. The department of  
31 health and the state board of health shall not implement any new or  
32 amended rules pertaining to primary and secondary school facilities  
33 until the rules and a final cost estimate have been presented to the  
34 legislature, and the legislature has formally funded implementation of  
35 the rules through the omnibus appropriations act or by statute. The  
36 department may seek, receive, and spend, under RCW 43.79.260 through  
37 43.79.282, federal moneys not anticipated in this act as long as the  
38 federal funding does not require expenditure of state moneys for the

1 program in excess of amounts anticipated in this act. If the  
2 department receives unanticipated unrestricted federal moneys, those  
3 moneys shall be spent for services authorized in this act or in any  
4 other legislation that provides appropriation authority, and an equal  
5 amount of appropriated state moneys shall lapse. Upon the lapsing of  
6 any moneys under this subsection, the office of financial management  
7 shall notify the legislative fiscal committees. As used in this  
8 subsection, "unrestricted federal moneys" includes block grants and  
9 other funds that federal law does not require to be spent on  
10 specifically defined projects or matched on a formula basis by state  
11 funds.

12 (b) The joint administrative rules review committee shall review  
13 the new or amended rules pertaining to primary and secondary school  
14 facilities under (a) of this subsection. The review committee shall  
15 determine whether (i) the rules are within the intent of the  
16 legislature as expressed by the statute that the rule implements, (ii)  
17 the rule has been adopted in accordance with all applicable provisions  
18 of law, or (iii) that the agency is using a policy or interpretive  
19 statement in place of a rule. The rules review committee shall report  
20 to the appropriate policy and fiscal committees of the legislature the  
21 results of committee's review and any recommendations that the  
22 committee deems advisable.

23 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
24 is authorized to establish and raise fees in fiscal year 2014 as  
25 necessary to meet the actual costs of conducting business and the  
26 appropriation levels in this section. This authorization applies to  
27 fees required for newborn screening, and fees associated with the  
28 following professions: Agency affiliated counselors; certified  
29 counselors; and certified advisors.

30 (3) \$150,000 of the state toxics control account--state  
31 appropriation is provided solely to provide water filtration systems  
32 for low-income households with individuals at high public health risk  
33 from nitrate-contaminated wells in the lower Yakima basin.

34 (4) \$65,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$65,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for the midwifery licensure and  
37 regulatory program to offset a reduction in revenue from license fees.



1 The department shall charge no more than five hundred twenty-five  
2 dollars annually for new or renewed licenses for the midwifery program.

3 (5) \$400,000 of the general fund--state appropriation for fiscal  
4 year 2014 is provided solely to the department to provide to the  
5 Washington autism alliance to provide assistance to autistic  
6 individuals or families with autistic children to assist with their  
7 transition under federal health reform.

8 (6) \$141,000 of the general fund--private/local appropriation is  
9 provided solely for the implementation of Engrossed Substitute Senate  
10 Bill No. 5118 (birth certificates). If the bill is not enacted by June  
11 30, 2013, the amount provided in this subsection shall lapse.

12 (7) \$809,000 of the health professions account--state appropriation  
13 is provided solely for the implementation of Engrossed Senate Bill No.  
14 5206 (health sciences library). If the bill is not enacted by June 30,  
15 2013, the amount provided in this subsection shall lapse.

16 (8) \$409,000 of the companion animal spay neuter assistance  
17 account--state appropriation is provided solely for the implementation  
18 of Senate Bill No. 5202 (spay neuter assistance program). If the bill  
19 is not enacted by June 30, 2013, the amount provided in this subsection  
20 shall lapse.

21 (9)(a) \$64,000 of the medicaid fraud penalty account--state  
22 appropriation is provided solely for the department to integrate the  
23 prescription monitoring program into the coordinated care electronic  
24 tracking program developed in response to section 213, chapter 7, Laws  
25 of 2012 2nd sp. sess. The integration must provide prescription  
26 monitoring program data to emergency department personnel when the  
27 patient registers in the emergency department. Such exchange may be a  
28 private or public joint venture.

29 (b) As part of the integration, the department shall request  
30 insurers and third-party administrators that provide coverage to  
31 residents of Washington state to provide the following to the  
32 coordinated care electronic tracking program:

33 (i) Any available information regarding the assigned primary care  
34 provider, and the primary care provider's telephone and fax numbers.  
35 This information is to be used for real-time communication to an  
36 emergency department provider when caring for a patient; and

37 (ii) Information regarding any available care plans or treatment

plans for patients with higher utilization of services on a regular basis. This information is to be provided to the treating provider.

(10) \$50,000 of the general fund--state appropriation for fiscal year 2014 and \$50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to begin a hepatitis c screening program for individuals who were born between 1946 and 1956.

(11) The department of health must establish and perform, within existing funds, a formal review process of its existing rules. The goal of the review is to decrease the numbers of, simplify the process, and decrease the time required for obtaining licenses, permits, and inspections, as applicable, in order to reduce the regulatory burden on businesses without compromising public health and safety. Benchmarks must be adopted to assess the effectiveness of streamlining efforts. The department must establish a process for effectively applying sunset provisions to rules when applicable. The department must report to the applicable committees of the legislature with its review process and benchmarks by January 2014.

**NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF CORRECTIONS**

The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified in this section. However, after May 1, 2014, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2014 between programs. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

**(1) ADMINISTRATION AND SUPPORT SERVICES**

General Fund--State Appropriation (FY 2014) . . . . . \$54,644,000

1 General Fund--State Appropriation (FY 2015) . . . . . \$52,922,000  
2 TOTAL APPROPRIATION . . . . . \$107,566,000

3 The appropriations in this subsection are subject to the following  
4 conditions and limitations:

5 (a) \$35,000 of the general fund--state appropriation for fiscal  
6 year 2014 and \$35,000 of the general fund--state appropriation for  
7 fiscal year 2015 are provided solely for the support of a statewide  
8 council on mentally ill offenders that includes as its members  
9 representatives of community-based mental health treatment programs,  
10 current or former judicial officers, and directors and commanders of  
11 city and county jails and state prison facilities. The council will  
12 investigate and promote cost-effective approaches to meeting the long-  
13 term needs of adults and juveniles with mental disorders who have a  
14 history of offending or who are at-risk of offending, including their  
15 mental health, physiological, housing, employment, and job training  
16 needs.

17 (b) \$150,000 of the general fund--state appropriation for fiscal  
18 year 2014 and \$75,000 of the general fund--state appropriation for  
19 fiscal year 2015 are provided solely for the department to contract  
20 with a consultant who can facilitate and provide project expertise on  
21 the implementation of community and prison based offender programming  
22 that follows the risk-needs-responsivity model.

23 (i) By September 1, 2013, the department shall provide to the  
24 consultant an inventory of all existing programming both in prisons and  
25 in community operations. The department shall consult with the  
26 Washington state institute for public policy (WSIPP) to determine  
27 whether programs are evidence-based or research-based using definitions  
28 provided by WSIPP and shall include this information on the inventory.

29 (ii) By October 1, 2013, the consultant shall report to the  
30 department, the office of financial management, and legislative fiscal  
31 committees on the department's current plans and processes for managing  
32 offender programming including processes for phasing-out ineffective  
33 programs and implementing evidence-based or research-based programs.  
34 All department programs should be considered by the consultant  
35 regardless of whether they are included on the most recent list of  
36 WSIPP approved identifiable evidence-based practices in (b)(i) of this  
37 subsection.

(iii) The WSIPP, in consultation with the department, shall systematically review selected programs to determine the effectiveness of these programs at reducing recidivism or other outcomes. The WSIPP shall conduct a benefit-cost analysis of these programs when feasible and shall report to the legislature by December 1, 2013.

(iv) Based on the report provided by the consultant and the WSIPP review of programs, the department shall work collaboratively with the consultant to develop and complete a written comprehensive implementation plan by January 15, 2014. The implementation plan must clearly identify the types of programs to be included, the recommended locations where the programs will be sited, an implementation timeline, and a phasing of the projected number of participants needed to meet the threshold of available program funds.

(v) Using the written implementation plan as a guide, the department must have programs in place and fully phased-in no later than June 30, 2015.

(vi) The department shall hold the consultant on retainer to assist the department as needed throughout the implementation process. The consultant shall review quarterly the actual implementation compared to the written implementation plan and shall provide a report to the secretary of the department. The department shall provide reports to the office of financial management and legislative fiscal committees as follows:

(A) The written comprehensive implementation plan shall be provided by January 15, 2014; and

(B) Written progress updates shall be provided by July 1, 2014, and by December 1, 2014.

## (2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2014)	\$593,153,000
General Fund--State Appropriation (FY 2015)	\$594,977,000
General Fund--Federal Appropriation	\$3,322,000
County Criminal Justice Assistance Account--State	
Appropriation	\$390,000
Washington Auto Theft Prevention Authority Account--State	
Appropriation	\$7,586,000
Environmental Legacy Stewardship Account--State	
Appropriation	\$105,000
TOTAL APPROPRIATION	\$1,199,533,000

1       The appropriations in this subsection are subject to the following  
2 conditions and limitations:

3       (a) During the 2013-2015 biennium, when contracts are established  
4 or renewed for offender pay phone and other telephone services provided  
5 to inmates, the department shall select the contractor or contractors  
6 primarily based on the following factors: (i) The lowest rate charged  
7 to both the inmate and the person paying for the telephone call; and  
8 (ii) the lowest commission rates paid to the department, while  
9 providing reasonable compensation to cover the costs of the department  
10 to provide the telephone services to inmates and provide sufficient  
11 revenues for the activities funded from the institutional welfare  
12 betterment account.

13       (b) The Harborview medical center and the University of Washington  
14 medical center shall provide inpatient and outpatient hospital services  
15 to offenders confined in department of corrections facilities at a rate  
16 no greater than the average rate that the department has negotiated  
17 with other community hospitals in Washington state.

18       (c) The department of corrections shall contract with local and  
19 tribal governments for the provision of jail capacity to house  
20 offenders who violate the terms of their community supervision. A  
21 contract shall not have a cost of incarceration in excess of \$85 per  
22 day per offender. A contract shall not have a year-to-year increase in  
23 excess of three percent per year. The contracts may include rates for  
24 the medical care of offenders which exceed the daily cost of  
25 incarceration and the limitation on year-to-year increase, provided  
26 that medical payments conform to the department's offender health plan,  
27 pharmacy formulary, and all off-site medical expenses are preapproved  
28 by department utilization management staff.

29       (d) \$1,868,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$2,107,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for the department to rent jail  
32 capacity for short-term offenders. Pursuant to Senate Bill No. 5892  
33 (corrections costs), the department shall rent capacity from local and  
34 tribal governments to house offenders with an earned release date of  
35 less than one hundred twenty days remaining on his or her sentence at  
36 the time the offender would otherwise be transferred to a state  
37 correctional facility. The contracted daily costs for these offenders  
38 shall not exceed \$70 per offender including medical costs.

1 (e) The department shall convene a work group to develop health  
2 care cost containment strategies at local jail facilities. The work  
3 group shall identify cost containment strategies in place at the  
4 department and at local jail facilities, identify the costs and  
5 benefits of implementing strategies in jail health-care facilities, and  
6 make recommendations on implementing beneficial strategies. The work  
7 group shall submit a report on its findings and recommendations to the  
8 fiscal committees of the legislature by October 1, 2013. The work  
9 group shall include jail administrators, representatives from health  
10 care facilities at the local jail level and the state prisons level,  
11 and other representatives as deemed necessary.

12 (f) \$501,000 of the general fund--state appropriation for fiscal  
13 year 2014 and \$501,000 of the general fund--state appropriation for  
14 fiscal year 2015 are provided solely for the department to maintain the  
15 facility, property, and assets at the institution formerly known as the  
16 maple lane school in Rochester. The department may not house  
17 incarcerated offenders at the maple lane site until specifically  
18 directed to do so by the legislature.

19 (g) The legislature intends that costs incurred by Snohomish County  
20 for *State v. Scherf* are paid for through the extraordinary criminal  
21 justice costs procedure under RCW 43.330.190.

22 (h) \$1,026,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$781,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely to expand the piloted  
25 risk-needs-responsivity model to include the use of cognitive  
26 behavioral therapy with evidence-based programming at two minimum  
27 security prison facilities and at the Monroe correctional complex.

28 (i) \$21,861,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$24,770,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely for offender programming.  
31 Pursuant to section 220(1) of this act, the department shall develop  
32 and implement a written comprehensive plan for offender programming  
33 that prioritizes programs which follow the risk-needs-responsivity  
34 model, are evidence-based, and have measurable outcomes. The  
35 department is authorized to discontinue ineffective programs and to  
36 repurpose underspent funds according to the priorities in the written  
37 plan.

1 (j) \$36,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$36,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for implementation of Engrossed  
4 Senate Bill No. 5484 (assault in the third-degree). If the bill is not  
5 enacted by June 30, 2013, the amounts provided in this subsection shall  
6 lapse.

7 (k) \$48,000 of the general fund--state appropriation for fiscal  
8 year 2014 and \$48,000 of the general fund--state appropriation for  
9 fiscal year 2015 are provided solely for implementation of Substitute  
10 Senate Bill No. 5452 (stalking protection orders). If the bill is not  
11 enacted by June 30, 2013, the amounts provided in this subsection shall  
12 lapse.

13 (l) \$24,000 of the general fund--state appropriation for fiscal  
14 year 2014 and \$24,000 of the general fund--state appropriation for  
15 fiscal year 2015 are provided solely for implementation of Engrossed  
16 Substitute Senate Bill No. 5735 (sex or kidnapping offenders). If the  
17 bill is not enacted by June 30, 2013, the amounts provided in this  
18 subsection shall lapse.

19 (m) \$12,000 of the general fund--state appropriation for fiscal  
20 year 2014 and \$12,000 of the general fund--state appropriation for  
21 fiscal year 2015 are provided solely for implementation of Senate Bill  
22 No. 5015 (aggravated first-degree murder). If the bill is not enacted  
23 by June 30, 2013, the amounts provided in this subsection shall lapse.

24 (n) \$36,000 of the general fund--state appropriation for fiscal  
25 year 2014 and \$36,000 of the general fund--state appropriation for  
26 fiscal year 2015 are provided solely for implementation of Senate Bill  
27 No. 5149 (crimes against pharmacies). If the bill is not enacted by  
28 June 30, 2013, the amounts provided in this subsection shall lapse.

29 (o) \$24,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$24,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for implementation of Engrossed  
32 Substitute Senate Bill No. 5669 (trafficking). If the bill is not  
33 enacted by June 30, 2013, the amounts provided in this subsection shall  
34 lapse.

35 (p) \$24,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$24,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for implementation of Engrossed

Senate Bill No. 5053 (vehicle prowling). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(q) \$96,000 of the county criminal justice assistance--state appropriation is provided solely for implementation of Engrossed Senate Bill No. 5105 (rental vouchers for offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(r) Appropriations from the environmental legacy stewardship account in this section shall be made from the state toxic control account if legislation creating and funding the environmental legacy and stewardship account is not enacted by June 30, 2013.

### (3) COMMUNITY SUPERVISION

General Fund--State Appropriation (FY 2014) . . . . . \$127,727,000

General Fund--State Appropriation (FY 2015) . . . . . \$129,120,000

County Criminal Justice Assistance Account--State

Appropriation . . . . . \$2,249,000

Ignition Interlock Account--State Appropriation . . . . . \$2,200,000

TOTAL APPROPRIATION . . . . . \$261,296,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$4,186,000 of the general fund--state appropriation for fiscal year 2014 and \$6,362,000 of the general fund--state appropriation for fiscal year 2015 must be expended on evidence-based programs that follow the risk-needs-responsivity model. The department is authorized to use up to ten percent of these funds as necessary to secure physical space as needed to maximize program delivery of evidence-based treatment to all high-risk, high-need offenders in community supervision. Funding may be prioritized by the department to any program recognized as evidence-based for adult offenders by the Washington state institute for public policy.

(b) \$16,513,000 of the general fund--state appropriation for fiscal year 2014 and \$16,527,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for offender programming. Pursuant to section 220 (1) of this act, the department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The



department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(c) \$107,000 of the county criminal justice--state appropriation is provided solely for implementation of Engrossed Senate Bill No. 5105 (rental vouchers for offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2014)	\$7,752,000
General Fund--State Appropriation (FY 2015)	\$7,508,000
TOTAL APPROPRIATION	\$15,260,000

The appropriations in this subsection are subject to the following conditions and limitations: \$4,271,000 of the general fund--state appropriation for fiscal year 2014 and \$4,037,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the stewardship of McNeil island. The department shall assume responsibility of all island maintenance excluding site specific maintenance operations for the special commitment center and the Pierce county secure transitional facility. The department shall as part of its industries program provide job skills to offenders while providing the minimum maintenance and preservation necessary for the state to remain in compliance with the federal deed for McNeil island. The department shall report on efficiencies and potential cost reductions to the office of financial management and legislative fiscal committees by December 15, 2013.

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2014)	\$35,241,000
General Fund--State Appropriation (FY 2015)	\$31,488,000
TOTAL APPROPRIATION	\$66,729,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state prison institutions may use funds appropriated in this subsection to rent uniforms from correctional industries in accordance with existing legislative mandates.

(b) The state prison medical facilities may use funds appropriated in this subsection to purchase goods and supplies through hospital or

other group purchasing organizations when it is cost effective to do so.

**NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

General Fund--State Appropriation (FY 2014)	\$2,215,000
General Fund--State Appropriation (FY 2015)	\$2,166,000
General Fund--Federal Appropriation	\$20,954,000
General Fund--Private/Local Appropriation	\$60,000
TOTAL APPROPRIATION	\$25,395,000

**NEW SECTION. Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

General Fund--Federal Appropriation	\$269,786,000
General Fund--Private/Local Appropriation	\$34,161,000
Unemployment Compensation Administration Account--Federal Appropriation	\$319,246,000
Administrative Contingency Account--State Appropriation	\$22,405,000
Employment Service Administrative Account--State Appropriation	\$35,546,000
TOTAL APPROPRIATION	\$681,144,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$5,000,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for continuing current unemployment insurance functions and department services to employers and job seekers.

(2) \$12,386,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for the replacement of the unemployment insurance tax information system for the employment security department.

(3) \$3,735,000 of the unemployment compensation account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided

1 solely for the replacement of call center technology to improve the  
2 integration of the telephone and computing systems to increase  
3 efficiency and improve customer service.

4 (4) \$182,000 of the employment services administrative account--  
5 state appropriation is provided for costs associated with the second  
6 stage of the review and evaluation of the training benefits program as  
7 directed in section 15(2), chapter 4, Laws of 2011 (unemployment  
8 insurance program). This second stage shall be developed and conducted  
9 by the joint legislative audit and review committee and shall consist  
10 of further work on the process study and net-impact/cost-benefit  
11 analysis components of the evaluation.

(End of part)

**PART III**  
**NATURAL RESOURCES**

**NEW SECTION. Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2014)	\$363,000
General Fund--State Appropriation (FY 2015)	\$365,000
General Fund--Federal Appropriation	\$31,000
General Fund--Private/Local Appropriation	\$811,000
TOTAL APPROPRIATION	\$1,570,000

**NEW SECTION. Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2014)	\$24,003,000
General Fund--State Appropriation (FY 2015)	\$22,517,000
General Fund--Federal Appropriation	\$104,996,000
General Fund--Private/Local Appropriation	\$16,876,000
Reclamation Account--State Appropriation	\$3,719,000
Flood Control Assistance Account--State Appropriation	\$1,972,000
State Emergency Water Projects Revolving Account--State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$8,640,000
State Drought Preparedness Account--State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$425,000
Environmental Legacy Stewardship Account--State Appropriation	\$47,529,000
Aquatic Algae Control Account--State Appropriation	\$513,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$551,000
Wood Stove Education and Enforcement Account--State Appropriation	\$608,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,697,000
Water Rights Processing Account--State Appropriation	\$135,000
State Toxics Control Account--State Appropriation	\$120,473,000
State Toxics Control Account--Private/Local	

1	Appropriation . . . . .	\$977,000
2	Local Toxics Control Account--State Appropriation . . . . .	\$3,747,000
3	Water Quality Permit Account--State Appropriation . . . . .	\$41,168,000
4	Underground Storage Tank Account--State Appropriation . . . . .	\$3,330,000
5	Biosolids Permit Account--State Appropriation . . . . .	\$1,837,000
6	Hazardous Waste Assistance Account--State	
7	Appropriation . . . . .	\$5,989,000
8	Air Pollution Control Account--State Appropriation . . . . .	\$3,124,000
9	Oil Spill Prevention Account--State Appropriation . . . . .	\$5,667,000
10	Air Operating Permit Account--State Appropriation . . . . .	\$3,114,000
11	Freshwater Aquatic Weeds Account--State Appropriation . . . . .	\$1,410,000
12	Oil Spill Response Account--State Appropriation . . . . .	\$7,076,000
13	Water Pollution Control Revolving Account--State	
14	Appropriation . . . . .	\$354,000
15	Water Pollution Control Revolving Account--Federal	
16	Appropriation . . . . .	\$1,494,000
17	Water Pollution Control Revolving Administration--State	
18	Appropriation . . . . .	\$1,021,000
19	Radioactive Mixed Waste Account--State Appropriation . . . . .	\$13,800,000
20	TOTAL APPROPRIATION . . . . .	\$449,052,000

21 The appropriations in this section are subject to the following  
22 conditions and limitations:

23 (1) \$170,000 of the oil spill prevention account--state  
24 appropriation is provided solely for a contract with the University of  
25 Washington's sea grant program to continue an educational program  
26 targeted to small spills from commercial fishing vessels, ferries,  
27 cruise ships, ports, and marinas.

28 (2) Pursuant to RCW 43.135.055, the department is authorized to  
29 increase the following fees as necessary to meet the actual costs of  
30 conducting business and the appropriation levels in this section:  
31 Wastewater discharge permit, not more than 4.55 percent in fiscal year  
32 2014 and 4.63 percent in fiscal year 2015; and reasonably available  
33 control technology fee.

34 (3) \$1,981,000 of the environmental legacy stewardship account--  
35 state appropriation is for the department to provide training regarding  
36 the benefits of low-impact development including, but not limited to,  
37 when the use of low-impact development is appropriate and feasible, and  
38 the design, installation, maintenance, and best practices of low-impact

1 development. The department will consult with Washington State  
2 University extension low-impact development technical center and others  
3 in the development of the low-impact technical training. As  
4 appropriate, the department may contract with the Washington State  
5 University extension low-impact development technical center, private  
6 sector vendors, associations, and others to deliver the technical  
7 training. The training must be provided free of cost to phase I and  
8 phase II permittees and the private development community including  
9 builders, engineers, and other industry professionals. The training  
10 must be sequenced geographically and provided in time for local  
11 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By  
12 August 1, 2013, the department of ecology shall provide the governor  
13 and appropriate legislative committees a plan for how low-impact  
14 development training funds will be spent during fiscal years 2014  
15 through 2017.

16 (4) \$440,000 of the environmental legacy stewardship account--state  
17 appropriation is provided solely for administering the water pollution  
18 control facilities financial assistance program authorized in chapter  
19 90.50A RCW.

20 (5) \$350,000 of the environmental legacy stewardship account--state  
21 appropriation is provided solely for activities designed to address  
22 elevated levels of polychlorinated biphenyls in the Spokane river.  
23 Funding will be used to determine the extent of the cleanup required,  
24 implement cleanup actions to meet applicable water quality standards,  
25 and prevent recontamination.

26 (6) \$860,000 of the environmental legacy stewardship account--state  
27 appropriation is provided solely for the department to collaborate with  
28 the University of Washington and the department of natural resources to  
29 assess the effects of the ocean pH balance. The department shall  
30 provide staffing for this purpose.

31 (7) \$500,000 of the general fund--state appropriation for fiscal  
32 year 2014 is provided solely for processing water right permit  
33 applications only if the department of ecology issues at least five  
34 hundred water right decisions in fiscal year 2014, and if the  
35 department of ecology does not issue at least five hundred water right  
36 decisions in fiscal year 2014 the amount provided in this subsection  
37 shall lapse and remain unexpended. The department of ecology shall  
38 submit a report to the office of financial management and the state

1 treasurer by June 30, 2014, that documents whether five hundred water  
2 right decisions were issued in fiscal year 2014. For the purposes of  
3 this subsection, applications that are voluntarily withdrawn by an  
4 applicant do not count towards the five hundred water right decision  
5 requirement. For the purposes of water budget-neutral requests under  
6 chapter 173-539A WAC, multiple domestic connections authorized within  
7 a single water budget-neutral decision are considered one decision for  
8 the purposes of this subsection.

9 (8) \$150,000 of the environmental legacy stewardship account--state  
10 appropriation is provided solely for San Juan county to complete their  
11 shoreline master program update in time to meet statutory and legal  
12 settlement deadlines.

13 (9) \$40,000 of the general fund--state appropriation for fiscal  
14 year 2014 is provided solely to the middle snake river watershed, WRIA  
15 35 planning unit to collaborate with the department in adopting by rule  
16 the watershed plan for WRIA 35. The rule-making process shall be  
17 completed by the department within existing resources and by July 1,  
18 2014.

19 (10) Appropriations from the environmental legacy stewardship  
20 account in this section shall be made from the state toxic control  
21 account if legislation creating and funding the environmental legacy  
22 stewardship account is not enacted by June 30, 2013.

23 (11) Appropriations from the radioactive mixed waste account in  
24 this section shall be made from the state toxic control account if  
25 legislation creating and funding the radioactive mixed waste account is  
26 not enacted by June 30, 2013.

27 (12) \$9,000,000 of the general fund--state appropriation for fiscal  
28 year 2014 and \$5,000,000 of the state toxics control account--state  
29 appropriation for fiscal year 2014 are provided solely for the purposes  
30 of storm water management and water quality programs. Within this  
31 amount, funding is provided for the department to retain a state  
32 university to conduct a general population survey of fish consumption  
33 by state residents, collect and analyze data concerning the commercial  
34 and recreational catch of fish in state waters, and prepare a report  
35 compiling and evaluating the data and developing statistics. The  
36 survey and data analysis shall be used in rule-making activity to  
37 revise the human health criteria for the water quality standards for  
38 surface water in chapter 173-201A WAC. The survey and data analysis

shall be designed and used to determine (a) the distribution of long-term and average consumption of fin fish and shellfish by state residents over their lifetime that accounts for seasonality in consumption rates, (b) the extent to which fin fish and shellfish consumption rates vary among all subpopulations and in different geographic areas of the state, (c) the profile of survey respondents, including average body weight, age, gender, and ethnicity; drinking water source and average amount of water consumed; residence and geographic location, (d) the identification by species of fin fish and shellfish consumed, including whether the fish is a marine, freshwater, or anadromous species, (e) the source of the fin fish and shellfish consumed, in particular where the fish was raised and landed, (f) the body part(s) of fin fish and shellfish consumed, and (g) the preparation and cooking methods used. The survey design shall be subject to peer review and public comment prior to conducting the survey and shall include review by at least nine entities, including but not limited to: The national marine fisheries service, the Columbia river intertribal fish commission, the department of fish and wildlife, the department of agriculture, other four-year state universities, municipalities, and a national nonprofit research institution. The report shall compile and evaluate the data and develop statistics which shall be subject to peer review by the entities specified in this subsection and public comment.

(13) The department of ecology shall establish and perform, within existing funds, a formal review process of its existing rules. The goal of the review is to decrease the numbers of, simplify the process, and decrease the time required for obtaining licenses, permits, and inspections, as applicable, in order to reduce the regulatory burden on businesses without compromising public health and safety. Benchmarks must be adopted to assess the effectiveness of streamlining efforts. The department must establish a process for effectively applying sunset provisions to rules when applicable. The department must report to the applicable committees of the legislature with its review process and benchmarks by January 2014.

NEW SECTION.      **Sec. 303.      FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . \$2,062,000



1	General Fund--State Appropriation (FY 2015) . . . . .	\$2,062,000
2	General Fund--Federal Appropriation . . . . .	\$5,959,000
3	Winter Recreation Program Account--State Appropriation . . .	\$2,064,000
4	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$215,000
5	Snowmobile Account--State Appropriation . . . . .	\$4,855,000
6	Waste Reduction/Recycling/Litter Control--State	
7	Appropriation . . . . .	\$12,300,000
8	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$363,000
9	Parks Renewal and Stewardship Account--State	
10	Appropriation . . . . .	\$92,556,000
11	Parks Renewal and Stewardship Account--Private/Local	
12	Appropriation . . . . .	\$300,000
13	TOTAL APPROPRIATION . . . . .	\$122,736,000

14       The appropriations in this section are subject to the following  
15 conditions and limitations:

16       (1) Prior to closing any state park, the commission must notify all  
17 affected local governments and relevant nonprofit organizations of the  
18 intended closure and provide an opportunity for the notified local  
19 governments and nonprofit organizations to elect to acquire, or enter  
20 into, a maintenance and operating contract with the commission that  
21 would allow the park to remain open.

22       (2) The commission shall prepare a report on its efforts to  
23 increase revenue from all sources, including the discover pass. The  
24 report shall also include a status update on the fiscal health of the  
25 state parks system, and shall be submitted to the office of financial  
26 management and the appropriate committees of the legislature by October  
27 28, 2013.

28       (3) By December 1, 2013, the commission must adopt standard terms  
29 and conditions for public service utility easements. The commission  
30 must transmit a copy of the terms and conditions to the office of  
31 financial management and the appropriate committees of the legislature.

32       (4) By December 1, 2013, the commission must adopt, in consultation  
33 with affected stakeholders: (a) A fee schedule for new public service  
34 utility crossings; and (b) a fee-setting mechanism for linear utility  
35 easements and crossings across traditional park land, based on fair  
36 market value. For the purposes of developing the fee mechanism, fair  
37 market value means the amount of money which a purchaser willing, but  
38 not obligated, to buy the property would pay an owner willing, but not

obligated, to sell it, taking into consideration all uses to which the property is adapted and might in reason be applied. If there is a dispute on the fair market value of an easement, an independent appraisal shall be ordered and the cost of the appraisal shall be shared equally by the utility and the commission. The commission must transmit a copy of the fee schedule and fee-setting mechanism to the office of financial management and the appropriate committees of the legislature.

(5) By December 31, 2014, the commission must bring existing documented public service utility crossings under easement. Prior to January 1, 2014, use fees may not exceed:

- (a) Underground distribution: \$325;
- (b) Underground transmission: \$1500;
- (c) Overhead distribution: \$500; and
- (d) Overhead transmission: \$2000.

**NEW SECTION.      Sec. 304.      FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

General Fund--State Appropriation (FY 2014)	\$789,000
General Fund--State Appropriation (FY 2015)	\$777,000
General Fund--Federal Appropriation	\$3,419,000
General Fund--Private/Local Appropriation	\$24,000
Aquatic Lands Enhancement Account--State Appropriation	\$478,000
Vessel Response Account--State Appropriation	\$2,000
Firearms Range Account--State Appropriation	\$37,000
Recreation Resources Account--State Appropriation	\$3,049,000
NOVA Program Account--State Appropriation	\$963,000
TOTAL APPROPRIATION	\$9,538,000

**NEW SECTION.      Sec. 305.      FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

General Fund--State Appropriation (FY 2014)	\$2,169,000
General Fund--State Appropriation (FY 2015)	\$2,091,000
TOTAL APPROPRIATION	\$4,260,000

**NEW SECTION.      Sec. 306.      FOR THE CONSERVATION COMMISSION**

General Fund--State Appropriation (FY 2014)	\$6,835,000
General Fund--State Appropriation (FY 2015)	\$6,732,000

General Fund--Federal Appropriation . . . . . \$2,301,000  
State Toxics Control Account--State Appropriation . . . . . \$2,000,000  
TOTAL APPROPRIATION . . . . . \$17,868,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The conservation commission, in cooperation with all conservation districts, will seek to minimize conservation district overhead costs. These efforts may include consolidating conservation districts.

(2) \$300,000 of the general fund--state appropriation for fiscal year 2014 and \$246,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement the voluntary stewardship program in Thurston and Chelan counties. These amounts may not be used to fund agency indirect and administrative expenses.

(3) \$1,000,000 of the general fund--federal appropriation is provided solely to implement the voluntary stewardship program statewide. The commission shall place the appropriation in this subsection in unallotted status, and may not allot any of these funds until the federal government has provided funding to the commission for the purpose of implementing the voluntary stewardship program.

(4) \$500,000 of the state toxics control account--state appropriation is provided solely to the south Yakima county conservation district for the purposes of meeting the dairy nutrient management program requirements to protect drinking water aquifers from nitrate contamination. Funding is provided for technical assistance and education for soil sampling and dairy nutrient management plan reporting requirements; assessment of physical integrity manure lagoons; and to secure federal funding for developing conservation practices to protect groundwater from nitrate pollution.

(5) \$500,000 of the state toxics control account--state appropriation is provided solely to the Whatcom county conservation district for the purposes of meeting the dairy nutrient management program requirements to protect drinking water aquifers from nitrate contamination. Funding is provided for technical assistance and education for soil sampling and dairy nutrient management plan reporting requirements; assessment of physical integrity manure lagoons; and to secure federal funding for developing conservation practices to protect groundwater from nitrate pollution.

**NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund--State Appropriation (FY 2014)	\$29,165,000
General Fund--State Appropriation (FY 2015)	\$27,868,000
General Fund--Federal Appropriation	\$108,740,000
General Fund--Private/Local Appropriation	\$58,670,000
ORV and Nonhighway Vehicle Account--State Appropriation	\$395,000
Aquatic Lands Enhancement Account--State	
Appropriation	\$15,862,000
Recreational Fisheries Enhancement--State	
Appropriation	\$2,587,000
Environmental Legacy Stewardship Account--State	
Appropriation	\$1,224,000
Warm Water Game Fish Account--State Appropriation	\$2,488,000
Eastern Washington Pheasant Enhancement Account--State	
Appropriation	\$849,000
Aquatic Invasive Species Enforcement Account--State	
Appropriation	\$209,000
Aquatic Invasive Species Prevention Account--State	
Appropriation	\$732,000
State Wildlife Account--State Appropriation	\$101,694,000
Special Wildlife Account--State Appropriation	\$2,397,000
Special Wildlife Account--Federal Appropriation	\$500,000
Special Wildlife Account--Private/Local Appropriation	\$3,440,000
Wildlife Rehabilitation Account--State Appropriation	\$259,000
Hydraulic Project Approval Account--State Appropriation	\$674,000
Regional Fisheries Enhancement Salmonid Recovery	
Account--Federal Appropriation	\$5,001,000
Oil Spill Prevention Account--State Appropriation	\$905,000
Oyster Reserve Land Account--State Appropriation	\$772,000
TOTAL APPROPRIATION	\$364,431,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$130,000 of the general fund--state appropriation for fiscal year 2014 and \$130,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to pay for emergency fire suppression costs. These amounts may not be used to fund agency indirect and administrative expenses.

1 (2) Prior to submitting its 2015-2017 biennial operating and  
2 capital budget request related to state fish hatcheries to the office  
3 of financial management, the department shall contract with the  
4 hatchery scientific review group (HSRG) to review this request. This  
5 review shall: (a) Determine if the proposed requests are consistent  
6 with HSRG recommendations; (b) prioritize the components of the  
7 requests based on their contributions to protecting wild salmonid  
8 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
9 whether the proposed requests are being made in the most cost effective  
10 manner. The department shall provide a copy of the HSRG review to the  
11 office of financial management with their agency budget proposal.

12 (3) \$400,000 of the general fund--state appropriation for fiscal  
13 year 2014 and \$400,000 of the general fund--state appropriation for  
14 fiscal year 2015 are provided solely for a state match to support the  
15 Puget Sound nearshore partnership between the department and the U.S.  
16 army corps of engineers.

17 (4) Within the amounts appropriated in this section, the department  
18 shall identify additional opportunities for partnerships in order to  
19 keep fish hatcheries operational. Such partnerships shall aim to  
20 maintain fish production and salmon recovery with less reliance on  
21 state operating funds.

22 (5) \$10,000 of the aquatic lands enhancement account--state  
23 appropriation is provided solely for development of an aquatic invasive  
24 species passport program to improve the efficiency and effectiveness of  
25 watercraft inspections by expediting aquatic invasive species  
26 watercraft inspections for watercraft at low risk of transmitting  
27 invasive species and prioritizing the use of available resources for  
28 the inspection of high risk vessels.

29 (6) Within the amounts appropriated in this section, the department  
30 must deploy additional wildlife conflict specialists to provide  
31 landowner assistance and address wildlife conflicts, with at least one  
32 additional specialist primarily assigned to each of the following  
33 areas: Administrative region six of the department; Okanogan and  
34 Chelan counties in administrative region two of the department; and  
35 Whatcom and Skagit counties in administrative region four of the  
36 department.

37 (7) \$100,000 of the general fund--state appropriation is provided

solely for a state match to secure local funding for increasing the fall chinook salmon production on the Cowlitz river.

(8) Within the amounts appropriated in this section, the department shall work with the regional fisheries enhancement groups and other stakeholders to identify revenue sources or sources capable of providing long-term funding to support the community-based salmon restoration work of regional fisheries enhancement group. The department shall submit a report to the office of financial management and the appropriate legislative committees by December 1, 2013, with the outcomes and recommendations.

(9) Appropriations from the environmental legacy stewardship account in this section shall be made from the state toxic control account if legislation creating and funding the environmental legacy and stewardship account is not enacted by June 30, 2013.

(10) \$100,000 of the state wildlife account--state appropriation is provided solely for the transfer of trout from the Clarks creek hatchery to the Lakewood hatchery.

(11) \$100,000 of the general fund--state appropriation for fiscal year 2014 and \$100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the production of steelhead, coho, and Chinook salmon at the Clarks creek hatchery.

**NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund--State Appropriation (FY 2014) . . . . .	\$41,554,000
General Fund--State Appropriation (FY 2015) . . . . .	\$44,162,000
General Fund--Federal Appropriation . . . . .	\$26,951,000
General Fund--Private/Local Appropriation . . . . .	\$2,372,000
Forest Development Account--State Appropriation . . . . .	\$47,459,000
ORV and Nonhighway Vehicle Account--State Appropriation . .	\$4,479,000
Snowmobile Account--State Appropriation . . . . .	\$100,000
Surveys and Maps Account--State Appropriation . . . . .	\$2,164,000
Aquatic Lands Enhancement Account--State Appropriation . . .	\$5,701,000
Environmental Legacy Stewardship Account--State	
Appropriation . . . . .	\$3,458,000
Resources Management Cost Account--State	
Appropriation . . . . .	\$112,113,000
Surface Mining Reclamation Account--State Appropriation . .	\$3,956,000
Disaster Response Account--State Appropriation . . . . .	\$5,000,000

1	Forest and Fish Support Account--State Appropriation . . .	\$11,761,000
2	Aquatic Land Dredged Material Disposal Site	
3	Account--State Appropriation . . . . .	\$843,000
4	Natural Resources Conservation Areas Stewardship	
5	Account--State Appropriation . . . . .	\$34,000
6	State Toxics Control Account--State Appropriation . . . . .	\$80,000
7	Forest Practices Application Account--State	
8	Appropriation . . . . .	\$1,697,000
9	Air Pollution Control Account--State Appropriation . . . . .	\$780,000
10	NOVA Program Account--State Appropriation . . . . .	\$948,000
11	Derelict Vessel Removal Account--State Appropriation . . . .	\$1,345,000
12	Marine Resources Stewardship Account--State	
13	Appropriation . . . . .	\$3,700,000
14	Agricultural College Trust Management Account--State	
15	Appropriation . . . . .	\$2,703,000
16	TOTAL APPROPRIATION . . . . .	\$323,360,000

17       The appropriations in this section are subject to the following  
18 conditions and limitations:

19       (1) \$1,393,000 of the general fund--state appropriation for fiscal  
20 year 2014 and \$1,331,000 of the general fund--state appropriation for  
21 fiscal year 2015 are provided solely for deposit into the agricultural  
22 college trust management account and are provided solely to manage  
23 approximately 70,700 acres of Washington State University's  
24 agricultural college trust lands.

25       (2) \$19,099,000 of the general fund--state appropriation for fiscal  
26 year 2014, \$19,099,000 of the general fund--state appropriation for  
27 fiscal year 2015, and \$5,000,000 of the disaster response account--  
28 state appropriation are provided solely for emergency fire suppression.  
29 None of the general fund and disaster response account amounts provided  
30 in this subsection may be used to fund agency indirect and  
31 administrative expenses. Agency indirect and administrative costs  
32 shall be allocated among the agency's remaining accounts and  
33 appropriations. The department of natural resources shall submit a  
34 quarterly report to the office of financial management and the  
35 legislative fiscal committees detailing information on current and  
36 planned expenditures from the disaster response account. This work  
37 shall be done in coordination with the military department.

1       (3) \$5,000,000 of the forest and fish support account--state  
2 appropriation is provided solely for outcome-based, performance  
3 contracts with tribes to participate in the implementation of the  
4 forest practices program. Contracts awarded may only contain indirect  
5 costs set at or below the rate in the contracting tribe's indirect cost  
6 agreement with the federal government. If federal funding for this  
7 purpose is reinstated, the amount provided in this subsection shall  
8 lapse.

9       (4) \$518,000 of the forest and fish support account--state  
10 appropriation is provided solely for outcome-based performance  
11 contracts with nongovernmental organizations to participate in the  
12 implementation of the forest practices program. Contracts awarded may  
13 only contain indirect cost set at or below a rate of eighteen percent.

14       (5) \$717,000 of the forest and fish support account--state  
15 appropriation is provided solely to fund interagency agreements with  
16 the department of ecology and the department of fish and wildlife as  
17 part of the adaptive management process.

18       (6) \$440,000 of the state general fund--state appropriation for  
19 fiscal year 2014 and \$440,000 of the state general fund--state  
20 appropriation for fiscal year 2015 are provided solely for forest work  
21 crews that support correctional camps and are contingent upon  
22 continuing operations of Naselle youth camp.

23       (7) \$2,382,000 of the resource management cost account--state  
24 appropriation is provided solely to address the growing backlog of  
25 expired aquatic leases and new aquatic lease applications. In  
26 addition, the department shall implement a Lean process to improve the  
27 lease review process and further reduce the backlog. The department  
28 shall submit a report on its progress in addressing the backlog and  
29 implementation of the Lean process to the governor and the appropriate  
30 committees of the legislature by October 1, 2013.

31       (8) \$1,948,000 of the environmental legacy stewardship account--  
32 state appropriation is provided solely for the department to pay a  
33 portion of the costs to complete remedial investigation work at  
34 Whitmarsh landfill and Mill site A and perform final-year maintenance  
35 of the Olympic view triangle site in Commencement Bay.

36       (9) \$510,000 of the environmental legacy stewardship account--state  
37 appropriation is provided solely to the department to collaborate with



the University of Washington and the department of ecology to assess the effects of the ocean pH balance.

(10) \$3,700,000 of the marine resources stewardship account--state appropriation is provided solely for implementation of priority marine management planning efforts including mapping activities, ecological assessment, data tools, and stakeholder engagement.

(11) Appropriations from the environmental legacy stewardship account in this section shall be made from the state toxic control account if legislation creating and funding the environmental legacy and stewardship account is not enacted by June 30, 2013.

**NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

General Fund--State Appropriation (FY 2014)	\$14,804,000
General Fund--State Appropriation (FY 2015)	\$14,802,000
General Fund--Federal Appropriation	\$23,066,000
General Fund--Private/Local Appropriation	\$192,000
Aquatic Lands Enhancement Account--State Appropriation	\$2,842,000
State Toxics Control Account--State Appropriation	\$5,174,000
Water Quality Permit Account--State Appropriation	\$67,000
TOTAL APPROPRIATION	\$60,947,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$5,308,445 of the general fund--state appropriation for fiscal year 2014 and \$5,302,905 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

(2) Pursuant to RCW 43.135.055 and 16.57.220, the department is authorized to institute livestock inspection fees in the 2013-2015 fiscal biennium for calves less than thirty days old.

(3) In accordance with RCW 43.135.055, the department is authorized to adopt fees set forth in and previously authorized in chapter 204, Laws of 2011 relating to administering the animal disease traceability activities.

(4) \$125,000 of the general fund--state appropriation for fiscal year 2014 and \$125,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for funding for the small farm and direct marketing and farm to school programs. The programs assist

farmers selling directly to consumers and increase access to healthy foods in schools for children.

**NEW SECTION.    Sec. 310.    FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

Pollution Liability Insurance Program Trust

Account--State Appropriation . . . . . \$986,000

**NEW SECTION.    Sec. 311.    FOR THE PUGET SOUND PARTNERSHIP**

General Fund--State Appropriation (FY 2014) . . . . . \$2,371,000

General Fund--State Appropriation (FY 2015) . . . . . \$2,275,000

General Fund--Federal Appropriation . . . . . \$11,585,000

Aquatic Lands Enhancement Account--State Appropriation . . . \$1,825,000

State Toxics Control Account--State Appropriation . . . . . \$677,000

TOTAL APPROPRIATION . . . . . \$18,733,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$778,000 of the aquatic lands enhancement account--state appropriation is provided solely for coordinating a study of Puget Sound juvenile steelhead marine survival conducted by the department of fish and wildlife and based on a study plan developed in cooperation with federal, tribal, and nongovernmental entities.

(2) By October 1, 2014, the Puget Sound partnership shall provide the governor a single, prioritized list of state agency 2015-2017 capital and operating budget requests related to Puget Sound restoration.

(End of part)

**PART IV**  
**TRANSPORTATION**

**NEW SECTION. Sec. 401. FOR THE DEPARTMENT OF LICENSING**

General Fund--State Appropriation (FY 2014) . . . . .	\$1,078,000
General Fund--State Appropriation (FY 2015) . . . . .	\$1,317,000
Architects' License Account--State Appropriation . . . . .	\$904,000
Professional Engineers' Account--State Appropriation . . . . .	\$3,568,000
Real Estate Commission Account--State Appropriation . . . . .	\$9,961,000
Uniform Commercial Code Account--State Appropriation . . . . .	\$3,158,000
Real Estate Education Program Account--State	
Appropriation . . . . .	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation . . . . .	\$1,710,000
Business and Professions Account--State Appropriation . . . . .	\$16,180,000
Real Estate Research Account--State Appropriation . . . . .	\$415,000
Funeral and Cemetery Account--State Appropriation . . . . .	\$5,000
Landscape Architects' License Account--State Appropriation . . . . .	\$4,000
Appraisal Management Company Account--State Appropriation . . . . .	\$4,000
Geologists' Account--State Appropriation . . . . .	\$52,000
Derelict Vessel Removal Account--State Appropriation . . . . .	\$31,000
TOTAL APPROPRIATION . . . . .	\$38,663,000

**NEW SECTION. Sec. 402. FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2014) . . . . .	\$33,890,000
General Fund--State Appropriation (FY 2015) . . . . .	\$31,727,000
General Fund--Federal Appropriation . . . . .	\$16,183,000
General Fund--Private/Local Appropriation . . . . .	\$3,020,000
Death Investigations Account--State Appropriation . . . . .	\$9,948,000
Enhanced 911 Account--State Appropriation . . . . .	\$3,480,000
County Criminal Justice Assistance Account--State	
Appropriation . . . . .	\$3,320,000
Municipal Criminal Justice Assistance Account--State	
Appropriation . . . . .	\$1,344,000
Fire Service Trust Account--State Appropriation . . . . .	\$131,000
Vehicle License Fraud Account--State Appropriation . . . . .	\$448,000
Disaster Response Account--State Appropriation . . . . .	\$8,000,000

1 Fire Service Training Account--State Appropriation . . . . . \$9,490,000  
2 Aquatic Invasive Species Enforcement Account--State  
3 Appropriation . . . . . \$54,000  
4 State Toxics Control Account--State Appropriation . . . . . \$514,000  
5 Fingerprint Identification Account--State  
6 Appropriation . . . . . \$10,571,000  
7 TOTAL APPROPRIATION . . . . . \$132,120,000

8 The appropriations in this section are subject to the following  
9 conditions and limitations:

10 (1) \$200,000 of the fire service training account--state  
11 appropriation is provided solely for two FTEs in the office of the  
12 state director of fire protection to exclusively review K-12  
13 construction documents for fire and life safety in accordance with the  
14 state building code. It is the intent of this appropriation to provide  
15 these services only to those districts that are located in counties  
16 without qualified review capabilities.

17 (2) \$8,000,000 of the disaster response account--state  
18 appropriation is provided solely for Washington state fire service  
19 resource mobilization costs incurred in response to an emergency or  
20 disaster authorized under RCW 43.43.960 and 43.43.964. The state  
21 patrol shall submit a report quarterly to the office of financial  
22 management and the legislative fiscal committees detailing information  
23 on current and planned expenditures from this account. This work shall  
24 be done in coordination with the military department.

25 (3) \$400,000 of the fire service training account--state  
26 appropriation is provided solely for the firefighter apprenticeship  
27 training program.

(End of part)

PART V  
EDUCATION

NEW SECTION.      **Sec. 501.**      **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2014) . . . . .	\$17,530,000
General Fund--State Appropriation (FY 2015) . . . . .	\$17,133,000
General Fund--Federal Appropriation . . . . .	\$63,826,000
General Fund--Private/Local Appropriation . . . . .	\$4,003,000
Performance Audits of Government Account--State	
Appropriation . . . . .	\$200,000
TOTAL APPROPRIATION . . . . .	\$102,692,000

The appropriations in this section are subject to the following conditions and limitations:

(1) A maximum of \$14,569,000 of the general fund--state appropriation for fiscal year 2014 and \$14,362,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) \$8,902,000 of the general fund--state appropriation for fiscal year 2014 and \$8,844,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall:

(A) Recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award; and

(B) Consistent with Senate Bill No. 5818, work with school districts and the state board of education to:

(I) Improve access to and quality of career and technical education, which prepares students for lifelong learning and employment;

(II) Ensure that every student receives comprehensive career guidance that leads to a personalized program of study that will guide course selection and other high school activities;

1 (III) Require career and technical education teachers and school  
2 administrators to be prepared and supported in their roles; and

3 (IV) Assure that career and technical education is a results-driven  
4 education system so as to demonstrate a positive return on investment.

5 (ii) Districts shall report to the office of the superintendent of  
6 public instruction daily student unexcused absence data by school,  
7 using a uniform definition of unexcused absence as established by the  
8 superintendent.

9 (iii) By September of each year, the office of the superintendent  
10 of public instruction shall produce an annual status report of the  
11 budget provisos in sections 501 and 513 of this act. The status report  
12 of each proviso shall include, but not be limited to, the following  
13 information: Purpose and objective, number of staff, number of  
14 contractors, status of proviso implementation, number of beneficiaries  
15 by year, list of beneficiaries, and proviso outcomes and achievements.

16 (b) \$1,017,000 of the general fund--state appropriation for fiscal  
17 year 2014 and \$1,017,000 of the general fund--state appropriation for  
18 fiscal year 2015 are provided solely for activities associated with the  
19 implementation of new school finance systems required by chapter 236,  
20 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009  
21 (state's education system), including technical staff, systems  
22 reprogramming, and workgroup deliberations, including the quality  
23 education council and the data governance working group.

24 (c) \$1,012,000 of the general fund--state appropriation for fiscal  
25 year 2014 and \$1,012,000 of the general fund--state appropriation for  
26 fiscal year 2015 are provided solely for the operation and expenses of  
27 the state board of education, including basic education assistance  
28 activities. Of these amounts, \$161,000 of the general fund--state  
29 appropriation for fiscal year 2014 and \$161,000 of the general fund--  
30 state appropriation for fiscal year 2015 are provided for  
31 implementation of Initiative Measure No. 1240 (charter schools).

32 (d) \$890,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$890,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely to the professional educator  
35 standards board for the operation and expenses of the Washington  
36 professional educator standards board;

37 (e) \$133,000 of the general fund--state appropriation for fiscal  
38 year 2014 and \$133,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the implementation of chapter  
2 240, Laws of 2010, including staffing the office of equity and civil  
3 rights.

4 (f) \$50,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$50,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for the ongoing work of the  
7 education opportunity gap oversight and accountability committee.

8 (g) \$45,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$45,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for the implementation of chapter  
11 380, Laws of 2009 (enacting the interstate compact on educational  
12 opportunity for military children).

13 (h) \$131,000 of the general fund--state appropriation for fiscal  
14 year 2014 and \$131,000 of the general fund--state appropriation for  
15 fiscal year 2015 are provided solely for the implementation of  
16 Initiative Measure No. 1240 (charter schools).

17 (i) \$1,826,000 of the general fund--state appropriation for fiscal  
18 year 2014 and \$1,802,000 of the general fund--state appropriation for  
19 fiscal year 2015 are provided solely for implementing a comprehensive  
20 data system to include financial, student, and educator data, including  
21 development and maintenance of the comprehensive education data and  
22 research system (CEDARS).

23 (j) \$123,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$123,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely for implementation of chapter 163,  
26 Laws of 2012 (foster care outcomes). The office of the superintendent  
27 of public instruction shall annually report each December on the  
28 implementation of the state's plan of cross-system collaboration to  
29 promote educational stability and improve education outcomes of foster  
30 youth.

31 (k) \$93,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$93,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely for chapter 185, Laws of 2011  
34 (bullying prevention, which requires the office of the superintendent  
35 of public instruction to convene an ongoing workgroup on school  
36 bullying and harassment prevention. Within the amounts provided,  
37 \$140,000 is for youth suicide prevention activities.

1 (l) \$100,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$100,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for the Mobius science center to  
4 expand mobile outreach of science, technology, engineering, and  
5 mathematics (STEM) education to students in rural, tribal, and low-  
6 income communities.

7 (m) \$30,000 of the general fund--state appropriation for fiscal  
8 year 2014 and \$60,000 of the general fund--state appropriation for  
9 fiscal year 2015 are provided solely for the superintendent of public  
10 instruction to contract with the center for reinventing public  
11 education, affiliated with the University of Washington, to develop a  
12 research-based set of recommendations to revise the current salary  
13 allocation schedule to create a new educator compensation model for  
14 certificated instructional staff and principals. The new model is  
15 intended to have a more flexible structure, be more data-driven, and  
16 encourage innovation by using salary differentials by school districts  
17 to reflect employee skills and working conditions. The new model is  
18 intended to be multidimensional and address performance evaluations,  
19 specialties, cost-of-living differentials, and additional  
20 responsibilities. Levy equalization, salary equalization to eliminate  
21 grandfathered school districts at a higher level, and small schools  
22 would also need to be addressed. The compensation model may be the  
23 same model for both teachers and principals or it may be two different  
24 models, one for teachers and one for principals and other building  
25 administrators. An interim report is due to the legislative education  
26 policy committees and fiscal committees by December 1, 2013, and a  
27 final report with the new model or models is due by December 1, 2014.  
28 Additionally, there will be public meetings for the committees to  
29 receive adequate informational updates and provide additional  
30 direction.

31 (n) \$62,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$62,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely for the implementation of chapter  
34 241, Laws of 2013 (initiatives to improve and expand access to computer  
35 science education).

36 (2) \$2,961,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$2,771,000 of the general fund--state appropriation for  
38 fiscal year 2015 are for statewide programs.



1 (a) HEALTH AND SAFETY

2 (i) \$50,000 of the general fund--state appropriation for fiscal  
3 year 2014 and \$50,000 of the general fund--state appropriation for  
4 fiscal year 2015 are provided solely for a nonviolence and leadership  
5 training program provided by the institute for community leadership.

6 (ii) \$155,000 of the general fund--state appropriation for fiscal  
7 year 2014 is provided solely for the implementation of chapter 197,  
8 Laws of 2013 (increasing the capacity of school districts to recognize  
9 and respond to troubled youth).

10 (b) TECHNOLOGY

11 \$1,221,000 of the general fund--state appropriation for fiscal year  
12 2014 and \$1,221,000 of the general fund--state appropriation for fiscal  
13 year 2015 are provided solely for K-20 telecommunications network  
14 technical support in the K-12 sector to prevent system failures and  
15 avoid interruptions in school utilization of the data processing and  
16 video-conferencing capabilities of the network. These funds may be  
17 used to purchase engineering and advanced technical support for the  
18 network.

19 (c) GRANTS AND ALLOCATIONS

20 (i) \$1,400,000 of the general fund--state appropriation for fiscal  
21 year 2014 and \$1,400,000 of the general fund--state appropriation for  
22 fiscal year 2015 are provided solely for the implementation of chapter  
23 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the  
24 development and implementation of the Washington kindergarten inventory  
25 of developing skills (WaKIDS).

26 (ii) \$100,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$100,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely to subsidize advanced placement  
29 exam fees and international baccalaureate class fees and exam fees for  
30 low-income students. To be eligible for the subsidy, a student must be  
31 either enrolled or eligible to participate in the federal free or  
32 reduced price lunch program, and the student must have maximized the  
33 allowable federal contribution. The office of the superintendent of  
34 public instruction shall set the subsidy in an amount so that the  
35 advanced placement exam fee does not exceed \$15.00 and the combined  
36 class and exam fee for the international baccalaureate does not exceed  
37 \$14.50.

(iii) \$190,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to implement Engrossed Second Substitute Senate Bill No. 5244 (school suspensions and expulsions). Included in this amount is \$25,000 for the office of the superintendent of public instruction to contract with the Washington state school directors' association costs of developing model policy. If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

**NEW SECTION.      Sec. 502.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**

General Fund--State Appropriation (FY 2014) . . . . .	\$5,289,530,000
General Fund--State Appropriation (FY 2015) . . . . .	\$5,359,508,000
Education Legacy Trust Account--State Appropriation . . .	\$498,164,000
TOTAL APPROPRIATION . . . . .	\$11,147,202,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) For the 2013-14 and 2014-15 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary schedules in sections 502 and 503 of this act, excluding (c) of this subsection.

(c) From July 1, 2013 to August 31, 2013, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp. sess., as amended through sections 502 and 503 of the 2013 omnibus supplemental operating appropriations act (Senate Bill No. 5033).

(d) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2013-14 and 2014-15 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:

Grade	RCW 28A.150.260
Grades K-3	25.23
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

The superintendent shall base allocations for career and technical education (CTE) and skill center programs average class size as provided in RCW 28A.150.260.

(ii)(A) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

General education class size in high poverty	
school:	
Grades K-2	24.10
Grade 3	24.10
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

(B) Districts must demonstrate compliance of the class sizes provided in (c)(ii)(A) of this subsection as a condition of receipt of funds.

(iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

(iv) Laboratory science, advanced placement, and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 students:

#### Career and Technical Education

students . . . . .	2.02 per 1000 student FTE's
Skill Center students . . . . .	2.36 per 1000 student FTE's

### (3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2013-14 and 2014-15 school years for general education students are determined using the formula

generated staff units calculated pursuant to this subsection. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent enrollment in each grade. The following prototypical school values shall determine the allocation for principals, assistance principals, and other certificated building level administrators:

Prototypical School Building:

Elementary School	1.253
Middle School	1.353
High School	1.880

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that are a multiple of the general education rate in (a) of this subsection by the following factors:

Career and Technical Education students . . . . .	1.025
Skill Center students . . . . .	1.198

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building-level and district-wide support services for the 2013-14 and 2014-15 school years are determined using the formula-generated staff units provided in RCW 28A.150.260, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade.

(5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units are provided for the 2013-14 and 2014-15 school year for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and

classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.47 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students, are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by 1.97 percent for career and technical education students, and 21.92 percent for skill center students.

#### (6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 18.68 percent in the 2013-14 school year and 18.68 percent in the 2014-15 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 20.95 percent in the 2013-14 school year and 20.95 percent in the 2014-15 school year for classified salary allocations provided under subsections (4) and (5) of this section.

#### (7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the rate specified in section 504 of this act, resulting from the incremental changes specified in section 504 of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsections (2), (3), and (5) of this section; and

(b) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.152. This factor is

intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a)(i) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2013-14 SCHOOL YEAR	2014-15 SCHOOL YEAR
Technology	\$67.95	\$112.76
Utilities and Insurance	\$184.63	\$306.39
Curriculum and Textbooks	\$72.95	\$121.05
Other Supplies and Library Materials	\$154.88	\$257.02
Instructional Professional Development for Certificated and Classified Staff	\$11.28	\$18.72
Facilities Maintenance	\$91.47	\$151.78
Security and Central Office	\$63.37	\$105.15
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$646.53	\$1,072.87

(ii) The total MSOC allocations provided in (a)(i) of this subsection are an enhancement above maintenance level by the following inflation adjusted amounts: \$83.65 for the 2013-14 school year and \$500.42 for the 2014-15 school year. The enhanced MSOC allocation for the 2014-15 school year represents full funding of school districts' reported actual costs for the 2011-12 school year, adjusted for inflation.

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,249.17 for the 2013-14 school year and \$1,270.41 for the 2014-15 school year. Values reflect school districts' reported actual costs for the 2011-12 school year, adjusted for inflation.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation of \$931.64 for the 2013-14 school year and \$1,072.87 for the 2014-15 school year. Values reflect school districts' reported actual costs for the 2011-12 school year, adjusted for inflation.

(d) Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.

#### (9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2013-14 and 2014-15 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

#### (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2013, to August 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of 2011 1st sp. sess. (allocation of funding for funding for students enrolled in alternative learning experiences).

(b) Amounts provided in this section from September 1, 2013, through June 30, 2015, reflect provisions of Second Substitute Senate Bill No. 5794 (alternative learning experience courses).

(c) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

#### (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS



Funding in this section is sufficient to fund voluntary full day kindergarten programs in qualifying high poverty schools, pursuant to RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls for the voluntary full-day program in a qualifying school shall count as one-half of one full-time equivalent student for purpose of making allocations under this section. Funding in this section provides full-day kindergarten programs for 30 percent of kindergarten enrollment in the 2013-14 school year, and 35 percent in the 2014-15 school year. Funding priority shall be given to schools with the highest poverty levels, as measured by prior year free and reduced price lunch eligibility rates in each school.

(12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced by the general education staff units, excluding career and technical education and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the superintendent of public instruction and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

1 (b) For specified enrollments in districts enrolling more than  
2 twenty-five but not more than one hundred average annual full-time  
3 equivalent students in grades K-8, and for small school plants within  
4 any school district which enroll more than twenty-five average annual  
5 full-time equivalent students in grades K-8 and have been judged to be  
6 remote and necessary by the superintendent of public instruction:

7 (i) For enrollment of up to sixty annual average full-time  
8 equivalent students in grades K-6, 2.76 certificated instructional  
9 staff units and 0.24 certificated administrative staff units; and

10 (ii) For enrollment of up to twenty annual average full-time  
11 equivalent students in grades 7 and 8, 0.92 certificated instructional  
12 staff units and 0.08 certificated administrative staff units;

13 (c) For districts operating no more than two high schools with  
14 enrollments of less than three hundred average annual full-time  
15 equivalent students, for enrollment in grades 9-12 in each such school,  
16 other than alternative schools, except as noted in this subsection:

17 (i) For remote and necessary schools enrolling students in any  
18 grades 9-12 but no more than twenty-five average annual full-time  
19 equivalent students in grades K-12, four and one-half certificated  
20 instructional staff units and one-quarter of a certificated  
21 administrative staff unit;

22 (ii) For all other small high schools under this subsection, nine  
23 certificated instructional staff units and one-half of a certificated  
24 administrative staff unit for the first sixty average annual full-time  
25 equivalent students, and additional staff units based on a ratio of  
26 0.8732 certificated instructional staff units and 0.1268 certificated  
27 administrative staff units per each additional forty-three and one-half  
28 average annual full-time equivalent students;

29 (iii) Districts receiving staff units under this subsection shall  
30 add students enrolled in a district alternative high school and any  
31 grades nine through twelve alternative learning experience programs  
32 with the small high school enrollment for calculations under this  
33 subsection;

34 (d) For each nonhigh school district having an enrollment of more  
35 than seventy annual average full-time equivalent students and less than  
36 one hundred eighty students, operating a grades K-8 program or a grades  
37 1-8 program, an additional one-half of a certificated instructional  
38 staff unit;

1 (e) For each nonhigh school district having an enrollment of more  
2 than fifty annual average full-time equivalent students and less than  
3 one hundred eighty students, operating a grades K-6 program or a grades  
4 1-6 program, an additional one-half of a certificated instructional  
5 staff unit;

6 (f)(i) For enrollments generating certificated staff unit  
7 allocations under (a) through (e) of this subsection, one classified  
8 staff unit for each 2.94 certificated staff units allocated under such  
9 subsections;

10 (ii) For each nonhigh school district with an enrollment of more  
11 than fifty annual average full-time equivalent students and less than  
12 one hundred eighty students, an additional one-half of a classified  
13 staff unit; and

14 (g) School districts receiving additional staff units to support  
15 small student enrollments and remote and necessary plants under  
16 subsection (12) of this section shall generate additional MSOC  
17 allocations consistent with the nonemployee related costs (NERC)  
18 allocation formula in place for the 2010-11 school year as provided  
19 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental  
20 budget), adjusted annually for inflation.

21 (13) Any school district board of directors may petition the  
22 superintendent of public instruction by submission of a resolution  
23 adopted in a public meeting to reduce or delay any portion of its basic  
24 education allocation for any school year. The superintendent of public  
25 instruction shall approve such reduction or delay if it does not impair  
26 the district's financial condition. Any delay shall not be for more  
27 than two school years. Any reduction or delay shall have no impact on  
28 levy authority pursuant to RCW 84.52.0531 and local effort assistance  
29 pursuant to chapter 28A.500 RCW.

30 (14) The superintendent may distribute funding for the following  
31 programs outside the basic education formula during fiscal years 2014  
32 and 2015 as follows:

33 (a) \$607,000 of the general fund--state appropriation for fiscal  
34 year 2014 and \$617,000 of the general fund--state appropriation for  
35 fiscal year 2015 are provided solely for fire protection for school  
36 districts located in a fire protection district as now or hereafter  
37 established pursuant to chapter 52.04 RCW.

1 (b) \$436,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$436,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for programs providing skills  
4 training for secondary students who are enrolled in extended day  
5 school-to-work programs, as approved by the superintendent of public  
6 instruction. The funds shall be allocated at a rate not to exceed \$500  
7 per full-time equivalent student enrolled in those programs.

8 (15) \$214,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$218,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for school district emergencies as  
11 certified by the superintendent of public instruction. At the close of  
12 the fiscal year the superintendent of public instruction shall report  
13 to the office of financial management and the appropriate fiscal  
14 committees of the legislature on the allocations provided to districts  
15 and the nature of the emergency.

16 (16) Funding in this section is sufficient to fund a maximum of  
17 1.6 FTE enrollment for skills center students pursuant to chapter 463,  
18 Laws of 2007.

19 (17) Students participating in running start programs may be funded  
20 up to a combined maximum enrollment of 1.2 FTE including school  
21 district and institution of higher education enrollment. In  
22 calculating the combined 1.2 FTE, the office of the superintendent of  
23 public instruction may average the participating student's September  
24 through June enrollment to account for differences in the start and end  
25 dates for courses provided by the high school and higher education  
26 institution. Additionally, the office of the superintendent of public  
27 instruction, in consultation with the state board for community and  
28 technical colleges, the student achievement council, and the education  
29 data center, shall annually track and report to the fiscal committees  
30 of the legislature on the combined FTE experience of students  
31 participating in the running start program, including course load  
32 analyses at both the high school and community and technical college  
33 system.

34 (18) If two or more school districts consolidate and each district  
35 was receiving additional basic education formula staff units pursuant  
36 to subsection (12) of this section, the following apply:

37 (a) For three school years following consolidation, the number of

1 basic education formula staff units shall not be less than the number  
2 of basic education formula staff units received by the districts in the  
3 school year prior to the consolidation; and

4 (b) For the fourth through eighth school years following  
5 consolidation, the difference between the basic education formula staff  
6 units received by the districts for the school year prior to  
7 consolidation and the basic education formula staff units after  
8 consolidation pursuant to subsection (12) of this section shall be  
9 reduced in increments of twenty percent per year.

10 (19)(a) Indirect cost charges by a school district to approved  
11 career and technical education middle and secondary programs shall not  
12 exceed 15 percent of the combined basic education and career and  
13 technical education program enhancement allocations of state funds.  
14 Middle and secondary career and technical education programs are  
15 considered separate programs for funding and financial reporting  
16 purposes under this section.

17 (b) Career and technical education program full-time equivalent  
18 enrollment shall be reported on the same monthly basis as the  
19 enrollment for students eligible for basic support, and payments shall  
20 be adjusted for reported career and technical education program  
21 enrollments on the same monthly basis as those adjustments for  
22 enrollment for students eligible for basic support.

23 (20) The office of the superintendent of public instruction shall  
24 review career and technical education and skill center programs'  
25 funding enhancement formulas, expenditure accounting systems, and  
26 reporting. The office will make recommendations for revising the  
27 funding formulas, including the possibility of conversion to a model  
28 that enhances basic education rates, potential revisions to accounting  
29 systems, and recommendations for improving reporting and transparency.  
30 The office shall submit recommendations to the appropriate fiscal  
31 committees of the legislature and the office of financial management by  
32 October 1, 2013.

33 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**  
34 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

35 (1) The following calculations determine the salaries used in the  
36 state allocations for certificated instructional, certificated

administrative, and classified staff units as provided in RCW 28A.150.280 and under section 502 of this act:

(a) Salary allocations for certificated instructional staff units are determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP document 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district are determined based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 29, 2013, at 09:10 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on March 29, 2013, at 11:16 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 18.04 percent for school year 2013-14 and 18.04 percent for school year 2014-15 for certificated instructional and certificated administrative staff and 17.45 percent for school year 2013-14 and 17.45 percent for the 2014-15 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2013-14

\*\*\* Education Experience \*\*\*

Years  
of

MA+90  
OR

1	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
2	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
3	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
4	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
5	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
6	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
7	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
8	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
9	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
10	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
11	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
12	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
13	11				46,772	50,121	52,557	50,249	53,599	56,034
14	12				48,249	51,761	54,269	51,835	55,238	57,748
15	13					53,440	56,024	53,476	56,918	59,501
16	14					55,128	57,844	55,165	58,716	61,322
17	15					56,563	59,349	56,599	60,242	62,917
18	16 or					57,693	60,535	57,731	61,447	64,174
19	more									

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2014-15

\*\*\* Education Experience \*\*\*

22	Years									MA+90
23	of									OR
24	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
25	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
26	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
27	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
28	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
29	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
30	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
31	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
32	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
33	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
34	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
35	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390

1	11	46,772	50,121	52,557	50,249	53,599	56,034
2	12	48,249	51,761	54,269	51,835	55,238	57,748
3	13		53,440	56,024	53,476	56,918	59,501
4	14		55,128	57,844	55,165	58,716	61,322
5	15		56,563	59,349	56,599	60,242	62,917
6	16 or		57,693	60,535	57,731	61,447	64,174
7	more						

8 (b) As used in this subsection, the column headings "BA+(N)" refer  
9 to the number of credits earned since receiving the baccalaureate  
10 degree.

11 (c) For credits earned after the baccalaureate degree but before  
12 the masters degree, any credits in excess of forty-five credits may be  
13 counted after the masters degree. Thus, as used in this subsection,  
14 the column headings "MA+(N)" refer to the total of:

15 (i) Credits earned since receiving the masters degree; and

16 (ii) Any credits in excess of forty-five credits that were earned  
17 after the baccalaureate degree but before the masters degree.

18 (5) For the purposes of this section:

19 (a) "BA" means a baccalaureate degree.

20 (b) "MA" means a masters degree.

21 (c) "PHD" means a doctorate degree.

22 (d) "Years of service" shall be calculated under the same rules  
23 adopted by the superintendent of public instruction.

24 (e) "Credits" means college quarter hour credits and equivalent in-  
25 service credits computed in accordance with RCW 28A.415.020 and  
26 28A.415.023.

27 (6) No more than ninety college quarter-hour credits received by  
28 any employee after the baccalaureate degree may be used to determine  
29 compensation allocations under the state salary allocation schedule and  
30 LEAP documents referenced in this part V, or any replacement schedules  
31 and documents, unless:

32 (a) The employee has a masters degree; or

33 (b) The credits were used in generating state salary allocations  
34 before January 1, 1992.

35 (7) The salary allocation schedules established in this section are  
36 for allocation purposes only except as provided in RCW 28A.400.200(2).



1        NEW SECTION.        **Sec. 504.        FOR THE SUPERINTENDENT OF PUBLIC**  
2 **INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

3        The appropriations in this part are subject to the following  
4 conditions and limitations:

5        (1)(a) Additional salary adjustments as necessary to fund the base  
6 salaries for certificated instructional staff as listed for each  
7 district in LEAP Document 2, defined in section 503(2)(b) of this act.  
8 Allocations for these salary adjustments shall be provided to all  
9 districts that are not grandfathered to receive salary allocations  
10 above the statewide salary allocation schedule, and to certain  
11 grandfathered districts to the extent necessary to ensure that salary  
12 allocations for districts that are currently grandfathered do not fall  
13 below the statewide salary allocation schedule.

14        (b) Additional salary adjustments to certain districts as necessary  
15 to fund the per full-time-equivalent salary allocations for  
16 certificated administrative staff as listed for each district in LEAP  
17 Document 2, defined in section 503(2)(b) of this act.

18        (c) Additional salary adjustments to certain districts as necessary  
19 to fund the per full-time-equivalent salary allocations for classified  
20 staff as listed for each district in LEAP Document 2, defined in  
21 section 503(2)(b) of this act.

22        (d) The appropriations in this subsection (1) include associated  
23 incremental fringe benefit allocations at 18.04 percent for the 2013-14  
24 school year and 18.04 percent for the 2014-15 school year for  
25 certificated instructional and certificated administrative staff and  
26 17.45 percent for the 2013-14 school year and 17.45 percent for the  
27 2014-15 school year for classified staff.

28        (e) The appropriations in this section include the increased or  
29 decreased portion of salaries and incremental fringe benefits for all  
30 relevant state-funded school programs in part V of this act. Changes  
31 for general apportionment (basic education) are based on the salary  
32 allocation schedules and methodology in sections 502 and 503 of this  
33 act. Changes for special education result from changes in each  
34 district's basic education allocation per student. Changes for  
35 educational service districts and institutional education programs are  
36 determined by the superintendent of public instruction using the  
37 methodology for general apportionment salaries and benefits in sections  
38 502 and 503 of this act.

(f) The appropriations in this section include no salary adjustments for substitute teachers.

(2) The maintenance rate for insurance benefit allocations is \$768.00 per month for the 2013-14 and 2014-15 school years. The appropriations in this section reflect the incremental change in cost of allocating rates of \$758.00 per month for the 2013-14 school year and \$758.00 per month for the 2014-15 school year.

(3) The rates specified in this section are subject to revision each year by the legislature.

(4) The insurance benefit allocations reflect savings from assumed changes to health benefits eligibility criteria for part-time employees to align with the employer responsibility provisions of the federal affordable care act. Beginning July 1, 2014, employees with family incomes below 400 percent of the federal poverty level who are not offered employer health insurance coverage are eligible for federal premium credits and subsidies for out-of-pocket costs for health insurance purchased through the Washington health benefits exchange. The allocations assume school districts and educational service districts spend \$10,186,000 in the 2014-15 school year for exchange premium reimbursement benefits for part-time classified employees. School districts and educational service districts shall establish the eligibility criteria and benefit amounts for exchange premium reimbursement benefits. The districts shall report not later than November 1, 2014, to the superintendent of public instruction data regarding their eligibility criteria, the number of part-time employees who received reimbursement payments, and the amount spent on the payments. The superintendent shall submit a report regarding the school district data to the legislative fiscal committees by December 1, 2014.

**NEW SECTION.      Sec. 505.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

General Fund--State Appropriation (FY 2014) . . . . .	\$330,005,000
General Fund--State Appropriation (FY 2015) . . . . .	\$330,842,000
Education Legacy Trust Account--State Appropriation . . .	\$197,521,000
TOTAL APPROPRIATION . . . . .	\$858,368,000

The appropriations in this section are subject to the following conditions and limitations:

1 (1) Each general fund fiscal year appropriation includes such funds  
2 as are necessary to complete the school year ending in the fiscal year  
3 and for prior fiscal year adjustments.

4 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent  
5 shall allocate funding to school district programs for the  
6 transportation of students as provided in RCW 28A.160.192.

7 (b) From July 1, 2013 to August 31, 2013, the superintendent shall  
8 allocate funding to school districts programs for the transportation of  
9 students as provided in section 505, chapter 50, Laws of 2011 1st sp.  
10 sess., as amended through section 505 of the 2013 omnibus supplemental  
11 operating appropriations act (Senate Bill No. 5033).

12 (3) A maximum of \$892,000 of this fiscal year 2014 appropriation  
13 and a maximum of \$892,000 of the fiscal year 2015 appropriation may be  
14 expended for regional transportation coordinators and related  
15 activities. The transportation coordinators shall ensure that data  
16 submitted by school districts for state transportation funding shall,  
17 to the greatest extent practical, reflect the actual transportation  
18 activity of each district.

19 (4) The office of the superintendent of public instruction shall  
20 provide reimbursement funding to a school district for school bus  
21 purchases only after the superintendent of public instruction  
22 determines that the school bus was purchased from the list established  
23 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process  
24 based on the lowest price quote based on similar bus categories to  
25 those used to establish the list pursuant to RCW 28A.160.195.

26 (5) The superintendent of public instruction shall base  
27 depreciation payments for school district buses on the pre-sales tax  
28 five-year average of lowest bids in the appropriate category of bus.  
29 In the final year on the depreciation schedule, the depreciation  
30 payment shall be based on the lowest bid in the appropriate bus  
31 category for that school year.

32 (6) Funding levels in this section reflect waivers granted by the  
33 state board of education for four-day school weeks as allowed under RCW  
34 28A.305.141.

35 (7) The office of the superintendent of public instruction shall  
36 annually disburse payments for bus depreciation in August.

NEW SECTION.      **Sec. 506.**      **FOR THE SUPERINTENDENT OF PUBLIC**  
**INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

General Fund--State Appropriation (FY 2014) . . . . .	\$7,111,000
General Fund--State Appropriation (FY 2015) . . . . .	\$7,111,000
General Fund--Federal Appropriation . . . . .	\$473,326,000
TOTAL APPROPRIATION . . . . .	\$487,548,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$7,111,000 of the general fund--state appropriation for fiscal year 2014 and \$7,111,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for state matching money for federal child nutrition programs, and may support the meals for kids program through the following allowable uses:

(a) Elimination of breakfast copays for eligible public school students and lunch copays for eligible public school students in grades kindergarten through third grade who are eligible for reduced price lunch;

(b) Assistance to school districts and authorized public and private nonprofit organizations for supporting summer food service programs, and initiating new summer food service programs in low-income areas;

(c) Reimbursements to school districts for school breakfasts served to students eligible for free and reduced price lunch, pursuant to chapter 287, Laws of 2005; and

(d) Assistance to school districts in initiating and expanding school breakfast programs.

The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in (a), (b), and (c) of this subsection.

NEW SECTION.      **Sec. 507.**      **FOR THE SUPERINTENDENT OF PUBLIC**  
**INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2014) . . . . .	\$707,480,000
General Fund--State Appropriation (FY 2015) . . . . .	\$719,997,000
General Fund--Federal Appropriation . . . . .	\$462,023,000
Education Legacy Trust Account--State Appropriation . . . . .	\$64,663,000
TOTAL APPROPRIATION . . . . .	\$1,954,163,000

1       The appropriations in this section are subject to the following  
2 conditions and limitations:

3       (1) Funding for special education programs is provided on an excess  
4 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
5 that special education students as a class receive their full share of  
6 the general apportionment allocation accruing through sections 502 and  
7 504 of this act. To the extent a school district cannot provide an  
8 appropriate education for special education students under chapter  
9 28A.155 RCW through the general apportionment allocation, it shall  
10 provide services through the special education excess cost allocation  
11 funded in this section.

12       (2)(a) The superintendent of public instruction shall ensure that:

13       (i) Special education students are basic education students first;

14       (ii) As a class, special education students are entitled to the  
15 full basic education allocation; and

16       (iii) Special education students are basic education students for  
17 the entire school day.

18       (b) The superintendent of public instruction shall continue to  
19 implement the full cost method of excess cost accounting, as designed  
20 by the committee and recommended by the superintendent, pursuant to  
21 section 501(1)(k), chapter 372, Laws of 2006.

22       (3) Each fiscal year appropriation includes such funds as are  
23 necessary to complete the school year ending in the fiscal year and for  
24 prior fiscal year adjustments.

25       (4)(a) For the 2013-14 and 2014-15 school years, the superintendent  
26 shall allocate funding to school district programs for special  
27 education students as provided in RCW 28A.150.390.

28       (b) From July 1, 2013 to August 31, 2013, the superintendent shall  
29 allocate funding to school district programs for special education  
30 students as provided in section 507, chapter 50, Laws of 2011 1st sp.  
31 sess., as amended through section 507 of the 2013 omnibus supplemental  
32 operating appropriations act (Senate Bill No. 5033).

33       (5) The following applies throughout this section: The definitions  
34 for enrollment and enrollment percent are as specified in RCW  
35 28A.150.390(3). Each district's general fund--state funded special  
36 education enrollment shall be the lesser of the district's actual  
37 enrollment percent or 12.7 percent.

1 (6) At the request of any interdistrict cooperative of at least 15  
2 districts in which all excess cost services for special education  
3 students of the districts are provided by the cooperative, the maximum  
4 enrollment percent shall be calculated in accordance with RCW  
5 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
6 rather than individual district units. For purposes of this  
7 subsection, the average basic education allocation per full-time  
8 equivalent student shall be calculated in the aggregate rather than  
9 individual district units.

10 (7) \$34,227,000 of the general fund--state appropriation for fiscal  
11 year 2014, \$35,592,000 of the general fund--state appropriation for  
12 fiscal year 2015, and \$29,574,000 of the general fund--federal  
13 appropriation are provided solely for safety net awards for districts  
14 with demonstrated needs for special education funding beyond the  
15 amounts provided in subsection (4) of this section. If the federal  
16 safety net awards based on the federal eligibility threshold exceed the  
17 federal appropriation in this subsection (7) in any fiscal year, the  
18 superintendent shall expend all available federal discretionary funds  
19 necessary to meet this need. At the conclusion of each school year,  
20 the superintendent shall recover safety net funds that were distributed  
21 prospectively but for which districts were not subsequently eligible.

22 (a) For the 2013-14 and 2014-15 school years, safety net funds  
23 shall be awarded by the state safety net oversight committee as  
24 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

25 (b) The office of the superintendent of public instruction shall  
26 make award determinations for state safety net funding in August of  
27 each school year. Determinations on school district eligibility for  
28 state safety net awards shall be based on analysis of actual  
29 expenditure data from the current school year.

30 (8) A maximum of \$678,000 may be expended from the general fund--  
31 state appropriations to fund 5.43 full-time equivalent teachers and 2.1  
32 full-time equivalent aides at children's orthopedic hospital and  
33 medical center. This amount is in lieu of money provided through the  
34 home and hospital allocation and the special education program.

35 (9) The superintendent shall maintain the percentage of federal  
36 flow-through to school districts at 85 percent. In addition to other  
37 purposes, school districts may use increased federal funds for high-

cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(10) A school district may carry over from one year to the next year up to 10 percent of the general fund--state funds allocated under this program; however, carryover funds shall be expended in the special education program.

(11) \$249,000 of the general fund--state appropriation for fiscal year 2014 and \$249,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

(12) \$50,000 of the general fund--state appropriation for fiscal year 2014, \$50,000 of the general fund--state appropriation for fiscal year 2015, and \$100,000 of the general fund--federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction.

**NEW SECTION.      Sec. 508.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

General Fund--State Appropriation (FY 2014) . . . . .	\$8,142,000
General Fund--State Appropriation (FY 2015) . . . . .	\$8,150,000
TOTAL APPROPRIATION . . . . .	\$16,292,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials,

1 and other expenditures related to providing regional professional  
2 development support.

3 (3) The educational service districts, at the request of the state  
4 board of education pursuant to RCW 28A.310.010 and 28A.305.130, may  
5 receive and screen applications for school accreditation, conduct  
6 school accreditation site visits pursuant to state board of education  
7 rules, and submit to the state board of education post-site visit  
8 recommendations for school accreditation. The educational service  
9 districts may assess a cooperative service fee to recover actual plus  
10 reasonable indirect costs for the purposes of this subsection.

11 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**  
12 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

13 General Fund--State Appropriation (FY 2014) . . . . . \$314,231,000  
14 General Fund--State Appropriation (FY 2015) . . . . . \$317,506,000  
15 TOTAL APPROPRIATION . . . . . \$631,737,000

16 The appropriations in this section are subject to the following  
17 conditions and limitations: For purposes of RCW 84.52.0531, the  
18 increase per full-time equivalent student is 6.8 percent from the 2012-  
19 13 school year to the 2013-14 school year and 1.7 percent from the  
20 2013-14 school year to the 2014-15 school year.

21 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**  
22 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

23 General Fund--State Appropriation (FY 2014) . . . . . \$15,292,000  
24 General Fund--State Appropriation (FY 2015) . . . . . \$15,495,000  
25 TOTAL APPROPRIATION . . . . . \$30,787,000

26 The appropriations in this section are subject to the following  
27 conditions and limitations:

28 (1) Each general fund--state fiscal year appropriation includes  
29 such funds as are necessary to complete the school year ending in the  
30 fiscal year and for prior fiscal year adjustments.

31 (2) State funding provided under this section is based on salaries  
32 and other expenditures for a 220-day school year. The superintendent  
33 of public instruction shall monitor school district expenditure plans  
34 for institutional education programs to ensure that districts plan for  
35 a full-time summer program.



(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$1,070,000 of the general fund--state appropriation for fiscal year 2014 and \$1,070,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

**NEW SECTION.      Sec. 511.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund--State Appropriation (FY 2014) . . . . .	\$9,489,000
General Fund--State Appropriation (FY 2015) . . . . .	\$9,594,000
Education Legacy Trust Account--State Appropriation . . . . .	\$70,000
TOTAL APPROPRIATION . . . . .	\$19,153,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c). In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly

capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 50, Laws of 2011 1st sp. sess., as amended through section 511 of the 2013 omnibus supplemental operating appropriations act (Senate Bill No. 5033).

(3) \$85,000 of the general fund--state appropriation for fiscal year 2014 and \$85,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the centrum program at Fort Worden state park.

**NEW SECTION.      Sec. 512.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

General Fund--Federal Appropriation . . . . . \$4,052,000

**NEW SECTION.      Sec. 513.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

General Fund--State Appropriation (FY 2014) . . . . . \$110,869,000  
General Fund--State Appropriation (FY 2015) . . . . . \$113,079,000  
General Fund--Federal Appropriation . . . . . \$206,243,000  
General Fund--Private/Local Appropriation . . . . . \$4,002,000  
Education Legacy Trust Account--State Appropriation . . . . . \$1,599,000  
TOTAL APPROPRIATION . . . . . \$435,792,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$45,484,000 of the general fund--state appropriation for fiscal year 2014, \$34,056,000 of the general fund--state appropriation for fiscal year 2015, \$1,350,000 of the education legacy trust account--state appropriation, and \$15,868,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington state assessment system in accordance with provisions of chapter 28A.655 RCW.

(2) \$5,851,000 of the general fund--state appropriation for fiscal year 2014 and \$3,935,000 of the general fund--state appropriation for

1 fiscal year 2014 are provided solely for implementation of a new  
2 performance-based evaluation for certificated educators and other  
3 activities as provided in chapter 235, Laws of 2010 (education reform)  
4 and chapter 35, Laws of 2012 (certificated employee evaluations).

5 (3)(a) \$45,263,000 of the general fund--state appropriation for  
6 fiscal year 2014 and \$49,673,000 of the general fund--state  
7 appropriation for fiscal year 2015 are provided solely for the  
8 following bonuses for teachers who hold valid, unexpired certification  
9 from the national board for professional teaching standards and who are  
10 teaching in a Washington public school, subject to the following  
11 conditions and limitations:

12 (i) For national board certified teachers, a bonus of \$5,090 per  
13 teacher in the 2013-14 and 2014-15 school years;

14 (ii) An additional \$5,000 annual bonus shall be paid to national  
15 board certified teachers who teach in either: (A) High schools where  
16 at least 50 percent of student headcount enrollment is eligible for  
17 federal free or reduced price lunch, (B) middle schools where at least  
18 60 percent of student headcount enrollment is eligible for federal free  
19 or reduced price lunch, or (C) elementary schools where at least 70  
20 percent of student headcount enrollment is eligible for federal free or  
21 reduced price lunch;

22 (iii) The superintendent of public instruction shall adopt rules to  
23 ensure that national board certified teachers meet the qualifications  
24 for bonuses under (a)(ii) of this subsection for less than one full  
25 school year receive bonuses in a pro-rated manner. All bonuses in  
26 (a)(i) and (ii) of this subsection will be paid in July of each school  
27 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced  
28 by a factor of 40 percent for first year NBPTS certified teachers, to  
29 reflect the portion of the instructional school year they are  
30 certified; and

31 (iv) During the 2013-14 and 2014-15 school years, and within  
32 available funds, certificated instructional staff who have met the  
33 eligibility requirements and have applied for certification from the  
34 national board for professional teaching standards may receive a  
35 conditional loan of two thousand dollars or the amount set by the  
36 office of the superintendent of public instruction to contribute toward  
37 the current assessment fee, not including the initial up-front  
38 candidacy payment. The fee shall be an advance on the first annual

1 bonus under RCW 28A.405.415. The conditional loan is provided in  
2 addition to compensation received under a district's salary schedule  
3 and shall not be included in calculations of a district's average  
4 salary and associated salary limitation under RCW 28A.400.200.  
5 Recipients who fail to receive certification after three years are  
6 required to repay the conditional loan. The office of the  
7 superintendent of public instruction shall adopt rules to define the  
8 terms for initial grant of the assessment fee and repayment, including  
9 applicable fees. To the extent necessary, the superintendent may use  
10 revenues from the repayment of conditional loan scholarships to ensure  
11 payment of all national board bonus payments required by this section  
12 in each school year.

13 (4) \$950,000 of the general fund--state appropriation for fiscal  
14 year 2014 and \$950,000 of the general fund--state appropriation for  
15 fiscal year 2015 are provided solely for the Washington reading corps.  
16 The superintendent shall allocate reading corps members to low-  
17 performing schools and school districts that are implementing  
18 comprehensive, proven, research-based reading programs. Two or more  
19 schools may combine their Washington reading corps programs.

20 (5) \$2,000,000 of the general fund--state appropriation for fiscal  
21 year 2014 and \$2,000,000 of the general fund--state appropriation for  
22 fiscal year 2015 are provided solely for a statewide information  
23 technology (IT) academy program. This public-private partnership will  
24 provide educational software, as well as IT certification and software  
25 training opportunities for students and staff in public schools.

26 (6) \$1,000,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$1,000,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for a beginning educator support  
29 program. School districts and/or regional consortia may apply for  
30 grant funding. The superintendent shall implement this program in 5 to  
31 15 school districts and/or regional consortia. The program provided by  
32 a district and/or regional consortia shall include: A paid  
33 orientation; assignment of a qualified mentor; development of a  
34 professional growth plan for each beginning teacher aligned with  
35 professional certification; release time for mentors and new teachers  
36 to work together; and teacher observation time with accomplished peers.  
37 \$250,000 may be used to provide statewide professional development  
38 opportunities for mentors and beginning educators.

1 (7) \$5,107,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$5,108,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely to enhance current evaluation  
4 system training programs for teachers. Chapter 35, Laws of 2012  
5 implemented, statewide, the principal and teacher evaluation system  
6 that began as pilot programs two years previously. Funding was  
7 provided at that time to train all administrative staff in the new  
8 evaluation system and for the superintendent of public instruction to  
9 collaborate with educational service districts to develop and make  
10 available a professional development program for teachers, including a  
11 comprehensive on-line training package. The appropriations in this  
12 subsection will enhance teacher training opportunities.

13 (8) \$450,000 of the general fund--state appropriation for fiscal  
14 year 2014 and \$659,000 of the general fund--state appropriation for  
15 fiscal year 2015 are provided solely to implement Engrossed Second  
16 Substitute Senate Bill No. 5330 (improving student achievement and  
17 student outcomes), including implementing changes to the learning  
18 assistance program (LAP); providing additional LAP data collection and  
19 reporting; and implementing provisions and annual reporting of  
20 transition services for disabled students. If the bill is not enacted  
21 by June 30, 2013, the amounts provided in this subsection shall lapse.

22 (9) \$129,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$124,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely to implement Substitute Senate  
25 Bill No. 5755 (establishing a comprehensive initiative to increase  
26 learning opportunities and improve educational outcomes in science,  
27 technology, engineering, and mathematics through multiple strategies  
28 and statewide partnerships). If the bill is not enacted by June 30,  
29 2013, the amounts provided in this subsection shall lapse.

30 (10) \$1,110,000 of the general fund--state appropriation for fiscal  
31 year 2014 and \$1,061,000 of the general fund--state appropriation for  
32 fiscal year 2015 are provided solely to implement Engrossed Second  
33 Substitute Senate Bill No. 5243 (academic acceleration). If the bill  
34 is not enacted by June 30, 2013, the amounts provided in this  
35 subsection shall lapse.

36 (11) \$143,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$10,138,000 of the general fund--state appropriation for  
38 fiscal year 2015 are provided solely to implement Engrossed Second

Substitute Senate Bill No. 5329 (transforming persistently failing schools). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(12) \$2,012,000 of the general fund--state appropriation for fiscal year 2014 and \$3,018,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for grants to school districts based on innovation and the degree to which the district implements incentives that are evidence-based and research-based. Grants are to provide stipends for hard-to-fill subject areas and challenging schools' assignments, among others. Grants will be awarded by the professional educator standards board, with the Washington state institute for public policy. The board must report to the legislative education policy committees and fiscal committees by November 1st of each year on the amount and purposes of the grants awarded.

(13) \$356,000 of the general fund--state appropriation for fiscal year 2014 and \$356,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities coordinated at the Pacific science center, including instructional material purchases, teacher and principal professional development, and school and community engagement events.

**NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

General Fund--State Appropriation (FY 2014)	\$91,490,000
General Fund--State Appropriation (FY 2015)	\$100,515,000
General Fund--Federal Appropriation	\$71,015,000
TOTAL APPROPRIATION	\$263,020,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs as provided in RCW 28A.150.260(10)(b). In calculating the allocations, the superintendent shall assume the following averages:

(i) Additional instruction of 4.7780 hours per week per transitional

1 bilingual program student; (ii) fifteen transitional bilingual program  
2 students per teacher; (iii) 36 instructional weeks per year; (iv) 900  
3 instructional hours per teacher; and (v) the district's average staff  
4 mix and compensation rates as provided in sections 503 and 504 of this  
5 act.

6 (b) The average funding allocation calculated according to  
7 subsection (2)(a) of this section will be the basis for calculating a  
8 cost-neutral allocation for varying levels of instructional hours for  
9 students that have not attained English language proficiency for the  
10 2013-14 school year. The allocations shall be scaled to provide more  
11 support to students with the lowest level of English language  
12 proficiency and less support to students with the highest level of  
13 proficiency. The allocation hours calculated for the 2013-14 school  
14 year for each level of proficiency shall remain constant for the 2014-  
15 15 school year.

16 (c) Additional funding for students that successfully exit the  
17 bilingual program, beginning in the 2014-15 school year, will provide,  
18 on a statewide average, 3.0 hours per week in extra instruction with  
19 fifteen students per teacher. Students that successfully exit in the  
20 2013-14 school year are funded in the 2014-15 school year. It is the  
21 intent of the legislature that, beginning in the 2015-16 school year,  
22 funding will be provided for students who have successfully exited the  
23 bilingual program in the two previous school years. Funding provided  
24 under this subsection (2)(c) shall not be considered part of basic  
25 education.

26 (d) From July 1, 2013, to August 31, 2013, the superintendent shall  
27 allocate funding to school districts for transitional bilingual  
28 instruction programs as provided in section 514, chapter 50, Laws of  
29 2011 1st sp. sess., as amended through section 512 of the 2013 omnibus  
30 supplemental operating appropriations act (Senate Bill No. 5033).

31 (3) The superintendent may withhold allocations to school districts  
32 in subsection (2) of this section solely for the central provision of  
33 assessments as provided in RCW 28A.180.090 (1) and (2) up to the  
34 following amounts: 1.56 percent for school year 2013-14 and 1.41  
35 percent for school year 2014-15.

36 (4) The general fund--federal appropriation in this section is for  
37 migrant education under Title I Part C and English language

1 acquisition, and language enhancement grants under Title III of the  
2 elementary and secondary education act.

3 (5) \$35,000 of the general fund--state appropriation for fiscal  
4 year 2014 and \$35,000 of the general fund--state appropriation for  
5 fiscal year 2015 are provided solely to track current and former  
6 transitional bilingual program students.

7 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**  
8 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

9	General Fund--State Appropriation (FY 2014) . . . . .	\$133,599,000
10	General Fund--State Appropriation (FY 2015) . . . . .	\$137,064,000
11	General Fund--Federal Appropriation . . . . .	\$448,435,000
12	Education Legacy Trust Account--State Appropriation . . .	\$240,604,000
13	TOTAL APPROPRIATION . . . . .	\$959,702,000

14 The appropriations in this section are subject to the following  
15 conditions and limitations:

16 (1) The general fund--state appropriations in this section are  
17 subject to the following conditions and limitations:

18 (a) The appropriations include such funds as are necessary to  
19 complete the school year ending in the fiscal year and for prior fiscal  
20 year adjustments.

21 (b)(i) For the 2013-14 and 2014-15 school years, the superintendent  
22 shall allocate funding to school districts for learning assistance  
23 programs as provided in RCW 28A.150.260(10)(a). In calculating the  
24 allocations, the superintendent shall assume the following averages:

25 (A) Additional instruction of 3.00000 hours per week per funded  
26 learning assistance program student; (B) fifteen learning assistance  
27 program students per teacher; (C) 36 instructional weeks per year; (D)  
28 900 instructional hours per teacher; and (E) the district's average  
29 staff mix and compensation rates as provided in sections 503 and 504 of  
30 this act.

31 (ii) From July 1, 2013, to August 31, 2013, the superintendent  
32 shall allocate funding to school districts for learning assistance  
33 programs as provided in section 515, chapter 50, Laws of 2011 1st sp.  
34 sess., as amended through section 513 of the 2013 omnibus supplemental  
35 operating appropriations act (Senate Bill No. 5033).

36 (c) A school district's funded students for the learning assistance  
37 program shall be the sum of the district's full-time equivalent



1 enrollment in grades K-12 for the prior school year multiplied by the  
2 district's percentage of October headcount enrollment in grades K-12  
3 eligible for free or reduced price lunch in the prior school year.

4 (2) Allocations made pursuant to subsection (1) of this section  
5 shall be adjusted to reflect ineligible applications identified through  
6 the annual income verification process required by the national school  
7 lunch program, as recommended in the report of the state auditor on the  
8 learning assistance program dated February, 2010.

9 (3) In the 2013-14 and 2014-15 school years, districts may use  
10 learning assistance program funds to continue providing educational  
11 supports to under-achieving students that would otherwise have been  
12 provided through the following non-basic education statewide grants and  
13 programs, provided the programs are consistent with RCW  
14 28A.150.260(10)(a) and research has shown the programs to be effective,  
15 consistent with Engrossed Second Substitute Senate Bill No. 5330  
16 (improving student achievement and student outcomes). The individual  
17 statewide programs are options but are not components of the basic  
18 education program, nor do they represent an individual entitlement to  
19 any particular student. School districts may coordinate implementation  
20 of the programs statewide, regionally, or individually. The programs  
21 are:

22 (a) Project citizen;

23 (b) Collaborative schools for innovation and success;

24 (c) Open K-12 educational resources (Chapter 178, Laws of 2012);

25 (d) Interpreter services standards;

26 (e) Nurse corps;

27 (f) Navigation 101;

28 (g) Washington achievers scholars;

29 (h) College bound scholarship outreach;

30 (i) Building bridges grants;

31 (j) Jobs for America's graduates (JAG);

32 (k) Communities in schools;

33 (l) Dream big community center;

34 (m) Readiness to learn;

35 (n) Career and technical education (CTE) grants;

36 (o) Regional education technology support centers;

37 (p) Leadership academy;

38 (q) Principal and superintendent internships;

(r) Middle-and high-school applied science, technology, engineering, and mathematics (STEM) grants;

(s) Science, technology, engineering, and mathematics (STEM) work group;

(t) Paying for actual student success (PASS) program;

(u) Project Lead the Way;

(v) Skills centers aerospace manufacturing hub; and

(w) The aerospace assembly program.

(4) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(5) A school district may carry over from one year to the next up to 10 percent of the general fund--state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

**NEW SECTION.      Sec. 516.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocations purposes only, unless specified by part V of this act, and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an enhancement. Any amounts provided in part V of this act in excess of the amounts required by Title 28A RCW provided in statute, are not within the program of basic education unless clearly stated by this act.

(2) To the maximum extent practicable, when adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall attempt to seek legislative approval through the budget request process.

(3) Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as

1 required by this act. Subsequent allotment modifications shall not  
2 include transfers of moneys between sections of this act.

(End of part)

PART VI  
HIGHER EDUCATION

NEW SECTION.     **Sec. 601.**     The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the office of the state human resource director for inclusion in the data warehouse. Uniform reporting procedures shall be established by the office of the state human resource director for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4)(a) For institutions receiving appropriations in section 605 of this act, the only allowable salary increases provided are those with normally occurring promotions and increases related to faculty and staff retention. In fiscal year 2014 and fiscal year 2015, the state board for community and technical colleges may use salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training.

(b) For employees under the jurisdiction of chapter 41.56 RCW, salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(c) For each institution of higher education receiving appropriations under sections 606 through 611 of this act:

(i) The only allowable salary increases are those associated with normally occurring promotions and increases related to faculty and staff retention; and

(ii) Institutions may provide salary increases from other sources to instructional and research faculty at the universities and The Evergreen State College, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under chapter 41.80 RCW. Any salary increase granted under the authority of this subsection (4)(c)(ii) shall not be included in an institution's salary base for future state funding. It is the intent of the legislature that state general fund support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (4)(c)(ii).

**NEW SECTION. Sec. 602.** (1) Within the funds appropriated in this act, each institution of higher education is expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
University of Washington	37,253	37,253
Washington State University	22,454	22,454
Central Washington University	8,808	8,808
Eastern Washington University	8,734	8,734
The Evergreen State College	4,218	4,218
Western Washington University	11,762	11,762
State Board for Community & Technical Colleges		
Adult Students	139,237	139,237
Running Start Students	11,558	11,558

1 (2) If either Senate Bill No. 5883 (higher education funding) or  
2 Senate Bill No. 5941 (resident undergraduate tuition) is enacted by  
3 June 30, 2013, subsection (1) of this section shall have no effect.

4 (3) Each institution shall seek to:

5 (a) Maintain and to the extent possible increase enrollment  
6 opportunities at branch campuses;

7 (b) Maintain and to the extent possible increase enrollment  
8 opportunities at university centers and other partnership programs that  
9 enable students to earn baccalaureate degrees on community college  
10 campuses; and

11 (c) Eliminate and consolidate programs of study for which there is  
12 limited student or employer demand, or that are not areas of core  
13 academic strength for the institution, particularly when such programs  
14 duplicate offerings by other in-state institutions.

15 (4) For purposes of monitoring and reporting statewide enrollment,  
16 the University of Washington and Washington State University shall  
17 notify the office of financial management of the number of full-time  
18 student equivalent enrollments budgeted for each of their campuses.

19 **NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

20 (1) For the purposes of chapter 28B.15 RCW, the omnibus  
21 appropriations act assumes no increase of tuition levels for resident  
22 undergraduate students over the amounts charged to resident  
23 undergraduate students for the prior year.

24 (2) For the 2013-14 and 2014-15 academic years, the institutions of  
25 higher education are authorized to adopt tuition levels that are less  
26 than, equal to, or greater than the tuition levels assumed in  
27 subsection (1) of this section. However, to the extent that tuition  
28 levels exceed the tuition levels assumed in subsection (1) of this  
29 section, the institution shall be subject to the conditions and  
30 limitations provided in RCW 28B.15.102. If either Senate Bill No. 5883  
31 (higher education funding) or Senate Bill No. 5941 (resident  
32 undergraduate tuition) is enacted by June 30, 2013, subsections (1) and  
33 (2) of this section shall have no effect.

34 (3) Each governing board is authorized to increase tuition charges  
35 to graduate and professional students, and to nonresident undergraduate  
36 students, by amounts judged reasonable and necessary by the governing  
37 board.

1 (4) Each governing board is authorized to increase summer quarter  
2 or semester tuition fees for resident and nonresident undergraduate,  
3 graduate, and professional students pursuant to RCW 28B.15.067.

4 (5) Each governing board is authorized to adopt or increase charges  
5 for fee-based, self-sustaining degree programs, credit courses,  
6 noncredit workshops and courses, and special contract courses by  
7 amounts judged reasonable and necessary by the governing board.

8 (6) Each governing board is authorized to adopt or increase  
9 services and activities fees for all categories of students as provided  
10 in RCW 28B.15.069.

11 (7) Each governing board is authorized to adopt or increase  
12 technology fees as provided in RCW 28B.15.069.

13 (8) Each governing board is authorized to adopt or increase special  
14 course and lab fees, and health and counseling fees, to the extent  
15 necessary to cover the reasonable and necessary exceptional cost of the  
16 course or service.

17 (9) Each governing board is authorized to adopt or increase  
18 administrative fees such as, but not limited to, those charged for  
19 application, matriculation, special testing, and transcripts by amounts  
20 judged reasonable and necessary by the governing board.

21 (10) The state universities, the regional universities, and The  
22 Evergreen State College must accept the transfer of college-level  
23 courses taken by running start students if a student seeking a transfer  
24 of the college-level courses has been admitted to the state university,  
25 the regional university, or The Evergreen State College, and if the  
26 college-level courses are recognized as transferrable by the admitting  
27 institution of higher education.

28 (11) Appropriations in sections 606 through 611 of this act are  
29 sufficient to implement 2013-2015 collective bargaining agreements at  
30 institutions of higher education negotiated under chapter 41.80 RCW.  
31 The institutions may also use these funds for any other purpose  
32 including restoring prior compensation reductions, increasing  
33 compensation, and implementing other collective bargaining agreements.

34 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**  
35 **COLLEGES**

36 (1) The state board for community and technical colleges and the  
37 trustees of the state's community and technical colleges may not

1 increase tuition and fees for resident undergraduate students in fiscal  
2 year 2014 or fiscal year 2015. If either Senate Bill No. 5883 (higher  
3 education funding) or Senate Bill No. 5941 (resident undergraduate  
4 tuition) is enacted by June 30, 2013, subsection (1) of this section  
5 shall have no effect.

6 (2) Appropriations in section 605 are sufficient to implement 2013-  
7 2015 collective bargaining agreements at institutions of higher  
8 education negotiated under chapter 41.80 RCW. The colleges may also  
9 use these funds for any other purpose including restoring prior  
10 compensation reductions, increasing compensation, and implementing  
11 other collective bargaining agreements.

12 (3) The state board may increase the tuition fees charged to  
13 nonresident students by amounts judged reasonable and necessary by the  
14 board.

15 (4) The trustees of the technical colleges are authorized to either  
16 (a) freeze operating fees for the next two academic years; or (b) fully  
17 adopt the tuition fee charge schedule adopted by the state board for  
18 community colleges.

19 (5) For academic years 2013-14 and 2014-15, the trustees of the  
20 technical colleges are authorized to increase building fees by an  
21 amount judged reasonable in order to progress toward parity with the  
22 building fees charged students attending the community colleges.

23 (6) The state board is authorized to increase the maximum allowable  
24 services and activities fees as provided in RCW 28B.15.069. The  
25 trustees of the community and technical colleges are authorized to  
26 increase services and activities fees up to the maximum level  
27 authorized by the state board.

28 (7) The trustees of the community and technical colleges are  
29 authorized to adopt or increase charges for fee-based, self-sustaining  
30 programs such as summer session, international student contracts, and  
31 special contract courses by amounts judged reasonable and necessary by  
32 the trustees.

33 (8) The trustees of the community and technical colleges are  
34 authorized to adopt or increase special course and lab fees to the  
35 extent necessary to cover the reasonable and necessary exceptional cost  
36 of the course or service.

37 (9) The trustees of the community and technical colleges are  
38 authorized to adopt or increase administrative fees such as but not



limited to those charged for application, matriculation, special testing, and transcripts by amounts judged reasonable and necessary by the trustees.

**NEW SECTION. Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund--State Appropriation (FY 2014)	\$573,747,000
General Fund--State Appropriation (FY 2015)	\$574,326,000
Community/Technical College Capital Projects	
Account--State Appropriation	\$17,548,000
Education Legacy Trust Account--State Appropriation	\$95,468,000
TOTAL APPROPRIATION	\$1,261,089,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$33,261,000 of the general fund--state appropriation for fiscal year 2014 and \$33,261,000 of the general fund--state appropriation for fiscal year 2015 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 7,170 full-time equivalent students in fiscal year 2014 and at least 7,170 full-time equivalent students in fiscal year 2015.

(2) \$2,725,000 of the general fund--state appropriation for fiscal year 2014 and \$2,725,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) \$13,407,000 of the general fund--state appropriation for fiscal year 2014 and \$13,407,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the student achievement initiative.

(4) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community

1 and technical colleges shall consider lower cost alternatives, such as  
2 mailing postcards or brochures that direct individuals to online  
3 information and other ways of acquiring print catalogs.

4 (5) The state board for community and technical colleges shall not  
5 use funds appropriated in this section to support intercollegiate  
6 athletics programs.

7 (6) \$500,000 of the general fund--state appropriation for fiscal  
8 year 2014 is provided solely for implementation of Second Substitute  
9 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not  
10 enacted by June 30, 2013, the amount provided in this subsection shall  
11 lapse.

12 (7) \$255,000 of the general fund--state appropriation for fiscal  
13 year 2014 and \$255,000 of the general fund--state appropriation for  
14 fiscal year 2015 are provided solely for implementation of a maritime  
15 industries training program at south Seattle community college.

16 **NEW SECTION. Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

17	General Fund--State Appropriation (FY 2014) . . . . .	\$232,866,000
18	General Fund--State Appropriation (FY 2015) . . . . .	\$232,757,000
19	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$700,000
20	Education Legacy Trust Account--State Appropriation . . . .	\$13,998,000
21	Economic Development Strategic Reserve	
22	Account--State Appropriation . . . . .	\$3,000,000
23	Biotoxin Account--State Appropriation . . . . .	\$390,000
24	Accident Account--State Appropriation . . . . .	\$6,767,000
25	Medical Aid Account--State Appropriation . . . . .	\$6,566,000
26	Environmental Legacy Stewardship Account--State	
27	Appropriation . . . . .	\$1,120,000
28	TOTAL APPROPRIATION . . . . .	\$498,164,000

29 The appropriations in this section are subject to the following  
30 conditions and limitations:

31 (1) \$700,000 of the aquatic lands enhancement account--state  
32 appropriation and \$1,120,000 of the environmental legacy stewardship  
33 account--state appropriation are provided solely for the center on  
34 ocean pH balance and related work necessary to implement the  
35 recommendations of the governor's blue ribbon task force on ocean  
36 acidification. The university shall provide staffing for this purpose.

(2) \$3,000,000 of the economic development strategic reserve account appropriation is provided solely to support the joint center for aerospace innovation technology.

(3) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) Appropriations from the environmental legacy stewardship account in this section shall be made from the state toxic control account if legislation creating and funding the environmental legacy and stewardship account is not enacted by June 30, 2013.

**NEW SECTION. Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

General Fund--State Appropriation (FY 2014) . . . . .	\$156,086,000
General Fund--State Appropriation (FY 2015) . . . . .	\$157,770,000
Education Legacy Trust Account--State Appropriation . . . . .	\$33,995,000
TOTAL APPROPRIATION . . . . .	\$347,851,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within existing resources, Washington State University shall establish a forestry program.

(2) Washington State University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(3) \$2,915,000 of the general fund--state appropriation for fiscal year 2014 and \$3,885,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for expansion of medical education and biomedical research in Spokane.

**NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2014) . . . . .	\$30,229,000
General Fund--State Appropriation (FY 2015) . . . . .	\$30,280,000
Education Legacy Trust Account--State Appropriation . . . . .	\$15,793,000
TOTAL APPROPRIATION . . . . .	\$76,302,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(2) At least \$200,000 of the general fund--state appropriation for fiscal year 2014 and at least \$200,000 of the general fund--state

1 appropriation for fiscal year 2015 shall be expended on the Northwest  
2 autism center.

3 NEW SECTION. **Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2014) . . . . .	\$27,620,000
5	General Fund--State Appropriation (FY 2015) . . . . .	\$27,646,000
6	Education Legacy Trust Account--State Appropriation . . . . .	\$19,076,000
7	TOTAL APPROPRIATION . . . . .	\$74,342,000

8 The appropriations in this section are subject to the following  
9 conditions and limitations: Central Washington University shall not  
10 use funds appropriated in this section to support intercollegiate  
11 athletics programs.

12 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

13	General Fund--State Appropriation (FY 2014) . . . . .	\$18,129,000
14	General Fund--State Appropriation (FY 2015) . . . . .	\$17,761,000
15	Education Legacy Trust Account--State Appropriation . . . . .	\$5,450,000
16	TOTAL APPROPRIATION . . . . .	\$41,340,000

17 The appropriations in this section are subject to the following  
18 conditions and limitations:

19 (1) Funding provided in this section is sufficient for The  
20 Evergreen State College to continue operations of the Longhouse Center  
21 and the Northwest Indian applied research institute.

22 (2) The Evergreen State College shall not use funds appropriated in  
23 this section to support intercollegiate athletics programs.

24 (3) \$85,000 of the general fund--state appropriation for fiscal  
25 year 2014 is provided solely for the Washington state institute for  
26 public policy to conduct an empirical study of the validity and  
27 reliability of the safety assessment tool currently used in child  
28 welfare cases by the children's administration of the department of  
29 social and health services. In conducting this study, the institute  
30 must identify: (a) Whether other empirically based child welfare  
31 safety assessment tools exist and, if so, compare those tools to the  
32 tool used by the children's administration; (b) whether other factors  
33 or combination of factors not included in the current safety assessment  
34 tool should be included to help predict real outcomes; and (c) where  
35 possible, whether there is unnecessary duplication in the application

1 of the family assessment tool used by the department. A report on the  
2 study is due to the appropriate policy committees of the legislature by  
3 December 15, 2013.

4 (4) \$60,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$40,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for the Washington state institute  
7 for public policy to study evidence and research-based methodologies  
8 that the state can implement to control medicaid and other health care  
9 costs. The institute shall submit an interim report to the legislative  
10 fiscal committees by December 1, 2013, with a final report due by July  
11 1, 2014.

12 (5) \$100,000 of the general fund--state appropriation for fiscal  
13 year 2014 and \$50,000 of the general fund--state appropriation for  
14 fiscal year 2015 are provided solely for the Washington state institute  
15 for public policy to conduct a comprehensive retrospective outcome  
16 evaluation and return on investment analysis of the early learning  
17 childhood program pursuant to Senate Bill No. 5904 (high quality early  
18 learning). This evaluation is due December 15, 2014. If the bill is  
19 not enacted by June 30, 2013, the amount provided in this subsection  
20 shall lapse.

21 (6) \$50,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$50,000 of the general fund--state appropriation for  
23 fiscal year 2015 are provided solely for the Washington state institute  
24 for public policy to develop a risk assessment instrument for patients  
25 committed for involuntary treatment in Washington state.

26 (7) \$58,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$27,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for the Washington state institute  
29 for public policy to prepare an inventory of evidence-based and  
30 research-based effective practices, activities, and programs for use by  
31 school districts in the learning assistance program pursuant to  
32 Engrossed Second Substitute Senate Bill No. 5330 (student achievement,  
33 outcome). The initial inventory is due by August 1, 2014, and shall be  
34 updated every two years thereafter. If the bill is not enacted by June  
35 30, 2013, the amounts provided in this subsection shall lapse.

36 (8) \$50,000 of the general fund--state appropriation for fiscal  
37 year 2014 are provided solely for the Washington state institute for  
38 public policy to provide expertise to the department of corrections on

the implementation of programming that follows the risk needs  
responsivity model. In consultation with the department of  
corrections, the institute will systematically review selected programs  
for outcome measures.

**NEW SECTION. Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2014)	\$41,525,000
General Fund--State Appropriation (FY 2015)	\$41,563,000
Education Legacy Trust Account--State Appropriation	\$13,154,000
TOTAL APPROPRIATION	\$96,242,000

The appropriations in this section are subject to the following  
conditions and limitations: Western Washington University shall not  
use funds appropriated in this section to support intercollegiate  
athletics programs.

**NEW SECTION. Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL--  
POLICY COORDINATION AND ADMINISTRATION**

General Fund--State Appropriation (FY 2014)	\$5,320,000
General Fund--State Appropriation (FY 2015)	\$5,333,000
General Fund--Federal Appropriation	\$4,820,000
TOTAL APPROPRIATION	\$15,473,000

The appropriations in this section are subject to the following  
conditions and limitations: The student achievement council is  
authorized to increase or establish fees for initial degree  
authorization, degree authorization renewal, degree authorization  
reapplication, new program applications, and new site applications  
pursuant to RCW 28B.85.060.

**NEW SECTION. Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL--  
OFFICE OF STUDENT FINANCIAL ASSISTANCE**

General Fund--State Appropriation (FY 2014)	\$259,057,000
General Fund--State Appropriation (FY 2015)	\$264,467,000
General Fund--Federal Appropriation	\$11,658,000
General Fund--Private/Local Appropriation	\$34,000
Washington Opportunity Pathways Account--State Appropriation	\$147,000,000
TOTAL APPROPRIATION	\$682,216,000

1       The appropriations in this section are subject to the following  
2 conditions and limitations:

3       (1) \$237,454,000 of the general fund--state appropriation for  
4 fiscal year 2014, \$237,455,000 of the general fund--state appropriation  
5 for fiscal year 2015, and \$147,000,000 of the opportunity pathways  
6 account--state appropriation are provided solely for student financial  
7 aid payments under the state need grant and state work study program  
8 including up to a four percent administrative allowance for the state  
9 work study program.

10       (2) Changes made to the state need grant program in the 2011-2013  
11 fiscal biennium are continued in the 2013-2015 fiscal biennium  
12 including aligning increases in awards given to private institutions  
13 with the annual tuition increases for public research institutions or  
14 the private institutions average annual tuition increase experience of  
15 3.5 percent per year, whichever is less, and reducing the awards for  
16 students who first enrolled as a new student in for-profit institutions  
17 as of the 2011-2012 academic year or thereafter by fifty percent,  
18 except that one-half of the fifty percent reduction shall be restored  
19 on July 1, 2013, for students attending regionally accredited for-  
20 profit institutions.

21       (3) Changes made to the state work study program in the 2009-2011  
22 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal  
23 biennium including maintaining the increased required employer share of  
24 wages; adjusted employer match rates; discontinuation of nonresident  
25 student eligibility for the program; and revising distribution methods  
26 to institutions by taking into consideration other factors such as off-  
27 campus job development, historical utilization trends, and student  
28 need.

29       (4) Within the funds appropriated in this section, eligibility for  
30 the state need grant shall include students with family incomes at or  
31 below 70 percent of the state median family income (MFI), adjusted for  
32 family size, and shall include students enrolled in three to five  
33 credit-bearing quarter credits, or the equivalent semester credits.  
34 Awards for all students shall be adjusted by the estimated amount by  
35 which Pell grant increases exceed projected increases in the  
36 noninstructional costs of attendance. Awards for students with incomes  
37 between 51 and 70 percent of the state median shall be prorated at the  
38 following percentages of the award amount granted to those with incomes

below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(5) Students who are eligible for the college bound scholarship shall be given priority for the state need grant program. Institutions must award the maximum state need grant for which the student is eligible under state policies prior to awarding the college bound scholarship for students who have applied for aid in a timely fashion.

(6) \$13,933,000 of the general fund--state appropriation for fiscal year 2014 and \$19,792,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the college bound scholarship program.

(7) \$2,236,000 of the general fund--state appropriation for fiscal year 2014 and \$2,236,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the passport to college program. The maximum scholarship award shall be \$5,000. The board shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of \$500,000 in fiscal years 2014 and 2015 for this purpose.

**NEW SECTION. Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

General Fund--State Appropriation (FY 2014)	\$1,425,000
General Fund--State Appropriation (FY 2015)	\$1,323,000
General Fund--Federal Appropriation	\$54,254,000
TOTAL APPROPRIATION	\$57,002,000

The appropriations in this section are subject to the following conditions and limitations: For the 2013-2015 fiscal biennium, the board shall not designate recipients of the Washington award for vocational excellence or recognize them at award ceremonies as provided in RCW 28C.04.535.

**NEW SECTION. Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund--State Appropriation (FY 2014)	\$37,214,000
General Fund--State Appropriation (FY 2015)	\$40,542,000



1	General Fund--Federal Appropriation . . . . .	\$295,994,000
2	Home Visiting Services Account--State Appropriation . . . . .	\$2,868,000
3	Home Visiting Services Account--Federal	
4	Appropriation . . . . .	\$22,757,000
5	Washington Opportunity Pathways Account--State	
6	Appropriation . . . . .	\$80,000,000
7	Children's Trust Account--State Appropriation . . . . .	\$180,000
8	TOTAL APPROPRIATION . . . . .	\$479,555,000

9       The appropriations in this section are subject to the following  
10 conditions and limitations:

11       (1) \$25,285,000 of the general fund--state appropriation for fiscal  
12 year 2014, \$29,155,000 of the general fund--state appropriation of  
13 fiscal year 2013, \$80,000,000 of the opportunity pathways account  
14 appropriation, and \$2,256,000 of the general fund--federal  
15 appropriation are provided solely for the early childhood education  
16 assistance program services. Of these amounts, \$10,284,000 is a  
17 portion of the biennial amount of state maintenance of effort dollars  
18 required to receive federal child care and development fund grant  
19 dollars.

20       (2) \$158,717,000 of the general fund--federal appropriation is  
21 provided solely for the working connections child care program under  
22 RCW 43.215.135.

23       (3) The department is the lead agency for and recipient of the  
24 federal child care and development fund grant. Amounts within this  
25 grant shall be used to fund child care licensing, quality initiatives,  
26 agency administration, and other costs associated with child care  
27 subsidies. The department shall transfer a portion of this grant to  
28 the department of social and health services to fund the child care  
29 subsidies paid by the department of social and health services on  
30 behalf of the department of early learning.

31       (4) \$150,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$150,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely to develop and provide culturally  
34 relevant supports for parents, family, and other caregivers.

35       (5) \$1,434,000 of the general fund--state appropriation for fiscal  
36 year 2014, \$1,434,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for expenditure into the home  
38 visiting services account.

1 (6) \$556,000 of the general fund--state appropriation for fiscal  
2 year 2014, \$556,000 of the general fund--state appropriation for fiscal  
3 year 2015, and \$477,000 of the general fund--federal appropriation are  
4 provided solely for implementation of an electronic benefit transfer  
5 system. The system shall include electronic time keeping and payment  
6 system. The department shall coordinate implementation of this system  
7 with the department of social and health services.

8 (7) \$155,000 of the general fund--state appropriation for fiscal  
9 year 2015, \$155,000 of the general fund--state appropriation for fiscal  
10 year 2015, and \$133,000 of the general fund--state appropriation are  
11 provided solely for implementation of an electronic eligibility system  
12 for child care benefits.

13 (8) Within available amounts, the department in consultation with  
14 the office of financial management and the department of social and  
15 health services shall report quarterly enrollments and active caseload  
16 for the working connections child care program to the legislative  
17 fiscal committees and the legislative-executive WorkFirst oversight  
18 task force. The report shall also identify the number of cases  
19 participating in both temporary assistance for needy families and  
20 working connections child care.

21 (9) \$1,025,000 of the general fund--state appropriation for fiscal  
22 year 2014, \$1,075,000 of the general fund--state appropriation for  
23 fiscal year 2015, and \$13,424,000 of the general fund--federal  
24 appropriation are provided solely for the seasonal child care program.

25 (10) \$3,022,000 of the general fund--state appropriation for fiscal  
26 year 2014, \$2,522,000 of the general fund--state appropriation for  
27 fiscal year 2015, and \$4,304,000 of the general fund--federal  
28 appropriation are provided solely for the medicaid treatment child care  
29 (MTCC) program. The department shall contract for MTCC services to  
30 provide therapeutic child care and other specialized treatment services  
31 to abused, neglected, at-risk, and/or drug-affected children. Priority  
32 for services shall be given to children referred from the department of  
33 social and health services children's administration. In addition to  
34 referrals made by children's administration, the department shall  
35 authorize services for children referred to the MTCC program, as long  
36 as the children meet the eligibility requirements as outlined in the  
37 Washington state plan for the MTCC program.

(a) Of the amounts provided in this subsection, \$60,000 per fiscal year may be used by the department for administering the MTCC program, if needed.

(b) Of the amounts provided in this subsection, \$500,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to continue providing services in the event of losing federal funding for the MTCC program. To the extent that the moneys provided in this subsection (10)(b) are not necessary for this purpose, the amounts provided shall lapse.

(11) \$300,000 of the general fund--federal appropriation is provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(12) \$134,000 of the general fund--state appropriation for fiscal year 2014 and \$100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Second Substitute Senate Bill No. 5595 (child care reform). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

General Fund--State Appropriation (FY 2014)	\$5,958,000
General Fund--State Appropriation (FY 2015)	\$5,742,000
General Fund--Private/Local Appropriation	\$18,000
TOTAL APPROPRIATION	\$11,718,000

**NEW SECTION. Sec. 617. FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS**

General Fund--State Appropriation (FY 2014)	\$8,579,000
General Fund--State Appropriation (FY 2015)	\$8,573,000
TOTAL APPROPRIATION	\$17,152,000

**NEW SECTION. Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

General Fund--State Appropriation (FY 2014)	\$1,126,000
General Fund--State Appropriation (FY 2015)	\$1,099,000
General Fund--Federal Appropriation	\$2,074,000
General Fund--Private/Local Appropriation	\$12,000
TOTAL APPROPRIATION	\$4,311,000

NEW SECTION.      **Sec. 619.**      **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2014)	\$2,110,000
General Fund--State Appropriation (FY 2015)	\$2,140,000
TOTAL APPROPRIATION	\$4,250,000

NEW SECTION.      **Sec. 620.**      **FOR THE EASTERN WASHINGTON STATE**  
**HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2014)	\$1,601,000
General Fund--State Appropriation (FY 2015)	\$1,534,000
TOTAL APPROPRIATION	\$3,135,000

(End of part)

PART VII  
SPECIAL APPROPRIATIONS

NEW SECTION.    **Sec. 701.    FOR THE STATE TREASURER--BOND RETIREMENT  
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES:    FOR  
DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2014) . . . . .	\$973,029,000
General Fund--State Appropriation (FY 2015) . . . . .	\$1,047,664,000
State Building Construction Account--State Appropriation . . . . .	\$4,297,000
Columbia River Basin Water Supply Development Account--State Appropriation . . . . .	\$269,000
State Taxable Building Construction Account--State Appropriation . . . . .	\$211,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation . . . . .	\$2,320,000
TOTAL APPROPRIATION . . . . .	\$2,027,790,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

NEW SECTION.    **Sec. 702.    FOR THE STATE TREASURER--BOND RETIREMENT  
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES:    FOR  
GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

Accident Account--State Appropriation . . . . .	\$4,138,000
Medical Aid Account--State Appropriation . . . . .	\$4,138,000
TOTAL APPROPRIATION . . . . .	\$8,276,000

NEW SECTION.    **Sec. 703.    FOR THE STATE TREASURER--BOND RETIREMENT  
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES:    FOR  
GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2014) . . . . .	\$25,636,000
General Fund--State Appropriation (FY 2015) . . . . .	\$16,102,000
Nondebt-Limit Reimbursable Bond Retirement Account--State	

Appropriation . . . . . \$140,215,000  
TOTAL APPROPRIATION . . . . . \$181,953,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for expenditure into the nondebt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the nondebt-limit general fund bond retirement account by June 30, 2014.

**NEW SECTION. Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund--State Appropriation (FY 2014) . . . . . \$1,726,000  
General Fund--State Appropriation (FY 2015) . . . . . \$1,726,000  
State Building Construction Account--State Appropriation . . . \$867,000  
Columbia River Basin Water Supply Development  
Account--State Appropriation . . . . . \$57,000  
State Taxable Building Construction Account--State  
Appropriation . . . . . \$45,000  
TOTAL APPROPRIATION . . . . . \$4,421,000

**NEW SECTION. Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY**

General Fund--State Appropriation (FY 2014) . . . . . \$4,000,000  
General Fund--State Appropriation (FY 2015) . . . . . \$4,000,000  
TOTAL APPROPRIATION . . . . . \$8,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account to be used for any Washington state fire service resource mobilization costs incurred by the Washington state patrol in response to an emergency or disaster authorized under RCW 43.43.960 and 43.43.964.

**NEW SECTION. Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--DISASTER RESPONSE ACCOUNT**

General Fund--State Appropriation (FY 2014) . . . . . \$5,100,000  
General Fund--State Appropriation (FY 2015) . . . . . \$2,500,000  
TOTAL APPROPRIATION . . . . . \$7,600,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account. \$5,000,000 of the appropriation is provided for emergency fire suppression by the department of natural resources.

NEW SECTION.    **Sec. 707.    FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
EMERGENCY FUND**

General Fund--State Appropriation (FY 2014)	\$850,000
General Fund--State Appropriation (FY 2015)	\$850,000
TOTAL APPROPRIATION	\$1,700,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

NEW SECTION.    **Sec. 708.    FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

General Fund--State Appropriation (FY 2014)	\$8,000,000
General Fund--State Appropriation (FY 2015)	\$8,000,000
TOTAL APPROPRIATION	\$16,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the education technology revolving account for the purpose of covering ongoing operational and equipment replacement costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

NEW SECTION.    **Sec. 709.    FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
O'BRIEN BUILDING IMPROVEMENT**

General Fund--State Appropriation (FY 2014)	\$2,948,000
General Fund--State Appropriation (FY 2015)	\$2,942,000
TOTAL APPROPRIATION	\$5,890,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the enterprise services account for payment of

principal, interest, and financing expenses associated with the certificate of participation for the O'Brien building improvement, project number 20081007.

**NEW SECTION. Sec. 710. FOR THE STATE TREASURER--COUNTY PUBLIC HEALTH ASSISTANCE**

General Fund--State Appropriation (FY 2014)	\$36,532,000
General Fund--State Appropriation (FY 2015)	\$36,532,000
TOTAL APPROPRIATION	\$73,064,000

The appropriations in this section are subject to the following conditions and limitations: The state treasurer shall distribute the appropriations to the following counties and health districts in the amounts designated to support public health services, including public health nursing:

Health District	FY 2014	FY 2015	2013-15 Biennium
Adams County Health District	\$122,274	\$122,274	\$244,548
Asotin County Health District	\$160,974	\$160,974	\$321,947
Benton-Franklin Health District	\$1,619,612	\$1,619,612	\$3,239,223
Chelan-Douglas Health District	\$402,160	\$402,160	\$804,320
Clallam County Health and Human Services Department	\$293,160	\$293,160	\$586,320
Clark County Health District	\$1,775,682	\$1,775,682	\$3,551,373
Skamania County Health Department	\$112,322	\$112,322	\$224,644
Columbia County Health District	\$120,925	\$120,925	\$241,850
Cowlitz County Health Department	\$480,325	\$480,325	\$960,650
Garfield County Health District	\$94,072	\$94,072	\$188,145
Grant County Health District	\$299,867	\$299,868	\$599,735
Grays Harbor Health Department	\$337,450	\$337,450	\$674,901
Island County Health Department	\$257,144	\$257,144	\$514,288
Jefferson County Health and Human Services	\$185,235	\$185,235	\$370,471
Seattle-King County Department of Public Health	\$12,723,640	\$12,723,640	\$25,447,280
Bremerton-Kitsap County Health District	\$1,002,681	\$1,002,681	\$2,005,362
Kittitas County Health Department	\$200,231	\$200,231	\$400,461
Klickitat County Health Department	\$154,858	\$154,858	\$309,716



1	Lewis County Health Department	\$264,983	\$264,983	\$529,967
2	Lincoln County Health Department	\$114,907	\$114,907	\$229,814
3	Mason County Department of Health Services	\$228,993	\$228,993	\$457,987
4	Okanogan County Health District	\$171,133	\$171,133	\$342,266
5	Pacific County Health Department	\$170,152	\$170,152	\$340,305
6	Tacoma-Pierce County Health Department	\$4,158,716	\$4,158,716	\$8,317,431
7	San Juan County Health and Community Services	\$126,569	\$126,569	\$253,139
8	Skagit County Health Department	\$452,399	\$452,399	\$904,799
9	Snohomish Health District	\$3,447,104	\$3,447,104	\$6,894,208
10	Spokane County Health District	\$2,886,438	\$2,886,438	\$5,772,877
11	Northeast Tri-County Health District	\$250,935	\$250,935	\$501,870
12	Thurston County Health Department	\$1,052,145	\$1,052,145	\$2,104,291
13	Wahkiakum County Health Department	\$94,114	\$94,113	\$188,228
14	Walla Walla County-City Health Department	\$303,702	\$303,702	\$607,405
15	Whatcom County Health Department	\$1,218,514	\$1,218,514	\$2,437,029
16	Whitman County Health Department	\$190,655	\$190,655	\$381,311
17	Yakima Health District	\$1,057,521	\$1,057,521	\$2,115,042
18				
19	TOTAL APPROPRIATIONS	\$36,531,596	\$36,531,596	\$73,063,202

20        NEW SECTION.    **Sec. 711.    BELATED CLAIMS**

21        The agencies and institutions of the state may expend moneys  
22 appropriated in this act, upon approval of the office of financial  
23 management, for the payment of supplies and services furnished to the  
24 agency or institution in prior fiscal biennia.

25        NEW SECTION.        **Sec. 712.        FOR THE DEPARTMENT OF RETIREMENT**  
26 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

27        The appropriations in this section are subject to the following  
28 conditions and limitations: The appropriations for the law enforcement  
29 officers' and firefighters' retirement system shall be made on a  
30 monthly basis consistent with chapter 41.45 RCW, and the appropriations  
31 for the judges and judicial retirement systems shall be made on a  
32 quarterly basis consistent with chapters 2.10 and 2.12 RCW.

33        (1) There is appropriated for state contributions to the law  
34 enforcement officers' and firefighters' retirement system:

35 General Fund--State Appropriation (FY 2014) . . . . . \$58,700,000  
36 General Fund--State Appropriation (FY 2015) . . . . . \$61,600,000

1 TOTAL APPROPRIATION . . . . . \$120,300,000  
2 (2) There is appropriated for contributions to the judicial  
3 retirement system:  
4 General Fund--State Appropriation (FY 2014) . . . . . \$10,600,000  
5 General Fund--State Appropriation (FY 2015) . . . . . \$10,600,000  
6 TOTAL APPROPRIATION . . . . . \$21,200,000

7 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
8 **COMPENSATION INCREASE - NEW STEP M**

9 General Fund--State Appropriation (FY 2014) . . . . . \$17,990,000  
10 General Fund--State Appropriation (FY 2015) . . . . . \$20,629,000  
11 Special Compensation Increase Revolving Account  
12 Appropriation . . . . . \$25,751,000  
13 TOTAL APPROPRIATION . . . . . \$64,370,000

14 The appropriations in this section are subject to the following  
15 conditions and limitations:

16 (1) The appropriations in this section are provided solely to  
17 increase agency and institution appropriations to reflect compensation  
18 increases resulting from the implementation of a new step M on the  
19 salary grid for classified employees.

20 (2) To facilitate the transfer of moneys from dedicated funds and  
21 accounts, the state treasurer shall transfer sufficient moneys from  
22 each dedicated fund or account to the special compensation increase  
23 revolving account in accordance with schedules provided by the office  
24 of financial management.

25 NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
26 **CONTRIBUTIONS FOR STATE EMPLOYEE HEALTH INSURANCE**

27 General Fund--State Appropriation (FY 2014) . . . . . (\$23,564,000)  
28 General Fund--State Appropriation (FY 2015) . . . . . (\$49,086,000)  
29 Special Insurance Contribution Adjustment  
30 Revolving Account Appropriation . . . . . (\$106,887,000)  
31 TOTAL APPROPRIATION . . . . . (\$179,537,000)

32 The appropriations in this section are subject to the following  
33 conditions and limitations:

34 (1) The appropriations in this section are provided solely to  
35 reduce agency and institution appropriations to reflect changes in

1 part-time employee eligibility consistent with the federal affordable  
2 care act standards for employer shared responsibility under Senate Bill  
3 No. 5905, and decreased employer health insurance costs consistent with  
4 the contribution rates included in sections 932, 933, and 939 of this  
5 act.

6 (2) To facilitate the transfer of moneys from dedicated funds and  
7 accounts, the state treasurer shall transfer sufficient moneys from  
8 each dedicated fund or account to the special insurance contribution  
9 adjustment revolving account in accordance with schedules provided by  
10 the office of financial management. The office shall reduce allotments  
11 for all agencies to reflect these savings.

12 (3) From the allotment reductions made pursuant to this section,  
13 the office of financial management shall allocate \$2,549,000 general  
14 fund--state in fiscal year 2015, and \$17,126,000 from all other funds  
15 to the health care authority to be used solely for reimbursing part-  
16 time state and higher education employees for a portion of health  
17 insurance premiums they pay for coverage in plans offered through the  
18 Washington health benefit exchange beginning July 1, 2014. The  
19 adjustment to state agency and higher education insurance allocations  
20 in this section reflect savings from aligning the health insurance  
21 eligibility criteria for part-time employees with the employer  
22 responsibility provisions of the federal affordable care act.  
23 Beginning July 1, 2014, employees with family incomes below 400 percent  
24 of the federal poverty level who are not offered employer health  
25 insurance coverage are eligible for federal premium credits and  
26 subsidies for out-of-pocket costs for health insurance purchased  
27 through the Washington health benefits exchange.

28 (4) Only persons who are employed for at least 80 hours per month  
29 for at least six consecutive months are eligible for the exchange  
30 premium reimbursement benefit provided under this section, and only for  
31 months in which they work at least 80 hours.

32 (5) The exchange premium reimbursement benefit may not exceed \$2.00  
33 per hour for the number of hours worked by the part-time employee in a  
34 month, and in no case shall exceed \$260 per month. Reimbursement may  
35 only be provided for coverage of the employee and the employee's spouse  
36 and dependent children.

37 (6) The authority shall administer the exchange premium

reimbursement benefit funded by this appropriation and may adopt rules to implement the benefit.

**NEW SECTION. Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
ALLOCATIONS FOR K-12 SCHOOL EMPLOYEE HEALTH INSURANCE**

General Fund--State Appropriation (FY 2015) . . . . . (\$46,141,000)

The appropriation in this section is subject to the following conditions and limitations: The office of financial management, consistent with the provisions of section 504 of this act, shall reduce allocations to K-12 school districts and education service districts for insurance benefits for part-time employees consistent with the appropriations in this section. By aligning part-time employee eligibility more closely with the federal affordable care act employer shared responsibility standards, more part-time school employees will be eligible for premium tax credits and subsidies available for health insurance purchased through the Washington health benefits exchange.

**NEW SECTION. Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
RETIREMENT SYSTEM CONTRIBUTIONS**

General Fund--State Appropriation (FY 2014) . . . . . (\$1,150,000)

General Fund--State Appropriation (FY 2015) . . . . . (\$1,150,000)

TOTAL APPROPRIATION . . . . . (\$2,300,000)

The appropriations in this section are subject to the following conditions and limitations: The appropriation adjustments in this section reflect state and public school retirement system contribution savings associated with the enactment of Substitute Senate Bill No. 5851 (defined contribution retirement plan). The office shall reduce agency allotments and public school allocations to reflect these savings. If the bill is not enacted by June 30, 2013, the adjustments provided in this section shall lapse.

**NEW SECTION. Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

General Fund--State Appropriation (FY 2014) . . . . . \$4,981,000

General Fund--State Appropriation (FY 2015) . . . . . \$4,981,000

TOTAL APPROPRIATION . . . . . \$9,962,000

1       The appropriations in this section are subject to the following  
2 conditions and limitations: The appropriations in this section are  
3 provided solely for expenditure into the cleanup settlement account on  
4 July 1, 2013, and July 1, 2014, as repayment of moneys that were  
5 transferred to the state efficiency and restructuring account.

6       NEW SECTION.   **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
7 **AGENCY EFFICIENCIES**

8 General Fund--State Appropriation (FY 2014) . . . . . (\$21,500,000)  
9 General Fund--State Appropriation (FY 2015) . . . . . (\$21,500,000)  
10 TOTAL APPROPRIATION . . . . . (\$43,000,000)

11       The appropriations in this section are subject to the following  
12 conditions and limitations: The office of financial management shall  
13 reduce allotments for all agencies by \$25,000,000 from fiscal year 2014  
14 general fund--state appropriations and \$25,000,000 from fiscal year  
15 2015 general fund--state appropriations in this act to reflect (1)  
16 available fund balances in dedicated revolving funds used for central  
17 services to state agencies and (2) more efficient delivery of  
18 consolidated central services to state agencies, including savings  
19 achieved pursuant to Substitute Senate Bill No. 5717 (competitive  
20 contracting).

21       NEW SECTION.   **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
22 **INFORMATION TECHNOLOGY EXPENDITURES**

23 General Fund--State Appropriation (FY 2014) . . . . . (\$7,500,000)  
24 General Fund--State Appropriation (FY 2015) . . . . . (\$7,500,000)  
25 TOTAL APPROPRIATION . . . . . (\$15,000,000)

26       The appropriations in this section are subject to the following  
27 conditions and limitations: The office of financial management shall  
28 reduce allotments for all agencies by \$7,500,000 from fiscal year 2014  
29 general fund--state appropriations and \$7,500,000 from fiscal year 2015  
30 general fund--state appropriations in this act to reflect efficiencies  
31 in information technology expenditures statewide, including savings  
32 achieved pursuant to Senate Bill No. . . . (S-2261) (information  
33 technology).

34       NEW SECTION.   **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
35 **INDUSTRIAL INSURANCE SAVINGS**

From the appropriations in this act, the office of financial management shall reduce general fund--state allotments for fiscal year 2014 by \$4,948,000 and for fiscal year 2015 by \$4,645,000 to reflect savings in the industrial insurance costs of state agencies. The allotment reductions shall be placed in reserve status and remain unexpended. If neither Engrossed Substitute Senate Bill No. 5127 nor Engrossed Substitute Senate Bill No. 5128 is enacted by June 30, 2013, this section shall not take effect.

**NEW SECTION. Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
SECRETARY OF STATE ARCHIVES SERVICES ADJUSTMENTS**

General Fund--State Appropriation (FY 2014)	(\$1,000)
General Fund--State Appropriation (FY 2015)	\$1,000
Other Appropriated Funds	\$1,000
TOTAL APPROPRIATION	\$1,000

The appropriations in this section are solely for the purpose designated in this section and are subject to the following conditions and limitations:

(1) Appropriations are adjusted to reflect adjustments in funding for charges associated with state archives services.

(2) The office of financial management shall update agency appropriation schedules to reflect the changes to funding levels in this section.

**NEW SECTION. Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
AUDIT SERVICES ADJUSTMENTS**

General Fund--State Appropriation (FY 2015)	\$4,000
Other Appropriated Funds	\$3,000
TOTAL APPROPRIATION	\$7,000

The appropriations in this section are solely for the purpose designated in this section and are subject to the following conditions and limitations:

(1) Appropriations are adjusted to reflect adjustments in funding for charges associated with audit services.

(2) The office of financial management shall update agency appropriation schedules to reflect the changes to funding levels in this section.

1        NEW SECTION.    **Sec. 723.    FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
2        **ATTORNEY GENERAL LEGAL SERVICES ADJUSTMENTS**  
3        General Fund--State Appropriation (FY 2014) . . . . . (\$401,000)  
4        General Fund--State Appropriation (FY 2015) . . . . . (\$338,000)  
5        General Fund--Private/Local Appropriation . . . . . (\$15,000)  
6        General Fund--Federal Appropriation . . . . . (\$206,000)  
7        Other Appropriated Funds . . . . . (\$2,538,000)  
8        TOTAL APPROPRIATION . . . . . (\$3,498,000)

9        The appropriations in this section are solely for the purpose  
10       designated in this section and are subject to the following conditions  
11       and limitations:

12       (1) Appropriations are adjusted to reflect adjustments in funding  
13       for charges associated with legal services.

14       (2) The office of financial management shall update agency  
15       appropriation schedules to reflect the changes to funding levels in  
16       this section.

17       NEW SECTION.    **Sec. 724.    FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
18       **ADMINISTRATIVE HEARINGS SERVICES ADJUSTMENTS**  
19       General Fund--State Appropriation (FY 2014) . . . . . \$89,000  
20       General Fund--State Appropriation (FY 2015) . . . . . \$89,000  
21       Other Appropriated Funds . . . . . \$284,000  
22       TOTAL APPROPRIATION . . . . . \$462,000

23       The appropriations in this section are solely for the purpose  
24       designated in this section and are subject to the following conditions  
25       and limitations:

26       (1) Appropriations are adjusted to reflect adjustments in funding  
27       for charges associated with administrative hearings services.

28       (2) The office of financial management shall update agency  
29       appropriation schedules to reflect the changes to funding levels in  
30       this section.

31       NEW SECTION.    **Sec. 725.    FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
32       **CONSOLIDATED TECHNOLOGY CENTRAL SERVICES ADJUSTMENTS**  
33       General Fund--State Appropriation (FY 2014) . . . . . \$278,000  
34       General Fund--State Appropriation (FY 2015) . . . . . \$296,000  
35       Other Appropriated Funds . . . . . \$531,000  
36       TOTAL APPROPRIATION . . . . . \$1,105,000

1       The appropriations in this section are solely for the purpose  
2 designated in this section and are subject to the following conditions  
3 and limitations:

4       (1) Appropriations are adjusted to reflect adjustments in funding  
5 for charges associated with consolidated technology services.

6       (2) The office of financial management shall update agency  
7 appropriation schedules to reflect the changes to funding levels in  
8 this section.

9       NEW SECTION.   **Sec. 726.   FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
10 **DEPARTMENT OF ENTERPRISE CENTRAL SERVICES ADJUSTMENTS**

11 General Fund--State Appropriation (FY 2014) . . . . . (\$2,102,000)

12 General Fund--State Appropriation (FY 2015) . . . . . (\$323,000)

13 Other Appropriated Funds . . . . . (\$1,804,000)

14       TOTAL APPROPRIATION . . . . . (\$4,229,000)

15       The appropriations in this section are solely for the purpose  
16 designated in this section and are subject to the following conditions  
17 and limitations:

18       (1) Appropriations are adjusted to reflect adjustments in funding  
19 for charges associated with enterprise services.

20       (2) The office of financial management shall update agency  
21 appropriation schedules to reflect the changes to funding levels in  
22 this section.

(End of part)



PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION.    **Sec. 801.**    **FOR THE STATE TREASURER--STATE REVENUES**  
**FOR DISTRIBUTION**

General Fund Appropriation for fire insurance  
    premium distributions . . . . . \$8,248,000  
General Fund Appropriation for public utility  
    district excise tax distributions . . . . . \$50,894,000  
General Fund Appropriation for prosecuting  
    attorney distributions . . . . . \$6,068,000  
General Fund Appropriation for boating safety  
    and education distributions . . . . . \$4,000,000  
General Fund Appropriation for other tax distributions . . . . . \$65,000  
General Fund Appropriation for habitat conservation  
    program distributions . . . . . \$3,000,000  
Death Investigations Account Appropriation for  
    distribution to counties for publicly funded  
    autopsies . . . . . \$3,158,000  
Aquatic Lands Enhancement Account Appropriation for  
    harbor improvement revenue distribution . . . . . \$146,000  
Timber Tax Distribution Account Appropriation for  
    distribution to "timber" counties . . . . . \$72,120,000  
County Criminal Justice Assistance Appropriation . . . . . \$78,983,000  
Municipal Criminal Justice Assistance  
    Appropriation . . . . . \$30,550,000  
City-County Assistance Account Appropriation for local  
    government financial assistance distribution . . . . . \$17,134,000  
Liquor Excise Tax Account Appropriation for liquor  
    excise tax distribution, provided that \$100,000  
    must be allocated to the department of commerce  
    from the counties' distribution to implement the  
    provisions of section 128(8) of this act . . . . . \$24,744,000  
Streamlined Sales and Use Tax Mitigation Account  
    Appropriation for distribution to local taxing  
    jurisdictions to mitigate the unintended revenue  
    redistribution effect of the sourcing law

1 changes . . . . . \$50,488,000  
2 Columbia River Water Delivery Account Appropriation for  
3 the Confederated Tribes of the Colville  
4 Reservation . . . . . \$7,760,000  
5 Columbia River Water Delivery Account Appropriation for  
6 the Spokane Tribe of Indians . . . . . \$5,025,000  
7 Liquor Revolving Account Appropriation for liquor  
8 profits distribution . . . . . \$98,876,000  
9 TOTAL APPROPRIATION . . . . . \$461,259,000

10 The total expenditures from the state treasury under the  
11 appropriations in this section shall not exceed the funds available  
12 under statutory distributions for the stated purposes.

13 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**  
14 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

15 Impaired Driver Safety Account Appropriation . . . . . \$2,469,000

16 The appropriation in this section is subject to the following  
17 conditions and limitations: The amount appropriated in this section  
18 shall be distributed quarterly during the 2013-2015 fiscal biennium in  
19 accordance with RCW 82.14.310. This funding is provided to counties  
20 for the costs of implementing criminal justice legislation including,  
21 but not limited to: Chapter 206, Laws of 1998 (drunk driving  
22 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,  
23 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998  
24 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock  
25 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,  
26 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication  
27 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter  
28 215, Laws of 1998 (DUI provisions).

29 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**  
30 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

31 Impaired Driver Safety Account Appropriation . . . . . \$1,646,000

32 The appropriation in this section is subject to the following  
33 conditions and limitations: The amount appropriated in this section  
34 shall be distributed quarterly during the 2013-2015 fiscal biennium to  
35 all cities ratably based on population as last determined by the office

of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**NEW SECTION. Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**

General Fund Appropriation for federal flood control funds distribution . . . . .	\$66,000
General Fund Appropriation for federal grazing fees distribution . . . . .	\$1,706,000
Forest Reserve Fund Appropriation for federal forest reserve fund distribution . . . . .	\$5,636,000
TOTAL APPROPRIATION . . . . .	\$7,408,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**NEW SECTION. Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

State Treasurer's Service Account: For transfer to the state general fund, \$10,000,000 for fiscal year 2014 and \$10,000,000 for fiscal year 2015 . . . . .	\$20,000,000
Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account . . . . .	\$32,000,000
General Fund: For transfer to the streamlined sales and use tax account, \$25,284,000 for fiscal year 2014 and \$25,204,000 for fiscal year 2015 . . . . .	\$50,488,000
Public Works Assistance Account: For transfer to the	

1 water pollution control revolving account,  
 2 \$7,750,000 for fiscal year 2014 and \$7,750,000  
 3 for fiscal year 2015 . . . . . \$15,500,000  
 4 Public Works Assistance Account: For transfer to the  
 5 drinking water assistance account, \$4,400,000 for  
 6 fiscal year 2014 and \$4,400,000 for fiscal year  
 7 2015 . . . . . \$8,800,000  
 8 Public Works Assistance Account: For transfer to the  
 9 state general fund, \$30,000,000 for fiscal year  
 10 2014 and \$15,000,000 for fiscal year 2015 . . . . . \$45,000,000  
 11 State Taxable Building Construction Account: For  
 12 transfer to the Columbia River basin taxable bond  
 13 water supply development account, an amount not to  
 14 exceed . . . . . \$30,545,000  
 15 General Fund: For transfer to the child and family  
 16 reinvestment account, \$3,758,000 for fiscal year  
 17 2014 and \$1,955,000 for fiscal year 2015 . . . . . \$5,713,000  
 18 Tobacco Settlement Account: For transfer to the state  
 19 general fund, in an amount not to exceed the actual  
 20 amount of the annual base payment to the tobacco  
 21 settlement account . . . . . \$156,886,000  
 22 Tobacco Settlement Account: For transfer to the state  
 23 general fund from the amounts deposited in the  
 24 account that are attributable to the annual  
 25 strategic contribution payment received in  
 26 fiscal year 2014 . . . . . \$23,000,000  
 27 Tobacco Settlement Account: For transfer to the state  
 28 general fund from the amounts deposited in the  
 29 account that are attributable to the annual  
 30 strategic contribution payment received in fiscal  
 31 year 2015 . . . . . \$23,000,000  
 32 Tobacco Settlement Account: For transfer to the life  
 33 sciences discovery fund, in an amount not to exceed  
 34 the actual remaining amount of the annual strategic  
 35 contribution payment to the tobacco settlement account  
 36 for fiscal year 2014 . . . . . \$3,442,000  
 37 Tobacco Settlement Account: For transfer to the life  
 38 sciences discovery fund, in an amount not to exceed

1 the actual remaining amount of the annual strategic  
 2 contribution payment to the tobacco settlement account  
 3 for fiscal year 2015 . . . . . \$3,207,000  
 4 The transfer to the life sciences discovery fund is subject to the  
 5 following conditions: The life sciences discovery fund authority board  
 6 of trustees shall begin preparing to become a self-sustaining entity  
 7 capable of operating without direct state subsidy by the time the  
 8 tobacco strategic contribution supplemental payments end in fiscal year  
 9 2017.  
 10 Home Security Fund Account: For transfer to the  
 11 transitional housing operating and rent account . . . . \$7,500,000  
 12 Energy Freedom Account: For transfer to the state  
 13 general fund, \$1,000,000 for fiscal year 2014  
 14 and \$1,000,000 for fiscal year 2015 . . . . . \$2,000,000  
 15 Aquatic Lands Enhancement Account: For transfer  
 16 to the marine resources stewardship trust account . . . \$3,700,000  
 17 Employment Training Finance Account: For transfer to  
 18 the state general fund, \$1,000,000 for fiscal year  
 19 2014 and \$1,000,000 for fiscal year 2015 . . . . . \$2,000,000  
 20 Tuition Recovery Trust Account: For transfer to the  
 21 state general fund, \$1,250,000 for fiscal year 2014  
 22 and \$1,250,000 for fiscal year 2015 . . . . . \$2,500,000  
 23 Common School Construction Fund: For transfer to the  
 24 education legacy trust account, \$83,000,000 in  
 25 fiscal year 2014 and \$83,000,000 in fiscal year  
 26 2015 . . . . . \$166,000,000  
 27 Pollution Liability Insurance Program Trust Account:  
 28 For transfer to the state general fund . . . . . \$5,000,000  
 29 Professional Engineers' Account: For transfer to the  
 30 state general fund, \$957,000 for fiscal year 2014  
 31 and \$956,000 for fiscal year 2015 . . . . . \$1,913,000  
 32 Washington Housing Trust Account: For transfer to the  
 33 state general fund, \$1,630,000 for fiscal year 2014  
 34 and \$1,630,000 for fiscal year 2015 . . . . . \$3,260,000  
 35 Electrical License Account: For transfer to the state  
 36 general fund, \$1,700,000 for fiscal year 2014 and  
 37 \$1,700,000 for fiscal year 2015 . . . . . \$3,400,000  
 38 Real Estate Commission Account: For transfer to the

1 state general fund, \$1,700,000 for fiscal year 2014  
2 and \$1,700,000 for fiscal year 2015 . . . . . \$3,400,000  
3 Business and Professions Account: For transfer to the  
4 state general fund, \$1,838,000 for fiscal year 2014  
5 and \$1,800,000 for fiscal year 2015 . . . . . \$3,638,000  
6 Certified Public Accountants' Account: For transfer  
7 to the state general fund, \$1,596,000 for fiscal  
8 year 2014 and \$1,600,000 for fiscal year 2015 . . . . . \$3,196,000  
9 Flood Control Assistance Account: For transfer to  
10 the state general fund, \$1,000,000 for fiscal year  
11 2014 and \$1,000,000 for fiscal year 2015 . . . . . \$2,000,000

(End of part)

1                                   **PART IX**  
2                                   **MISCELLANEOUS**

3           NEW SECTION.   **Sec. 901.   EXPENDITURE AUTHORIZATIONS**

4           The appropriations contained in this act are maximum expenditure  
5   authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the  
6   treasury on the basis of a formal loan agreement shall be recorded as  
7   loans receivable and not as expenditures for accounting purposes. To  
8   the extent that moneys are disbursed on a loan basis, the corresponding  
9   appropriation shall be reduced by the amount of loan moneys disbursed  
10   from the treasury during the 2011-2013 fiscal biennium.

11          NEW SECTION.   **Sec. 902.   EMERGENCY FUND ALLOCATIONS**

12          Whenever allocations are made from the governor's emergency fund  
13   appropriation to an agency that is financed in whole or in part by  
14   other than general fund moneys, the director of financial management  
15   may direct the repayment of such allocated amount to the general fund  
16   from any balance in the fund or funds which finance the agency. An  
17   appropriation is not necessary to effect such repayment.

18          NEW SECTION.   **Sec. 903.   STATUTORY APPROPRIATIONS**

19          In addition to the amounts appropriated in this act for revenues  
20   for distribution, and bond retirement and interest including ongoing  
21   bond registration and transfer charges, transfers, interest on  
22   registered warrants, and certificates of indebtedness, there is also  
23   appropriated such further amounts as may be required or available for  
24   these purposes under any statutory formula or under chapters 39.94 and  
25   39.96 RCW or any proper bond covenant made under law.

26          NEW SECTION.   **Sec. 904.   BOND EXPENSES**

27          In addition to such other appropriations as are made by this act,  
28   there is hereby appropriated to the state finance committee from  
29   legally available bond proceeds in the applicable construction or  
30   building funds and accounts such amounts as are necessary to pay the  
31   expenses incurred in the issuance and sale of the subject bonds.

32          NEW SECTION.   **Sec. 905.   VOLUNTARY RETIREMENT, SEPARATION, AND**

1     **DOWNSHIFTING INCENTIVES**

2           As a management tool to reduce costs and make more effective use of  
3 resources, while improving employee productivity and morale, agencies  
4 may implement a voluntary retirement and/or separation, program that is  
5 cost neutral or results in cost savings (including costs to the state  
6 pension systems) over a two-year period following the commencement of  
7 the program, provided that such a program is approved by the director  
8 of financial management. Agencies participating in this authorization  
9 may offer voluntary retirement and/or separation incentives and options  
10 according to procedures and guidelines established by the office of  
11 financial management, in consultation with the office of the state  
12 human resources director and the department of retirement systems. The  
13 options may include, but are not limited to, financial incentives for  
14 voluntary separation or retirement. An employee does not have a  
15 contractual right to a financial incentive offered under this section.  
16 Offers shall be reviewed and monitored jointly by the office of the  
17 state human resources director and the department of retirement  
18 systems. Agencies are required to submit a report by July 30, 2015, to  
19 the legislature and the office of financial management on the outcome  
20 of their approved incentive program. The report should include  
21 information on the details of the program including the incentive  
22 payment amount for each participant, the total cost to the state, and  
23 the projected or actual net dollar savings over the two year period.

24          The department of retirement systems may collect from employers the  
25 actuarial cost of any incentive provided under this program, or any  
26 other incentive to retire provided by employers to members of the  
27 state's pension systems, for deposit in the appropriate pension  
28 account.

29         NEW SECTION.     **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**  
30 **IMPAIRED**

31          Nothing in this act prohibits the expenditure of any funds by an  
32 agency or institution of the state for benefits guaranteed by any  
33 collective bargaining agreement in effect on the effective date of this  
34 section.

35         NEW SECTION.     **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

36          The following sections represent the results of the 2013-2015



collective bargaining process required under the provisions of chapters 41.80, 41.56 and 74.39A RCW. Provisions of the collective bargaining agreements contained in sections 908 through 938 of this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements or the continuation of terms and conditions of the 2011-2013 agreements contained in Part IX of this act may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

**NEW SECTION. Sec. 908. COLLECTIVE BARGAINING AGREEMENT--WFSE**

An agreement has been reached between the governor and the Washington federation of state employees general government under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a longevity step and for backfill costs for a personal leave day. The agreement also includes a one percent salary increase for all bargaining unit members effective July 1, 2014, through June 30, 2015, contingent on the state collecting \$200,000,000 or more in unanticipated general fund-state revenue from increased economic activity.

**NEW SECTION. Sec. 909. COLLECTIVE BARGAINING AGREEMENT--WPEA**

An agreement has been reached between the governor and the Washington public employees association general government under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a longevity step. The agreement also includes a one percent salary increase for all bargaining unit members effective July 1, 2014, through June 30, 2015, contingent on the state collecting \$200,000,000 or more in unanticipated general fund-state revenue from increased economic activity.

**NEW SECTION. Sec. 910. COLLECTIVE BARGAINING AGREEMENT--  
COALITION OF UNIONS**

An agreement has been reached between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a longevity

1 step. The agreement also includes a one percent salary increase for  
2 all bargaining unit members effective July 1, 2014, through June 30,  
3 2015, contingent on the state collecting \$200,000,000 or more in  
4 unanticipated general fund-state revenue from increased economic  
5 activity.

6 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT--WAFWP**

7 An agreement has been reached between the governor and the  
8 Washington association of fish and wildlife professionals under the  
9 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.  
10 Funding is provided to add a longevity step. The agreement also  
11 includes a one percent salary increase for all bargaining unit members  
12 effective July 1, 2014, through June 30, 2015, contingent on the state  
13 collecting \$200,000,000 or more in unanticipated general fund-state  
14 revenue from increased economic activity.

15 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--PTE**  
16 **LOCAL 17**

17 An agreement has been reached between the governor and the  
18 professional and technical employees local 17 under the provisions of  
19 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
20 provided to add a longevity step. The agreement also includes a one  
21 percent salary increase for all bargaining unit members effective July  
22 1, 2014, through June 30, 2015, contingent on the state collecting  
23 \$200,000,000 or more in unanticipated general fund-state revenue from  
24 increased economic activity.

25 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT--SEIU**  
26 **1199NW**

27 An agreement has been reached between the governor and the service  
28 employees international union healthcare 1199nw under the provisions of  
29 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
30 provided to add a longevity step and for backfill costs for a personal  
31 leave day. The agreement also includes a one percent salary increase  
32 for all bargaining unit members effective July 1, 2014, through June  
33 30, 2015, contingent on the state collecting \$200,000,000 or more in  
34 unanticipated general fund-state revenue from increased economic  
35 activity.

1        NEW SECTION.        **Sec. 914.        COLLECTIVE BARGAINING AGREEMENT--**  
2 **TEAMSTERS LOCAL 117**

3        An agreement has been reached between the governor and the  
4 international brotherhood of teamsters local 117 under the provisions  
5 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
6 provided to add a longevity step. The agreement also includes a one  
7 percent salary increase for all bargaining unit members effective July  
8 1, 2014, through June 30, 2015, contingent on the state collecting  
9 \$200,000,000 or more in unanticipated general fund-state revenue from  
10 increased economic activity.

11        NEW SECTION.        **Sec. 915.        COLLECTIVE BARGAINING AGREEMENT--WFSE**  
12 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

13        An agreement has been reached between the governor and the  
14 Washington federation of state employees community college coalition  
15 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal  
16 biennium. Funding is provided to add a longevity step. The agreement  
17 also includes a one percent salary increase for all bargaining unit  
18 members effective July 1, 2014, through June 30, 2015, contingent on  
19 the state collecting \$200,000,000 or more in unanticipated general  
20 fund-state revenue from increased economic activity.

21        NEW SECTION.        **Sec. 916.        COLLECTIVE BARGAINING AGREEMENT--WPEA**  
22 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

23        An agreement has been reached between the governor and the  
24 Washington public employees association community college coalition  
25 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal  
26 biennium. Funding is provided to add a longevity step. The agreement  
27 also includes a one percent salary increase for all bargaining unit  
28 members effective July 1, 2014, through June 30, 2015, contingent on  
29 the state collecting \$200,000,000 or more in unanticipated general  
30 fund-state revenue from increased economic activity.

31        NEW SECTION.        **Sec. 917.        COLLECTIVE BARGAINING AGREEMENT--WSP**  
32 **TROOPERS ASSOCIATION**

33        An agreement has been reached between the governor and the  
34 Washington state patrol troopers association through an interest  
35 arbitration decision under the provisions of chapter 41.56 RCW for the

2013-2015 fiscal biennium. Funding is provided for the awarded three percent salary increase for all bargaining unit members effective July 1, 2013, and a one percent increase to longevity pay for years five through nine effective July 1, 2014.

**NEW SECTION. Sec. 918. COLLECTIVE BARGAINING AGREEMENT--WSP  
LIEUTENANTS ASSOCIATION**

An agreement has been reached between the governor and the Washington state patrol lieutenants association through an interest arbitration decision under the provisions of chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for the awarded three percent salary increase for all bargaining unit members effective July 1, 2014, and for parking of department issued vehicles for employees assigned vehicles at the general administration building or capital campus.

**NEW SECTION. Sec. 919. COLLECTIVE BARGAINING AGREEMENT--YAKIMA  
VALLEY COMMUNITY COLLEGE--WPEA**

An agreement has been reached between Yakima Valley Community College and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a longevity step. The agreement also includes that economic terms and conditions replicate those specified in the agreement executed by and between the Washington state higher education coalition and the Washington public employees association under RCW 41.80.010 for the term July 1, 2013, to June 30, 2015.

**NEW SECTION. Sec. 920. COLLECTIVE BARGAINING AGREEMENT--THE  
EVERGREEN STATE COLLEGE--WFSE**

An agreement has been reached between The Evergreen State College and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a longevity step and a personal leave day. Funding is also provided for a one percent salary increase for all bargaining unit members beginning July 1, 2014.

**NEW SECTION. Sec. 921. COLLECTIVE BARGAINING AGREEMENT--WESTERN  
WASHINGTON UNIVERSITY--WFSE**

1           An agreement has been reached between the Western Washington  
2 University and the Washington federation of state employees under the  
3 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.  
4 Funding is provided to add a longevity step. The agreement also  
5 includes compensation equal to any compensation increase approved,  
6 implemented, and funded by the state for general government classified  
7 represented staff through the general service salary schedule.

8           NEW SECTION.   **Sec. 922. COLLECTIVE BARGAINING AGREEMENT--WESTERN**  
9 **WASHINGTON UNIVERSITY--PSE**

10          An agreement has been reached between the Western Washington  
11 University and the public schools employees under the provisions of  
12 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
13 provided to add a longevity step. The agreement also includes  
14 compensation equal to any compensation increase approved, implemented,  
15 and funded by the state for general government classified represented  
16 staff through the general service salary schedule.

17          NEW SECTION.   **Sec. 923. COLLECTIVE BARGAINING AGREEMENT--EASTERN**  
18 **WASHINGTON UNIVERSITY--WFSE**

19          An agreement has been reached between Eastern Washington University  
20 and the Washington federation of state employees under the provisions  
21 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
22 provided to add a longevity step. Funding is also provided for a one  
23 percent salary increase for all bargaining unit members beginning July  
24 1, 2013, and a one percent salary increase for all bargaining unit  
25 members beginning July 1, 2014.

26          NEW SECTION.   **Sec. 924. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**  
27 **WASHINGTON UNIVERSITY--WFSE**

28          An agreement has been reached between Central Washington University  
29 and the Washington federation of state employees under the provisions  
30 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
31 provided to add a longevity step and for a one percent salary increase  
32 for all bargaining unit members beginning July 1, 2014. The agreement  
33 also includes additional one-time payments each November of each fiscal  
34 year for members continually employed during the preceding twelve

1 months in an amount up to three percent of member's gross wages  
2 contingent on the university's achievement of the goals contained in  
3 its student success incentive program.

4 NEW SECTION. **Sec. 925. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**  
5 **WASHINGTON UNIVERSITY--PSE**

6 An agreement has been reached between Central Washington University  
7 and the public schools employees under the provisions of chapter 41.80  
8 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a  
9 longevity step. The agreement includes a one percent salary increase  
10 for all bargaining unit members beginning July 1, 2014, and in the  
11 event classified employees bargaining at the general government's  
12 higher education tables receive a general wage increase greater than  
13 one percent, salary ranges will increase by the higher amount. The  
14 agreement also includes additional one-time payments each November each  
15 fiscal year for members continually employed during the preceding  
16 twelve months in an amount up to three percent of member's gross wages  
17 contingent on the university's achievement of the goals contained in  
18 its student success incentive program.

19 NEW SECTION. **Sec. 926. COLLECTIVE BARGAINING AGREEMENT--**  
20 **UNIVERSITY OF WASHINGTON--WFSE**

21 An agreement has been reached between the University of Washington  
22 and the Washington federation of state employees under the provisions  
23 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
24 provided for additional premium pay, preceptor pay, and professional  
25 development increases. Funding is also provided for a two percent wage  
26 increase for all bargaining unit members beginning July 1, 2013, and a  
27 two percent wage increase for all bargaining unit members beginning  
28 July 1, 2014. The agreement also provides that if the university  
29 agrees to across-the-board salary increases for any SEIU 925 bargaining  
30 unit that are more favorable than those negotiated with WFSE, the  
31 university will grant the same salary increase to WFSE-represented  
32 employees.

33 NEW SECTION. **Sec. 927. COLLECTIVE BARGAINING AGREEMENT--**  
34 **UNIVERSITY OF WASHINGTON--SEIU 925**

35 An agreement has been reached between the University of Washington

1 and the service employees Washington federation of state employees  
2 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal  
3 biennium. Funding is provided for additional step increases, a two  
4 percent salary increase for all bargaining unit members beginning July  
5 1, 2013, and a two percent salary increase for all bargaining unit  
6 members beginning July 1, 2014. The agreement also provides that if  
7 the university agrees to across-the-board salary increases or general  
8 increases for a SEIU 1199 or Washington state nurse association  
9 bargaining unit that are more favorable than those negotiated with SEIU  
10 925, the university will grant the same salary increase to SEIU  
11 925-represented employees.

12 NEW SECTION.      **Sec. 928. COLLECTIVE BARGAINING AGREEMENT--**  
13 **UNIVERSITY OF WASHINGTON--TEAMSTERS 117 (UW POLICE OFFICERS)**

14 An agreement has been reached between the University of Washington  
15 and the teamsters 117 under the provisions of chapter 41.80 RCW for the  
16 2013-2015 fiscal biennium. Funding is provided for a two percent  
17 salary increase for all bargaining unit members beginning July 1, 2013,  
18 and a two percent salary increase for all bargaining unit members  
19 beginning July 1, 2014.

20 NEW SECTION.      **Sec. 929. COLLECTIVE BARGAINING AGREEMENT--**  
21 **WASHINGTON STATE UNIVERSITY--WFSE**

22 An agreement has been reached between the Washington State  
23 University and the Washington federation of state employees under the  
24 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. The  
25 agreement provides that if a general salary increase, implementation of  
26 a salary survey, or a longevity step (Step M) is approved and funded by  
27 the state for university nonbargaining unit covered classified staff,  
28 WFSE bargaining unit members will receive the same.

29 NEW SECTION.      **Sec. 930. COLLECTIVE BARGAINING AGREEMENT--**  
30 **WASHINGTON STATE UNIVERSITY--PSE**

31 An agreement has been reached between the Washington State  
32 University and the public schools employees under the provisions of  
33 chapter 41.80 RCW for the 2013-2015 fiscal biennium. The agreement  
34 provides that the bargaining unit members have a "me-too" agreement  
35 regarding cost of living increases with university classified staff

utilizing the general service higher education salary schedule should the university request and receive funding to provide an across-the-board salary increase for classified staff.

NEW SECTION.      **Sec. 931.      COLLECTIVE BARGAINING AGREEMENT--**  
**WASHINGTON STATE UNIVERSITY--WSU POLICE GUILD**

An agreement has been reached between the Washington State University and the WSU Police Guild under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a longevity step.

NEW SECTION.      **Sec. 932.      COMPENSATION--REPRESENTED EMPLOYEES--**  
**SUPER COALITION--INSURANCE BENEFITS**

No agreement was reached between the governor and the health care super coalition under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Appropriations in this act for state agencies, including institutions of higher education are sufficient to continue the provisions of the 2011-2013 collective bargaining agreement, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$775 per eligible employee for fiscal year 2014. For fiscal year 2015 the monthly employer funding rate shall not exceed \$774 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month surcharge to the premiums due from members who use tobacco products.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.



1 (2) The health care authority, subject to the approval of the  
2 public employees' benefits board, shall provide subsidies for health  
3 benefit premiums to eligible retired or disabled public employees and  
4 school district employees who are eligible for medicare, pursuant to  
5 RCW 41.05.085. The subsidy provided for calendar year 2014 shall be up  
6 to \$100.00 per month, and the subsidy for calendar year 2015 shall be  
7 up to \$110.00 per month.

8 NEW SECTION. **Sec. 933. COMPENSATION--REPRESENTED EMPLOYEES**  
9 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

10 Appropriations for state agencies in this act are sufficient for  
11 represented employees outside the super coalition for health benefits,  
12 and are subject to the following conditions and limitations:

13 (1)(a) The monthly employer funding rate for insurance benefit  
14 premiums, public employees' benefits board administration, and the  
15 uniform medical plan, shall not exceed \$775 per eligible employee for  
16 fiscal year 2014. For fiscal year 2015 the monthly employer funding  
17 rate shall not exceed \$774 per eligible employee.

18 (b) In order to achieve the level of funding provided for health  
19 benefits, the public employees' benefits board shall require or make  
20 any or all of the following: Employee premium copayments, increases in  
21 point-of-service cost sharing, the implementation of managed  
22 competition, or other changes to benefits consistent with RCW  
23 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month  
24 surcharge to the premiums due from members who use tobacco products.

25 (c) The health care authority shall deposit any moneys received on  
26 behalf of the uniform medical plan as a result of rebates on  
27 prescription drugs, audits of hospitals, subrogation payments, or any  
28 other moneys recovered as a result of prior uniform medical plan claims  
29 payments, into the public employees' and retirees' insurance account to  
30 be used for insurance benefits. Such receipts shall not be used for  
31 administrative expenditures.

32 (2) The health care authority, subject to the approval of the  
33 public employees' benefits board, shall provide subsidies for health  
34 benefit premiums to eligible retired or disabled public employees and  
35 school district employees who are eligible for medicare, pursuant to  
36 RCW 41.05.085. The subsidy provided for calendar year 2014 shall be up

1 to \$100.00 per month, and the subsidy for calendar year 2015 shall be  
2 up to \$110.00 per month.

3 NEW SECTION. **Sec. 934. COLLECTIVE BARGAINING AGREEMENTS**

4 For collective bargaining agreements negotiated with the state for  
5 the 2013-2015 fiscal biennium under chapter 41.80 RCW, the governor may  
6 request funds to implement the terms and conditions of any agreement  
7 negotiated by an institution of higher education and submitted to the  
8 office of financial management after October 1, 2012, but before  
9 December 20, 2012, if that agreement is determined to be financially  
10 feasible to the state by the director of financial management.

11 NEW SECTION. **Sec. 935. COLLECTIVE BARGAINING AGREEMENT FOR**  
12 **NONSTATE EMPLOYEES--LANGUAGE ACCESS PROVIDERS WFSE**

13 An agreement has been reached between the governor and the  
14 Washington federation of state employees for the language access  
15 providers under the provisions of chapter 41.56 RCW for the 2013-2015  
16 fiscal biennium. Funding is provided for a rate increase of 50 cents  
17 per hour effective July 1, 2013, and rate increase of 50 cents per hour  
18 effective July 1, 2014. Funding is also provided to accommodate a  
19 change to the no-show payment rules.

20 NEW SECTION. **Sec. 936. COLLECTIVE BARGAINING AGREEMENT FOR**  
21 **NONSTATE EMPLOYEES--SEIU HEALTHCARE 775NW HOMECARE WORKERS**

22 An agreement has been reached between the governor and the service  
23 employees international union healthcare 775nw through an interest  
24 arbitration decision under the provisions of chapter 74.39A and 41.56  
25 RCW for the 2013-2015 fiscal biennium. Funding is provided for  
26 increases to wages and pay differentials, mileage allowance, and  
27 healthcare contributions. Funding is also provided for a paid holiday  
28 and payment of certification and testing fees.

29 NEW SECTION. **Sec. 937. COLLECTIVE BARGAINING AGREEMENT FOR**  
30 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

31 An agreement has been reached between the governor and the service  
32 employees international union local 925 under the provisions of chapter  
33 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for

1 increases to health care, scholarship funding and non-standard hours  
2 bonus.

3 NEW SECTION. **Sec. 938. COLLECTIVE BARGAINING AGREEMENT FOR**  
4 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

5 An agreement has been reached between the governor and the  
6 Washington state residential care council under the provisions of  
7 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is  
8 provided for a specialty adult family home contract for community  
9 placement of clients currently in western state hospital and an  
10 increase in the daily bed hold rate (days eight through twenty).

11 NEW SECTION. **Sec. 939. COMPENSATION--NONREPRESENTED EMPLOYEES--**  
12 **INSURANCE BENEFITS**

13 Appropriations for state agencies in this act are sufficient for  
14 nonrepresented state employee health benefits for state agencies,  
15 including institutions of higher education, and are subject to the  
16 following conditions and limitations:

17 (1)(a) The monthly employer funding rate for insurance benefit  
18 premiums, public employees' benefits board administration, and the  
19 uniform medical plan, shall not exceed \$775 per eligible employee for  
20 fiscal year 2014. For fiscal year 2015 the monthly employer funding  
21 rate shall not exceed \$774 per eligible employee.

22 (b) In order to achieve the level of funding provided for health  
23 benefits, the public employees' benefits board shall require or make  
24 any or all of the following: Employee premium copayments, increases in  
25 point-of-service cost sharing, the implementation of managed  
26 competition, or other changes to benefits consistent with RCW  
27 41.05.065. Beginning January 1, 2014, the board shall add a \$25 per  
28 month surcharge to the premiums due from members who use tobacco  
29 products.

30 (c) The health care authority shall deposit any moneys received on  
31 behalf of the uniform medical plan as a result of rebates on  
32 prescription drugs, audits of hospitals, subrogation payments, or any  
33 other moneys recovered as a result of prior uniform medical plan claims  
34 payments, into the public employees' and retirees' insurance account to  
35 be used for insurance benefits. Such receipts shall not be used for  
36 administrative expenditures.

1 (2) The health care authority, subject to the approval of the  
2 public employees' benefits board, shall provide subsidies for health  
3 benefit premiums to eligible retired or disabled public employees and  
4 school district employees who are eligible for medicare, pursuant to  
5 RCW 41.05.085. The subsidy provided for calendar year 2014 shall be up  
6 to \$100.00 per month, and the subsidy for calendar year 2015 shall be  
7 up to \$110.00 per month.

8 (3) Technical colleges, school districts, and educational service  
9 districts shall remit to the health care authority for deposit into the  
10 public employees' and retirees' insurance account established in RCW  
11 41.05.120 the following amounts:

12 (a) For each full-time employee, \$54.68 per month beginning  
13 September 1, 2013, and \$55.39 beginning September 1, 2014; and

14 (b) For each part-time employee, who at the time of the remittance  
15 is employed in an eligible position as defined in RCW 41.32.010 or  
16 41.40.010 and is eligible for employer fringe benefit contributions for  
17 basic benefits, \$54.68 each month beginning September 1, 2013, and  
18 \$55.39 beginning September 1, 2014, prorated by the proportion of  
19 employer fringe benefit contributions for a full-time employee that the  
20 part-time employee receives. The remittance requirements specified in  
21 this subsection (3) shall not apply to employees of a technical  
22 college, school district, or educational service district who purchase  
23 insurance benefits through contracts with the health care authority.

24 NEW SECTION. **Sec. 940. COMPENSATION--REVISE PENSION CONTRIBUTION**  
25 **RATES**

26 The appropriations for school districts and state agencies,  
27 including institutions of higher education are subject to the following  
28 conditions and limitations: Appropriations are adjusted to reflect  
29 changes to agency appropriations to reflect pension contribution rates  
30 adopted by the pension funding council and the law enforcement  
31 officers' and firefighters' retirement system plan 2 board.

32 NEW SECTION. **Sec. 941. NONREPRESENTED EMPLOYEE LONGEVITY STEP**

33 For classified state employees, except those within the Washington  
34 management service and except those represented by a bargaining unit  
35 under chapters 41.80, 41.56, or 47.64 RCW, funding is provided within

agency appropriations for implementation of a longevity step, in accordance with rules adopted under RCW 41.06.133.

**NEW SECTION.      Sec. 942.      COMPENSATION--CONTINGENT INCREASE IN SALARIES AND WAGES**

(1) If the director of the office of financial management determines that the February 2014 economic and revenue forecast council forecast for general fund--state revenues for fiscal year 2015 is \$200,000,000 or more than the September 2012 economic and revenue forecast council forecast for general fund--state revenues for fiscal year 2015 as a result of increased economic activity, effective July 1, 2014, appropriations to state agencies will increase in the amounts specified in OFM Document 2013-01 to fund a one percent salary increase effective July 1, 2014, through June 30, 2015, for the following state employees:

- (a) All classified employees;
- (b) Employees in the Washington management service;
- (c) Except as provided in subsection (2) of this section, employees exempt from merit system rules in the executive and judicial branches;
- (d) Employees of the marine division of the department of transportation represented by the office and professional employees international union local eight and service employees international union local six.

(2) The salary increase in this section is not provided to the following state employees:

- (a) Commissioned officers of the Washington state patrol represented by the Washington state patrol troopers association and the Washington state patrol lieutenants association;
- (b) Employees of the marine division of the department of transportation represented by:
  - (i) The ferry agents, supervisors, project administrators association;
  - (ii) The Pacific northwest regional council of carpenters;
  - (iii) The Puget Sound metal trades council;
  - (iv) The marine engineers' beneficial association unlicensed engine room employees;
  - (v) The marine engineers' beneficial association licensed engineer officers;

(vi) The masters, mates and pilots - mates;

(vii) The masters, mates and pilots - masters;

(viii) The masters, mates and pilots - watch supervisors; and

(ix) The inlandboatmen's union of the pacific.

(c) Employees whose maximum salaries are set by the commission on salaries for elected officials;

(d) Employees of the legislative branch; and

(e) Faculty employees and employees exempt from merit system rules at institutions of higher education.

(3) For purposes of this section, "increased economic activity" means additional revenue derived from taxable business and consumer activity and does not include revenue changes from changes in state or federal law or revenue changes characterized by the economic and revenue forecast council as a noneconomic change.

**NEW SECTION.     Sec. 943.     ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL CONTRACTS**

(1) Financial contracts for the acquisition of the information technology projects authorized in this section must be approved jointly by the office of the financial management and the office of the chief information officer. Information technology projects funded under this section shall meet the following requirements:

(a) The project reduces costs and achieves economies of scale by leveraging statewide investments in systems and data and other common or enterprise-wide solutions within and across state agencies;

(b) The project begins or continues replacement of legacy information technology systems and replacing these systems with modern and more efficient information technology systems;

(c) The project improves the ability of an agency to recover from major disaster;

(d) The project provides future savings and efficiencies for an agency through reduced operating costs, improved customer service, or increased revenue collections; and

(e) Preference for project approval must be given to an agency that has prior approval from the office of the chief information officer, an approved business plan, and where the primary hurdle to project funding is the lack of funding capacity.

1       (2) The following state agencies may enter into financial contracts  
2 to finance expenditures for the acquisition and implementation of the  
3 following information technology projects for up to the respective  
4 amounts indicated, plus financing expenses and required reserves  
5 pursuant to chapter 39.94 RCW:

6       (a) \$994,000 for the department of revenue agency security program  
7 improvement;

8       (b) \$50,000,000 for the department of revenue legacy system  
9 migration project;

10       (c) \$8,000,000 for the department of revenue to implement phase one  
11 of "My Account";

12       (d) Subject to subsection (4) of this section, \$10,000,000 for the  
13 department of enterprise services time, leave, and attendance pilot  
14 project;

15       (e) \$3,867,000 for the Washington state patrol for continuation of  
16 the mobile office platform;

17       (f) \$8,500,000 for the department of social and health services  
18 conversion to the tenth version of the world health organization's  
19 international classification of diseases; and

20       (g) \$6,729,000 for the department of early learning system  
21 implementation of electronic benefit transfers.

22       (3) The office of financial management with assistance from the  
23 office of the chief information officer will report to the governor and  
24 fiscal committees of the legislature by November 1st of each year on  
25 the status of distributions and expenditures on information technology  
26 projects and improved statewide or agency performance results achieved  
27 by project funding.

28       (4) If the Washington state department of transportation enters  
29 into financial contracts pursuant to chapter 39.94 RCW for the  
30 acquisition and implementation of a time, leave, and labor distribution  
31 system, the authorization provided to the department of enterprise  
32 services in subsection (2)(e) of this section expires.

33       **Sec. 944.** RCW 2.68.020 and 2012 2nd sp.s. c 7 s 913 are each  
34 amended to read as follows:

35       There is created an account in the custody of the state treasurer  
36 to be known as the judicial information system account. The  
37 administrative office of the courts shall maintain and administer the

1 account, in which shall be deposited all moneys received from in-state  
2 noncourt users and any out-of-state users of the judicial information  
3 system and moneys as specified in RCW 2.68.040 for the purposes of  
4 providing judicial information system access to noncourt users and  
5 providing an adequate level of automated services to the judiciary.  
6 The legislature shall appropriate the funds in the account for the  
7 purposes of the judicial information system. The account shall be used  
8 for the acquisition of equipment, software, supplies, services, and  
9 other costs incidental to the acquisition, development, operation, and  
10 administration of information services, telecommunications, systems,  
11 software, supplies, and equipment, including the payment of principal  
12 and interest on items paid in installments. During the 2011-2013  
13 fiscal biennium, the judicial information system(~~s~~-[system]) account  
14 may be appropriated to support the state law library. During the 2013-  
15 2015 fiscal biennium, the judicial information system account may be  
16 appropriated to support the information systems and other activities in  
17 the administrative office of the courts.

18 **Sec. 945.** RCW 13.40.466 and 2006 c 304 s 4 are each amended to  
19 read as follows:

20 (1) The reinvesting in youth account is created in the state  
21 treasury. Moneys in the account shall be spent only after  
22 appropriation. Expenditures from the account may be used to reimburse  
23 local governments for the implementation of the reinvesting in youth  
24 program established in RCW 13.40.462 and 13.40.464. During the  
25 2013-2015 fiscal biennium, the legislature may appropriate moneys from  
26 the reinvesting in youth account for juvenile rehabilitation purposes.

27 (2) Revenues to the reinvesting in youth account consist of  
28 revenues appropriated to or deposited in the account.

29 (3) The department of social and health services juvenile  
30 rehabilitation administration shall review and monitor the expenditures  
31 made by any county or group of counties that is funded, in whole or in  
32 part, with funds provided through the reinvesting in youth account.  
33 Counties shall repay any funds that are not spent in accordance with  
34 RCW 13.40.462 and 13.40.464.

35 **Sec. 946.** RCW 18.04.105 and 2004 c 159 s 2 are each amended to  
36 read as follows:



1 (1) A license to practice public accounting shall be granted by the  
2 board to any person:

3 (a) Who is of good character. Good character, for purposes of this  
4 section, means lack of a history of dishonest or felonious acts. The  
5 board may refuse to grant a license on the ground of failure to satisfy  
6 this requirement only if there is a substantial connection between the  
7 lack of good character of the applicant and the professional and  
8 ethical responsibilities of a licensee and if the finding by the board  
9 of lack of good character is supported by a preponderance of evidence.  
10 When an applicant is found to be unqualified for a license because of  
11 a lack of good character, the board shall furnish the applicant a  
12 statement containing the findings of the board and a notice of the  
13 applicant's right of appeal;

14 (b) Who has met the educational standards established by rule as  
15 the board determines to be appropriate;

16 (c) Who has passed an examination;

17 (d) Who has had one year of experience which is gained:

18 (i) Through the use of accounting, issuing reports on financial  
19 statements, management advisory, financial advisory, tax, tax advisory,  
20 or consulting skills;

21 (ii) While employed in government, industry, academia, or public  
22 practice; and

23 (iii) Meeting the competency requirements in a manner as determined  
24 by the board to be appropriate and established by board rule; and

25 (e) Who has paid appropriate fees as established by rule by the  
26 board.

27 (2) The examination described in subsection (1)(c) of this section  
28 shall test the applicant's knowledge of the subjects of accounting and  
29 auditing, and other related fields the board may specify by rule. The  
30 time for holding the examination is fixed by the board and may be  
31 changed from time to time. The board shall prescribe by rule the  
32 methods of applying for and taking the examination, including methods  
33 for grading examinations and determining a passing grade required of an  
34 applicant for a license. The board shall to the extent possible see to  
35 it that the grading of the examination, and the passing grades, are  
36 uniform with those applicable to all other states. The board may make  
37 use of all or a part of the uniform certified public accountant  
38 examination and advisory grading service of the American Institute of

1 Certified Public Accountants and may contract with third parties to  
2 perform administrative services with respect to the examination as the  
3 board deems appropriate to assist it in performing its duties under  
4 this chapter. The board shall establish by rule provisions for  
5 transitioning to a new examination structure or to a new media for  
6 administering the examination.

7 (3) The board shall charge each applicant an examination fee for  
8 the initial examination or for reexamination. The applicable fee shall  
9 be paid by the person at the time he or she applies for examination,  
10 reexamination, or evaluation of educational qualifications. Fees for  
11 examination, reexamination, or evaluation of educational qualifications  
12 shall be determined by the board under chapter 18.04 RCW. There is  
13 established in the state treasury an account to be known as the  
14 certified public accountants' account. All fees received from  
15 candidates to take any or all sections of the certified public  
16 accountant examination shall be used only for costs related to the  
17 examination. During the 2013-2015 fiscal biennium, the legislature may  
18 transfer to the state general fund such amounts as reflect the excess  
19 fund balance in the account.

20 (4) Persons who on June 30, 2001, held valid certificates  
21 previously issued under this chapter shall be deemed to be certificate  
22 holders, subject to the following:

23 (a) Certificate holders may, prior to June 30, 2006, petition the  
24 board to become licensees by documenting to the board that they have  
25 gained one year of experience through the use of accounting, issuing  
26 reports on financial statements, management advisory, financial  
27 advisory, tax, tax advisory, or consulting skills, without regard to  
28 the eight-year limitation set forth in (b) of this subsection, while  
29 employed in government, industry, academia, or public practice.

30 (b) Certificate holders who do not petition to become licensees  
31 prior to June 30, 2006, may after that date petition the board to  
32 become licensees by documenting to the board that they have one year of  
33 experience acquired within eight years prior to applying for a license  
34 through the use of accounting, issuing reports on financial statements,  
35 management advisory, financial advisory, tax, tax advisory, or  
36 consulting skills in government, industry, academia, or public  
37 practice.

1 (c) Certificate holders who petition the board pursuant to (a) or  
2 (b) of this subsection must also meet competency requirements in a  
3 manner as determined by the board to be appropriate and established by  
4 board rule.

5 (d) Any certificate holder petitioning the board pursuant to (a) or  
6 (b) of this subsection to become a licensee must submit to the board  
7 satisfactory proof of having completed an accumulation of one hundred  
8 twenty hours of CPE during the thirty-six months preceding the date of  
9 filing the petition.

10 (e) Any certificate holder petitioning the board pursuant to (a) or  
11 (b) of this subsection to become a licensee must pay the appropriate  
12 fees established by rule by the board.

13 (5) Certificate holders shall comply with the prohibition against  
14 the practice of public accounting in RCW 18.04.345.

15 (6) Persons who on June 30, 2001, held valid certificates  
16 previously issued under this chapter are deemed to hold inactive  
17 certificates, subject to renewal as inactive certificates, until they  
18 have petitioned the board to become licensees and have met the  
19 requirements of subsection (4) of this section. No individual who did  
20 not hold a valid certificate before July 1, 2001, is eligible to obtain  
21 an inactive certificate.

22 (7) Persons deemed to hold inactive certificates under subsection  
23 (6) of this section shall comply with the prohibition against the  
24 practice of public accounting in subsection (8)(b) of this section and  
25 RCW 18.04.345, but are not required to display the term inactive as  
26 part of their title, as required by subsection (8)(a) of this section  
27 until renewal. Certificates renewed to any persons after June 30,  
28 2001, are inactive certificates and the inactive certificate holders  
29 are subject to the requirements of subsection (8) of this section.

30 (8) Persons holding an inactive certificate:

31 (a) Must use or attach the term "inactive" whenever using the title  
32 CPA or certified public accountant or referring to the certificate, and  
33 print the word "inactive" immediately following the title, whenever the  
34 title is printed on a business card, letterhead, or any other document,  
35 including documents published or transmitted through electronic media,  
36 in the same font and font size as the title; and

37 (b) Are prohibited from practicing public accounting.

1       **Sec. 947.** RCW 18.43.150 and 1991 c 277 s 2 are each amended to  
2 read as follows:

3       All fees collected under the provisions of RCW 18.43.050,  
4 18.43.060, 18.43.080, 18.43.100, and 18.43.130 and fines collected  
5 under RCW 18.43.110 shall be paid into the professional engineers'  
6 account, which account is hereby established in the state treasury to  
7 be used to carry out the purposes and provisions of RCW 18.43.050,  
8 18.43.060, 18.43.080, 18.43.100, 18.43.110, 18.43.120, 18.43.130(~~(~~  
9 ~~18.43.140))~~), and all other duties required for operation and  
10 enforcement of this chapter. During the 2013-2015 fiscal biennium, the  
11 legislature may transfer moneys from the professional engineers'  
12 account to the state general fund such amounts as reflect the excess  
13 fund balance of the fund.

14       **Sec. 948.** RCW 18.85.061 and 2008 c 23 s 29 are each amended to  
15 read as follows:

16       All fees required under this chapter shall be set by the director  
17 in accordance with RCW 43.24.086 and shall be paid to the state  
18 treasurer. All fees paid under the provisions of this chapter shall be  
19 placed in the real estate commission account in the state treasury.  
20 All money derived from fines imposed under this chapter shall be  
21 deposited in the real estate education program account created in RCW  
22 18.85.321. During the 2013-2015 fiscal biennium, the legislature may  
23 transfer to the state general fund such amounts as reflect the excess  
24 fund balance in the real estate commission account.

25       **Sec. 949.** RCW 19.28.351 and 2003 1st sp.s. c 25 s 910 are each  
26 amended to read as follows:

27       All sums received from licenses, permit fees, or other sources,  
28 herein shall be paid to the state treasurer and placed in a special  
29 fund designated as the "electrical license fund," and paid out upon  
30 vouchers duly and regularly issued therefor and approved by the  
31 director of labor and industries or the director's designee following  
32 determination by the board that the sums are necessary to accomplish  
33 the intent of chapter 19.28 RCW. The treasurer shall keep an accurate  
34 record of payments into, or receipts of, the fund, and of all  
35 disbursements therefrom.

1 During the ((2003-2005)) 2013-2015 biennium, the legislature may  
2 transfer moneys from the electrical license fund to the state general  
3 fund such amounts as reflect the excess fund balance of the fund.

4 **Sec. 950.** RCW 28B.15.069 and 2012 c 229 s 701 are each amended to  
5 read as follows:

6 (1) The building fee for each academic year shall be a percentage  
7 of total tuition fees. This percentage shall be calculated by the  
8 office of financial management and be based on the actual percentage  
9 the building fee is of total tuition for each tuition category in the  
10 1994-95 academic year, rounded up to the nearest half percent.

11 (2) The governing boards of each institution of higher education,  
12 except for the technical colleges, shall charge to and collect from  
13 each student a services and activities fee. A governing board may  
14 increase the existing fee annually, consistent with budgeting  
15 procedures set forth in RCW 28B.15.045, by a percentage not to exceed  
16 the annual percentage increase in student tuition fees for resident  
17 undergraduate students: PROVIDED, That such percentage increase shall  
18 not apply to that portion of the services and activities fee previously  
19 committed to the repayment of bonded debt. These rate adjustments may  
20 exceed the fiscal growth factor. ((For the 2003-04 academic year, the  
21 services and activities fee shall be based upon the resident  
22 undergraduate services and activities fee in 2002-03)) For the 2013-  
23 2015 fiscal biennium, each governing board is authorized to increase  
24 the services and activities fees by amounts judged reasonable and  
25 necessary by the services and activities fee committee and the  
26 governing board consistent with the budgeting procedures set forth in  
27 RCW 28B.15.045. The services and activities fee committee provided for  
28 in RCW 28B.15.045 may initiate a request to the governing board for a  
29 fee increase.

30 (3) Tuition and services and activities fees consistent with  
31 subsection (2) of this section shall be set by the state board for  
32 community and technical colleges for community college summer school  
33 students unless the community college charges fees in accordance with  
34 RCW 28B.15.515.

35 (4) Subject to the limitations of RCW 28B.15.910, each governing  
36 board of a community college may charge such fees for ungraded courses,

1 noncredit courses, community services courses, and self-supporting  
2 courses as it, in its discretion, may determine, consistent with the  
3 rules of the state board for community and technical colleges.

4 (5) The governing board of a college offering an applied  
5 baccalaureate degree program under RCW 28B.50.810 may charge tuition  
6 fees for those courses above the associate degree level at rates  
7 consistent with rules adopted by the state board for community and  
8 technical colleges, not to exceed tuition fee rates at the regional  
9 universities.

10 **Sec. 951.** RCW 28B.67.030 and 2012 c 46 s 2 are each amended to  
11 read as follows:

12 (1) All payments received from a participant in the Washington  
13 customized employment training program created in RCW 28B.67.020 must  
14 be deposited into the employment training finance account, which is  
15 hereby created in the custody of the state treasurer. Only the state  
16 board for community and technical colleges may authorize expenditures  
17 from the account and no appropriation is required for expenditures.  
18 The money in the account must be used solely for training allowances  
19 under the Washington customized employment training program created in  
20 RCW 28B.67.020 and for providing up to seventy-five thousand dollars  
21 per year for training, marketing, and facilitation services to increase  
22 the use of the program. The deposit of payments under this section  
23 from a participant ceases when the board specifies that the participant  
24 has met the monetary obligations of the program. During the ((2007–  
25 2009)) 2013-2015 fiscal biennium, the legislature may transfer from the  
26 employment training finance account to the state general fund such  
27 amounts as reflect the excess fund balance in the account.

28 (2) All revenue solicited and received under the provisions of RCW  
29 28B.67.020(4) must be deposited into the employment training finance  
30 account to provide training allowances.

31 (3) The definitions in RCW 28B.67.010 apply to this section.

32 (4) This section expires July 1, 2017.

33 **Sec. 952.** RCW 28B.105.110 and 2011 1st sp.s. c 11 s 188 are each  
34 amended to read as follows:

35 (1) The GET ready for math and science scholarship account is  
36 created in the custody of the state treasurer.

1 (2) The office shall deposit into the account all money received  
2 for the GET ready for math and science scholarship program from  
3 appropriations and private sources. The account shall be  
4 self-sustaining.

5 (3) Expenditures from the account shall be used for scholarships to  
6 eligible students and for purchases of GET units. Purchased GET units  
7 shall be owned and held in trust by the office. Expenditures from the  
8 account shall be an equal match of state appropriations and private  
9 funds raised by the program administrator. During the 2009-2011 fiscal  
10 biennium, expenditures from the account not to exceed five percent may  
11 be used by the program administrator to carry out the provisions of RCW  
12 28B.105.090.

13 (4) With the exception of the operating costs associated with the  
14 management of the account by the treasurer's office as authorized in  
15 chapter 43.79A RCW, the account shall be credited with all investment  
16 income earned by the account.

17 (5) Disbursements from the account are exempt from appropriations  
18 and the allotment provisions of chapter 43.88 RCW.

19 (6) Disbursements from the account shall be made only on the  
20 authorization of the office.

21 (7) During the ((2009-2011)) 2013-2015 fiscal biennium, ((the  
22 legislature may transfer from)) appropriated state funds available in  
23 the GET ready for math and science scholarship account and GET units  
24 owned by the office and not used for the GET ready for math and science  
25 scholarship ((account to the state general fund such amounts as have  
26 not been donated from or matched by private contributions)) program may  
27 be used for the college bound scholarship program created in chapter  
28 28B.118 RCW.

29 **Sec. 953.** RCW 28B.95.160 and 2011 1st sp.s. c 11 s 173 are each  
30 amended to read as follows:

31 Ownership of tuition units purchased by the office for the GET  
32 ready for math and science scholarship program under RCW 28B.105.070  
33 shall be in the name of the state of Washington and may be redeemed by  
34 the state of Washington on behalf of recipients of GET ready for math  
35 and science scholarship program scholarships for tuition and fees  
36 except that during the 2013-2015 fiscal biennium any unused tuition

1 units may be used for the college bound scholarship program established  
2 in chapter 28B.118 RCW.

3       **Sec. 954.** RCW 28C.04.535 and 2011 1st sp.s. c 50 s 930 are each  
4 amended to read as follows:

5       Except for the ((2011-12 and 2012-13)) 2013-14 and 2014-15 school  
6 years, the Washington award for vocational excellence shall be granted  
7 annually. The workforce training and education coordinating board  
8 shall notify the students receiving the award, their vocational  
9 instructors, local chambers of commerce, the legislators of their  
10 respective districts, and the governor, after final selections have  
11 been made. The workforce training and education coordinating board, in  
12 conjunction with the governor's office, shall prepare appropriate  
13 certificates to be presented to the selected students. Awards shall be  
14 presented in public ceremonies at times and places determined by the  
15 workforce training and education coordinating board in cooperation with  
16 the office of the governor.

17       **Sec. 955.** RCW 28C.10.082 and 1991 sp.s. c 13 s 85 are each amended  
18 to read as follows:

19       The tuition recovery trust fund is hereby established in the  
20 custody of the state treasurer. The agency shall deposit in the fund  
21 all moneys received under RCW 28C.10.084. Moneys in the fund may be  
22 spent only for the purposes under RCW 28C.10.084. Disbursements from  
23 the fund shall be on authorization of the agency. During the 2013-2015  
24 fiscal biennium, the legislature may transfer from the tuition recovery  
25 trust fund to the state general fund such amounts as reflect the excess  
26 fund balance in the fund. The fund is subject to the allotment  
27 procedure provided under chapter 43.88 RCW, but no appropriation is  
28 required for disbursements.

29       **Sec. 956.** RCW 38.52.540 and 2012 2nd sp.s. c 7 s 915 are each  
30 amended to read as follows:

31       (1) The enhanced 911 account is created in the state treasury. All  
32 receipts from the state enhanced 911 excise taxes imposed by RCW  
33 82.14B.030 must be deposited into the account. Moneys in the account  
34 must be used only to support the statewide coordination and management  
35 of the enhanced 911 system, for the implementation of wireless enhanced



1 911 statewide, for the modernization of enhanced 911 emergency  
2 communications systems statewide, and to help supplement, within  
3 available funds, the operational costs of the system, including  
4 adequate funding of counties to enable implementation of wireless  
5 enhanced 911 service and reimbursement of radio communications service  
6 companies for costs incurred in providing wireless enhanced 911 service  
7 pursuant to negotiated contracts between the counties or their agents  
8 and the radio communications service companies. For the 2011-2013  
9 fiscal biennium, the account may be used for modernizing narrowband  
10 radio capability in the department of corrections. For the 2013-2015  
11 fiscal biennium, the account may be used for a criminal history system  
12 upgrade in the Washington state patrol and for activities and programs  
13 in the military department. A county must show just cause, including  
14 but not limited to a true and accurate accounting of the funds  
15 expended, for any inability to provide reimbursement to radio  
16 communications service companies of costs incurred in providing  
17 enhanced 911 service.

18 (2) Funds generated by the enhanced 911 excise tax imposed by RCW  
19 82.14B.030(5) may not be distributed to any county that has not imposed  
20 the maximum county enhanced 911 excise tax allowed under RCW  
21 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed  
22 by RCW 82.14B.030(6) may not be distributed to any county that has not  
23 imposed the maximum county enhanced 911 excise tax allowed under RCW  
24 82.14B.030(2).

25 (3) The state enhanced 911 coordinator, with the advice and  
26 assistance of the enhanced 911 advisory committee, is authorized to  
27 enter into statewide agreements to improve the efficiency of enhanced  
28 911 services for all counties and shall specify by rule the additional  
29 purposes for which moneys, if available, may be expended from this  
30 account.

31 **Sec. 957.** RCW 41.26.802 and 2008 c 99 s 4 are each amended to read  
32 as follows:

33 (1) By September 30, 2011, if the prior fiscal biennium's general  
34 state revenues exceed the previous fiscal biennium's revenues by more  
35 than five percent, subject to appropriation by the legislature, the  
36 state treasurer shall transfer five million dollars to the local public  
37 safety enhancement account.

1       ~~((By September 30, 2013, if the prior fiscal biennium's general~~  
2 ~~state revenues exceed the previous fiscal biennium's revenues by more~~  
3 ~~than five percent, subject to appropriation by the legislature, the~~  
4 ~~state treasurer shall transfer ten million dollars to the local public~~  
5 ~~safety enhancement account.~~

6       ~~(3))~~ By September 30, 2015, if the prior fiscal biennium's general  
7 state revenues exceed the previous fiscal biennium's revenues by more  
8 than five percent, subject to appropriation by the legislature, the  
9 state treasurer shall transfer twenty million dollars to the local  
10 public safety enhancement account.

11       ~~((4))~~ (3) By September 30, 2017, and by September 30 of each  
12 odd-numbered year thereafter, if the prior fiscal biennium's general  
13 state revenues exceed the previous fiscal biennium's revenues by more  
14 than five percent, subject to appropriation by the legislature, the  
15 state treasurer shall transfer the lesser of one-third of the increase,  
16 or fifty million dollars, to the local public safety enhancement  
17 account.

18       **Sec. 958.** RCW 41.60.050 and 2011 1st sp.s. c 50 s 937 and 2011 1st  
19 sp.s. c 43 s 473 are each reenacted and amended to read as follows:

20       The legislature shall appropriate from the personnel service fund  
21 for the payment of administrative costs of the productivity board.  
22 However, during the 2011-2013 and 2013-2015 fiscal ~~((biennium))~~  
23 biennia, the operations of the productivity board shall be suspended.

24       **Sec. 959.** RCW 41.80.010 and 2011 1st sp.s. c 50 s 938 and 2011 c  
25 344 s 1 are each reenacted and amended to read as follows:

26       (1) For the purpose of negotiating collective bargaining agreements  
27 under this chapter, the employer shall be represented by the governor  
28 or governor's designee, except as provided for institutions of higher  
29 education in subsection (4) of this section.

30       (2)(a) If an exclusive bargaining representative represents more  
31 than one bargaining unit, the exclusive bargaining representative shall  
32 negotiate with each employer representative as designated in subsection  
33 (1) of this section one master collective bargaining agreement on  
34 behalf of all the employees in bargaining units that the exclusive  
35 bargaining representative represents. For those exclusive bargaining  
36 representatives who represent fewer than a total of five hundred

1 employees each, negotiation shall be by a coalition of all those  
2 exclusive bargaining representatives. The coalition shall bargain for  
3 a master collective bargaining agreement covering all of the employees  
4 represented by the coalition. The governor's designee and the  
5 exclusive bargaining representative or representatives are authorized  
6 to enter into supplemental bargaining of agency-specific issues for  
7 inclusion in or as an addendum to the master collective bargaining  
8 agreement, subject to the parties' agreement regarding the issues and  
9 procedures for supplemental bargaining. This section does not prohibit  
10 cooperation and coordination of bargaining between two or more  
11 exclusive bargaining representatives.

12 (b) This subsection (2) does not apply to exclusive bargaining  
13 representatives who represent employees of institutions of higher  
14 education, except when the institution of higher education has elected  
15 to exercise its option under subsection (4) of this section to have its  
16 negotiations conducted by the governor or governor's designee under the  
17 procedures provided for general government agencies in subsections (1)  
18 through (3) of this section.

19 (c) If five hundred or more employees of an independent state  
20 elected official listed in RCW 43.01.010 are organized in a bargaining  
21 unit or bargaining units under RCW 41.80.070, the official shall be  
22 consulted by the governor or the governor's designee before any  
23 agreement is reached under (a) of this subsection concerning  
24 supplemental bargaining of agency specific issues affecting the  
25 employees in such bargaining unit.

26 (3) The governor shall submit a request for funds necessary to  
27 implement the compensation and fringe benefit provisions in the master  
28 collective bargaining agreement or for legislation necessary to  
29 implement the agreement. Requests for funds necessary to implement the  
30 provisions of bargaining agreements shall not be submitted to the  
31 legislature by the governor unless such requests:

32 (a) Have been submitted to the director of the office of financial  
33 management by October 1 prior to the legislative session at which the  
34 requests are to be considered; and

35 (b) Have been certified by the director of the office of financial  
36 management as being feasible financially for the state.

37 The legislature shall approve or reject the submission of the  
38 request for funds as a whole. The legislature shall not consider a

1 request for funds to implement a collective bargaining agreement unless  
2 the request is transmitted to the legislature as part of the governor's  
3 budget document submitted under RCW 43.88.030 and 43.88.060. If the  
4 legislature rejects or fails to act on the submission, either party may  
5 reopen all or part of the agreement or the exclusive bargaining  
6 representative may seek to implement the procedures provided for in RCW  
7 41.80.090.

8 (4)(a)(i) For the purpose of negotiating agreements for  
9 institutions of higher education, the employer shall be the respective  
10 governing board of each of the universities, colleges, or community  
11 colleges or a designee chosen by the board to negotiate on its behalf.

12 (ii) A governing board of a university or college may elect to have  
13 its negotiations conducted by the governor or governor's designee under  
14 the procedures provided for general government agencies in subsections  
15 (1) through (3) of this section, except that:

16 (A) The governor or the governor's designee and an exclusive  
17 bargaining representative shall negotiate one master collective  
18 bargaining agreement for all of the bargaining units of employees of a  
19 university or college that the representative represents; or

20 (B) If the parties mutually agree, the governor or the governor's  
21 designee and an exclusive bargaining representative shall negotiate one  
22 master collective bargaining agreement for all of the bargaining units  
23 of employees of more than one university or college that the  
24 representative represents.

25 (iii) A governing board of a community college may elect to have  
26 its negotiations conducted by the governor or governor's designee under  
27 the procedures provided for general government agencies in subsections  
28 (1) through (3) of this section.

29 (b) Prior to entering into negotiations under this chapter, the  
30 institutions of higher education or their designees shall consult with  
31 the director of the office of financial management regarding financial  
32 and budgetary issues that are likely to arise in the impending  
33 negotiations.

34 (c)(i) In the case of bargaining agreements reached between  
35 institutions of higher education other than the University of  
36 Washington and exclusive bargaining representatives agreed to under the  
37 provisions of this chapter, if appropriations are necessary to  
38 implement the compensation and fringe benefit provisions of the

1 bargaining agreements, the governor shall submit a request for such  
2 funds to the legislature according to the provisions of subsection (3)  
3 of this section, except as provided in (c)(iii) of this subsection.

4 (ii) In the case of bargaining agreements reached between the  
5 University of Washington and exclusive bargaining representatives  
6 agreed to under the provisions of this chapter, if appropriations are  
7 necessary to implement the compensation and fringe benefit provisions  
8 of a bargaining agreement, the governor shall submit a request for such  
9 funds to the legislature according to the provisions of subsection (3)  
10 of this section, except as provided in this subsection (4)(c)(ii) and  
11 as provided in (c)(iii) of this subsection.

12 (A) If appropriations of less than ten thousand dollars are  
13 necessary to implement the provisions of a bargaining agreement, a  
14 request for such funds shall not be submitted to the legislature by the  
15 governor unless the request has been submitted to the director of the  
16 office of financial management by October 1 prior to the legislative  
17 session at which the request is to be considered.

18 (B) If appropriations of ten thousand dollars or more are necessary  
19 to implement the provisions of a bargaining agreement, a request for  
20 such funds shall not be submitted to the legislature by the governor  
21 unless the request:

22 (I) Has been submitted to the director of the office of financial  
23 management by October 1 prior to the legislative session at which the  
24 request is to be considered; and

25 (II) Has been certified by the director of the office of financial  
26 management as being feasible financially for the state.

27 (C) If the director of the office of financial management does not  
28 certify a request under (c)(ii)(B) of this subsection as being feasible  
29 financially for the state, the parties shall enter into collective  
30 bargaining solely for the purpose of reaching a mutually agreed upon  
31 modification of the agreement necessary to address the absence of those  
32 requested funds. The legislature may act upon the compensation and  
33 fringe benefit provisions of the modified collective bargaining  
34 agreement if those provisions are agreed upon and submitted to the  
35 office of financial management and legislative budget committees before  
36 final legislative action on the biennial or supplemental operating  
37 budget by the sitting legislature.

1 (iii) In the case of a bargaining unit of employees of institutions  
2 of higher education in which the exclusive bargaining representative is  
3 certified during or after the conclusion of a legislative session, the  
4 legislature may act upon the compensation and fringe benefit provisions  
5 of the unit's initial collective bargaining agreement if those  
6 provisions are agreed upon and submitted to the office of financial  
7 management and legislative budget committees before final legislative  
8 action on the biennial or supplemental operating budget by the sitting  
9 legislature.

10 (5) There is hereby created a joint committee on employment  
11 relations, which consists of two members with leadership positions in  
12 the house of representatives, representing each of the two largest  
13 caucuses; the chair and ranking minority member of the house  
14 appropriations committee, or its successor, representing each of the  
15 two largest caucuses; two members with leadership positions in the  
16 senate, representing each of the two largest caucuses; and the chair  
17 and ranking minority member of the senate ways and means committee, or  
18 its successor, representing each of the two largest caucuses. The  
19 governor shall periodically consult with the committee regarding  
20 appropriations necessary to implement the compensation and fringe  
21 benefit provisions in the master collective bargaining agreements, and  
22 upon completion of negotiations, advise the committee on the elements  
23 of the agreements and on any legislation necessary to implement the  
24 agreements.

25 (6) If, after the compensation and fringe benefit provisions of an  
26 agreement are approved by the legislature, a significant revenue  
27 shortfall occurs resulting in reduced appropriations, as declared by  
28 proclamation of the governor or by resolution of the legislature, both  
29 parties shall immediately enter into collective bargaining for a  
30 mutually agreed upon modification of the agreement.

31 (7) After the expiration date of a collective bargaining agreement  
32 negotiated under this chapter, all of the terms and conditions  
33 specified in the collective bargaining agreement remain in effect until  
34 the effective date of a subsequently negotiated agreement, not to  
35 exceed one year from the expiration date stated in the agreement.  
36 Thereafter, the employer may unilaterally implement according to law.

37 (8) For the ((2011-2013)) 2013-2015 fiscal biennium, a collective  
38 bargaining agreement related to employee health care benefits

1 negotiated between the employer and coalition pursuant to RCW  
2 41.80.020(3) regarding the dollar amount expended on behalf of each  
3 employee shall be a separate agreement for which the governor may  
4 request funds necessary to implement the agreement. (~~((If such an~~  
5 ~~agreement is negotiated and funded by the legislature, this agreement~~  
6 ~~will supersede any terms and conditions of an expired 2009-2011~~  
7 ~~biennial master collective bargaining agreement under this chapter~~  
8 ~~regarding health care benefits.))~~ The legislature may act upon a  
9 2013-2015 collective bargaining agreement related to employee health  
10 care benefits if an agreement is reached and submitted to the office of  
11 financial management and legislative budget committees before final  
12 legislative action on the biennial or supplemental operating  
13 appropriations act by the sitting legislature.

14 **Sec. 960.** RCW 41.80.020 and 2011 1st sp.s. c 50 s 939 and 2011 1st  
15 sp.s. c 43 s 445 are each reenacted and amended to read as follows:

16 (1) Except as otherwise provided in this chapter, the matters  
17 subject to bargaining include wages, hours, and other terms and  
18 conditions of employment, and the negotiation of any question arising  
19 under a collective bargaining agreement.

20 (2) The employer is not required to bargain over matters pertaining  
21 to:

22 (a) Health care benefits or other employee insurance benefits,  
23 except as required in subsection (3) of this section;

24 (b) Any retirement system or retirement benefit; or

25 (c) Rules of the human resources director, the director of  
26 enterprise services, or the Washington personnel resources board  
27 adopted under RCW 41.06.157.

28 (3) Matters subject to bargaining include the number of names to be  
29 certified for vacancies, promotional preferences, and the dollar amount  
30 expended on behalf of each employee for health care benefits. However,  
31 except as provided otherwise in this subsection for institutions of  
32 higher education, negotiations regarding the number of names to be  
33 certified for vacancies, promotional preferences, and the dollar amount  
34 expended on behalf of each employee for health care benefits shall be  
35 conducted between the employer and one coalition of all the exclusive  
36 bargaining representatives subject to this chapter. The exclusive  
37 bargaining representatives for employees that are subject to chapter

1 47.64 RCW shall bargain the dollar amount expended on behalf of each  
2 employee for health care benefits with the employer as part of the  
3 coalition under this subsection. Any such provision agreed to by the  
4 employer and the coalition shall be included in all master collective  
5 bargaining agreements negotiated by the parties. For institutions of  
6 higher education, promotional preferences and the number of names to be  
7 certified for vacancies shall be bargained under the provisions of RCW  
8 41.80.010(4). For agreements covering the ((2011-2013)) 2013-2015  
9 fiscal biennium, any agreement between the employer and the coalition  
10 regarding the dollar amount expended on behalf of each employee for  
11 health care benefits is a separate agreement and shall not be included  
12 in the master collective bargaining agreements negotiated by the  
13 parties.

14 (4) The employer and the exclusive bargaining representative shall  
15 not agree to any proposal that would prevent the implementation of  
16 approved affirmative action plans or that would be inconsistent with  
17 the comparable worth agreement that provided the basis for the salary  
18 changes implemented beginning with the 1983-1985 biennium to achieve  
19 comparable worth.

20 (5) The employer and the exclusive bargaining representative shall  
21 not bargain over matters pertaining to management rights established in  
22 RCW 41.80.040.

23 (6) Except as otherwise provided in this chapter, if a conflict  
24 exists between an executive order, administrative rule, or agency  
25 policy relating to wages, hours, and terms and conditions of employment  
26 and a collective bargaining agreement negotiated under this chapter,  
27 the collective bargaining agreement shall prevail. A provision of a  
28 collective bargaining agreement that conflicts with the terms of a  
29 statute is invalid and unenforceable.

30 (7) This section does not prohibit bargaining that affects  
31 contracts authorized by RCW 41.06.142.

32 **Sec. 961.** RCW 43.08.190 and 2011 1st sp.s. c 50 s 941 are each  
33 amended to read as follows:

34 There is hereby created a fund within the state treasury to be  
35 known as the "state treasurer's service fund." Such fund shall be used  
36 solely for the payment of costs and expenses incurred in the operation  
37 and administration of the state treasurer's office.



1 Moneys shall be allocated monthly and placed in the state  
2 treasurer's service fund equivalent to a maximum of one percent of the  
3 trust and treasury average daily cash balances from the earnings  
4 generated under the authority of RCW 43.79A.040 and 43.84.080 other  
5 than earnings generated from investment of balances in funds and  
6 accounts specified in RCW 43.79A.040(4)(c). The allocation shall  
7 precede the distribution of the remaining earnings as prescribed under  
8 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a  
9 uniform allocation rate for all funds and accounts; except that the  
10 state treasurer may negotiate a different allocation rate with any  
11 state agency that has independent authority over funds not statutorily  
12 required to be held in the state treasury or in the custody of the  
13 state treasurer. In no event shall the rate be less than the actual  
14 costs incurred by the state treasurer's office. If no rate is  
15 separately negotiated, the default rate for any funds held shall be the  
16 rate set for funds held pursuant to statute.

17 During the 2009-2011 fiscal biennium and the 2011-2013 and 2013-  
18 2015 fiscal ((biennium)) biennia, the legislature may transfer from the  
19 state treasurer's service fund to the state general fund such amounts  
20 as reflect the excess fund balance of the fund.

21 **Sec. 962.** RCW 43.09.475 and 2011 1st sp.s. c 50 s 942 are each  
22 amended to read as follows:

23 The performance audits of government account is hereby created in  
24 the custody of the state treasurer. Revenue identified in RCW  
25 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money  
26 in the account shall be used to fund the performance audits and follow-  
27 up performance audits under RCW 43.09.470 and shall be expended by the  
28 state auditor in accordance with chapter 1, Laws of 2006. Only the  
29 state auditor or the state auditor's designee may authorize  
30 expenditures from the account. The account is subject to allotment  
31 procedures under chapter 43.88 RCW, but an appropriation is not  
32 required for expenditures. ((During the 2009-2011 fiscal biennium, the  
33 legislature may transfer from the performance audits of government  
34 account to the state general fund such amounts as deemed to be  
35 appropriate or necessary.)) During (({the})) the 2011-2013 and the  
36 2013-2015 fiscal ((biennium)) biennia, the performance audits of  
37 government account may be appropriated for fraud investigations in the

1 state auditor's office and the department of social and health  
2 services, audit and collection functions in the department of revenue,  
3 the joint legislative audit and review committee, the office of  
4 financial management, and audits of school districts. In addition,  
5 during the 2011-2013 and 2013-2015 fiscal ((~~biennium~~)) biennia the  
6 account may be used to fund the office of financial management's  
7 contract for the compliance audit of the state auditor.

8       **Sec. 963.** RCW 43.24.150 and 2011 c 298 s 25 are each amended to  
9 read as follows:

10       (1) The business and professions account is created in the state  
11 treasury. All receipts from business or professional licenses,  
12 registrations, certifications, renewals, examinations, or civil  
13 penalties assessed and collected by the department from the following  
14 chapters must be deposited into the account:

- 15       (a) Chapter 18.11 RCW, auctioneers;
- 16       (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;
- 17       (c) Chapter 18.145 RCW, court reporters;
- 18       (d) Chapter 18.165 RCW, private investigators;
- 19       (e) Chapter 18.170 RCW, security guards;
- 20       (f) Chapter 18.185 RCW, bail bond agents;
- 21       (g) Chapter 18.280 RCW, home inspectors;
- 22       (h) Chapter 19.16 RCW, collection agencies;
- 23       (i) Chapter 19.31 RCW, employment agencies;
- 24       (j) Chapter 19.105 RCW, camping resorts;
- 25       (k) Chapter 19.138 RCW, sellers of travel;
- 26       (l) Chapter 42.44 RCW, notaries public;
- 27       (m) Chapter 64.36 RCW, timeshares;
- 28       (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- 29       (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- 30       (p) Chapter 79A.60 RCW, whitewater river outfitters; and
- 31       (q) Chapter 19.158 RCW, commercial telephone solicitation.

32       Moneys in the account may be spent only after appropriation.  
33 Expenditures from the account may be used only for expenses incurred in  
34 carrying out these business and professions licensing activities of the  
35 department. Any residue in the account must be accumulated and may not  
36 revert to the general fund at the end of the biennium. However, during

1 the 2013-2015 fiscal biennium the legislature may transfer to the state  
2 general fund such amounts as reflect the excess fund balance in the  
3 account.

4 (2) The director must biennially prepare a budget request based on  
5 the anticipated costs of administering the business and professions  
6 licensing activities listed in subsection (1) of this section, which  
7 must include the estimated income from these business and professions  
8 fees.

9 **Sec. 964.** RCW 43.24.150 and 2013 c 322 s 30 are each amended to  
10 read as follows:

11 (1) The business and professions account is created in the state  
12 treasury. All receipts from business or professional licenses,  
13 registrations, certifications, renewals, examinations, or civil  
14 penalties assessed and collected by the department from the following  
15 chapters must be deposited into the account:

- 16 (a) Chapter 18.11 RCW, auctioneers;
- 17 (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;
- 18 (c) Chapter 18.145 RCW, court reporters;
- 19 (d) Chapter 18.165 RCW, private investigators;
- 20 (e) Chapter 18.170 RCW, security guards;
- 21 (f) Chapter 18.185 RCW, bail bond agents;
- 22 (g) Chapter 18.280 RCW, home inspectors;
- 23 (h) Chapter 19.16 RCW, collection agencies;
- 24 (i) Chapter 19.31 RCW, employment agencies;
- 25 (j) Chapter 19.105 RCW, camping resorts;
- 26 (k) Chapter 19.138 RCW, sellers of travel;
- 27 (l) Chapter 42.44 RCW, notaries public;
- 28 (m) Chapter 64.36 RCW, timeshares;
- 29 (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- 30 (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- 31 (p) Chapter 79A.60 RCW, whitewater river outfitters;
- 32 (q) Chapter 19.158 RCW, commercial telephone solicitation; and
- 33 (r) Chapter 19.290 RCW, scrap metal businesses.

34 Moneys in the account may be spent only after appropriation.  
35 Expenditures from the account may be used only for expenses incurred in  
36 carrying out these business and professions licensing activities of the  
37 department. Any residue in the account must be accumulated and may not

1 revert to the general fund at the end of the biennium. However, during  
2 the 2013-2015 fiscal biennium the legislature may transfer to the state  
3 general fund such amounts as reflect the excess fund balance in the  
4 account.

5 (2) The director must biennially prepare a budget request based on  
6 the anticipated costs of administering the business and professions  
7 licensing activities listed in subsection (1) of this section, which  
8 must include the estimated income from these business and professions  
9 fees.

10 **Sec. 965.** RCW 43.71.030 and 2012 c 87 s 4 are each amended to read  
11 as follows:

12 (1) The exchange may, consistent with the purposes of this chapter:  
13 (a) Sue and be sued in its own name; (b) make and execute agreements,  
14 contracts, and other instruments, with any public or private person or  
15 entity; (c) employ, contract with, or engage personnel; (d) pay  
16 administrative costs; (e) accept grants, donations, loans of funds, and  
17 contributions in money, services, materials or otherwise, from the  
18 United States or any of its agencies, from the state of Washington and  
19 its agencies or from any other source, and use or expend those moneys,  
20 services, materials, or other contributions; (f) aggregate or delegate  
21 the aggregation of funds that comprise the premium for a health plan;  
22 and (g) complete other duties necessary to begin open enrollment in  
23 qualified health plans through the exchange beginning October 1, 2013.

24 (2) The board shall develop a methodology to ensure the exchange is  
25 self-sustaining after December 31, 2014. The board shall seek input  
26 from health carriers to develop funding mechanisms that fairly and  
27 equitably apportion among carriers the reasonable administrative costs  
28 and expenses incurred to implement the provisions of this chapter. The  
29 board shall submit its recommendations to the legislature by December  
30 1, 2012. If the legislature does not enact legislation during the 2013  
31 regular session to modify or reject the board's recommendations, the  
32 board may proceed with implementation of the recommendations. During  
33 the 2013-2015 fiscal biennium, revenues to the exchange from charges to  
34 enrollees and to the state, as appropriated in section 213 of this act,  
35 shall not exceed 1.8 percent of premiums paid.

36 (3) The board shall establish policies that permit city and county

1 governments, Indian tribes, tribal organizations, urban Indian  
2 organizations, private foundations, and other entities to pay premiums  
3 on behalf of qualified individuals.

4 (4) The employees of the exchange may participate in the public  
5 employees' retirement system under chapter 41.40 RCW and the public  
6 employees' benefits board under chapter 41.05 RCW.

7 (5) Qualified employers may access coverage for their employees  
8 through the exchange for small groups under section 1311 of P.L. 111-  
9 148 of 2010, as amended. The exchange shall enable any qualified  
10 employer to specify a level of coverage so that any of its employees  
11 may enroll in any qualified health plan offered through the small group  
12 exchange at the specified level of coverage.

13 (6) The exchange shall report its activities and status to the  
14 governor and the legislature as requested, and no less often than  
15 annually.

16 **Sec. 966.** RCW 43.79.445 and 2005 c 166 s 3 are each amended to  
17 read as follows:

18 There is established an account in the state treasury referred to  
19 as the "death investigations account" which shall exist for the purpose  
20 of receiving, holding, investing, and disbursing funds appropriated or  
21 provided in RCW 70.58.107 and any moneys appropriated or otherwise  
22 provided thereafter.

23 Moneys in the death investigations account shall be disbursed by  
24 the state treasurer once every year on December 31 and at any other  
25 time determined by the treasurer. The treasurer shall make  
26 disbursements to: The state toxicology laboratory, counties for the  
27 cost of autopsies, the state patrol for providing partial funding for  
28 the state dental identification system, the criminal justice training  
29 commission for training county coroners, medical examiners and their  
30 staff, and the state forensic investigations council. (~~Funds from the~~  
31 ~~death investigations account may be appropriated during the 1997-99~~  
32 ~~biennium for the purposes of statewide child mortality reviews~~  
33 ~~administered by the department of health.)) Funds from the death  
34 investigations account may be appropriated during the 2013-2015 fiscal  
35 biennium for the activities of the state crime laboratory within the  
36 Washington state patrol.~~

1       **Sec. 967.** RCW 43.79.480 and 2011 1st sp.s. c 50 s 947 are each  
2 amended to read as follows:

3       (1) Moneys received by the state of Washington in accordance with  
4 the settlement of the state's legal action against tobacco product  
5 manufacturers, exclusive of costs and attorneys' fees, shall be  
6 deposited in the tobacco settlement account created in this section  
7 except as these moneys are sold or assigned under chapter 43.340 RCW.

8       (2) The tobacco settlement account is created in the state  
9 treasury. Moneys in the tobacco settlement account may only be  
10 transferred to the state general fund, and to the tobacco prevention  
11 and control account for purposes set forth in this section. The  
12 legislature shall transfer amounts received as strategic contribution  
13 payments as defined in RCW 43.350.010 to the life sciences discovery  
14 fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013  
15 fiscal biennia, the legislature may transfer less than the entire  
16 strategic contribution payments, and may transfer amounts attributable  
17 to strategic contribution payments into the basic health plan  
18 stabilization account. During the 2013-2015 fiscal biennium, the  
19 legislature may transfer less than the entire strategic contribution  
20 payments, and may transfer amounts attributable to strategic  
21 contribution payments into the state general fund.

22       (3) The tobacco prevention and control account is created in the  
23 state treasury. The source of revenue for this account is moneys  
24 transferred to the account from the tobacco settlement account,  
25 investment earnings, donations to the account, and other revenues as  
26 directed by law. Expenditures from the account are subject to  
27 appropriation. During the 2009-2011 fiscal biennium, the legislature  
28 may transfer from the tobacco prevention and control account to the  
29 state general fund such amounts as represent the excess fund balance of  
30 the account.

31       **Sec. 968.** RCW 43.101.200 and 2011 1st sp.s. c 50 s 949 are each  
32 amended to read as follows:

33       (1) All law enforcement personnel, except volunteers, and reserve  
34 officers whether paid or unpaid, initially employed on or after January  
35 1, 1978, shall engage in basic law enforcement training which complies  
36 with standards adopted by the commission pursuant to RCW 43.101.080.  
37 For personnel initially employed before January 1, 1990, such training

1 shall be successfully completed during the first fifteen months of  
2 employment of such personnel unless otherwise extended or waived by the  
3 commission and shall be requisite to the continuation of such  
4 employment. Personnel initially employed on or after January 1, 1990,  
5 shall commence basic training during the first six months of employment  
6 unless the basic training requirement is otherwise waived or extended  
7 by the commission. Successful completion of basic training is  
8 requisite to the continuation of employment of such personnel initially  
9 employed on or after January 1, 1990.

10 (2) Except as otherwise provided in this chapter, the commission  
11 shall provide the aforementioned training together with necessary  
12 facilities, supplies, materials, and the board and room of noncommuting  
13 attendees for seven days per week, except during the ((2011-2013))  
14 2013-2015 fiscal biennium when the employing, county, city((+,+)) or  
15 state law enforcement agency shall reimburse the commission for twenty-  
16 five percent of the cost of training its personnel. Additionally, to  
17 the extent funds are provided for this purpose, the commission shall  
18 reimburse to participating law enforcement agencies with ten or less  
19 full-time commissioned patrol officers the cost of temporary  
20 replacement of each officer who is enrolled in basic law enforcement  
21 training: PROVIDED, That such reimbursement shall include only the  
22 actual cost of temporary replacement not to exceed the total amount of  
23 salary and benefits received by the replaced officer during his or her  
24 training period.

25 **Sec. 969.** RCW 43.155.050 and 2012 2nd sp.s. c 2 s 6004 are each  
26 amended to read as follows:

27 The public works assistance account is hereby established in the  
28 state treasury. Money may be placed in the public works assistance  
29 account from the proceeds of bonds when authorized by the legislature  
30 or from any other lawful source. Money in the public works assistance  
31 account shall be used to make loans and to give financial guarantees to  
32 local governments for public works projects. Moneys in the account may  
33 also be appropriated to provide for state match requirements under  
34 federal law for projects and activities conducted and financed by the  
35 board under the drinking water assistance account. Not more than  
36 fifteen percent of the biennial capital budget appropriation to the  
37 public works board from this account may be expended or obligated for

1 preconstruction loans, emergency loans, or loans for capital facility  
2 planning under this chapter; of this amount, not more than ten percent  
3 of the biennial capital budget appropriation may be expended for  
4 emergency loans and not more than one percent of the biennial capital  
5 budget appropriation may be expended for capital facility planning  
6 loans. During the 2011-2013 and 2013-2015 fiscal (~~(biennium)~~) biennia,  
7 the legislature may transfer from the public works assistance account  
8 to the general fund, the water pollution control revolving account, and  
9 the drinking water assistance account such amounts as reflect the  
10 excess fund balance of the account. During the 2011-2013 fiscal  
11 biennium, the legislature may appropriate moneys from the account for  
12 economic development, innovation, and export grants, including  
13 brownfields; main street improvement grants; and the loan program  
14 consolidation board. During the 2013-2015 fiscal biennium, the  
15 legislature may transfer from the public works assistance account to  
16 the general fund such amounts as reflect the excess fund balance of the  
17 account.

18 **Sec. 970.** RCW 43.185.050 and 2011 1st sp.s. c 50 s 953 are each  
19 amended to read as follows:

20 (1) The department shall use moneys from the housing trust fund and  
21 other legislative appropriations to finance in whole or in part any  
22 loans or grant projects that will provide housing for persons and  
23 families with special housing needs and with incomes at or below fifty  
24 percent of the median family income for the county or standard  
25 metropolitan statistical area where the project is located. At least  
26 thirty percent of these moneys used in any given funding cycle shall be  
27 for the benefit of projects located in rural areas of the state as  
28 defined by the department. If the department determines that it has  
29 not received an adequate number of suitable applications for rural  
30 projects during any given funding cycle, the department may allocate  
31 unused moneys for projects in nonrural areas of the state.

32 (2) Activities eligible for assistance from the housing trust fund  
33 and other legislative appropriations include, but are not limited to:

34 (a) New construction, rehabilitation, or acquisition of low and  
35 very low-income housing units;

36 (b) Rent subsidies;



1 (c) Matching funds for social services directly related to  
2 providing housing for special-need tenants in assisted projects;

3 (d) Technical assistance, design and finance services and  
4 consultation, and administrative costs for eligible nonprofit community  
5 or neighborhood-based organizations;

6 (e) Administrative costs for housing assistance groups or  
7 organizations when such grant or loan will substantially increase the  
8 recipient's access to housing funds other than those available under  
9 this chapter;

10 (f) Shelters and related services for the homeless, including  
11 emergency shelters and overnight youth shelters;

12 (g) Mortgage subsidies, including temporary rental and mortgage  
13 payment subsidies to prevent homelessness;

14 (h) Mortgage insurance guarantee or payments for eligible projects;

15 (i) Down payment or closing cost assistance for eligible first-time  
16 home buyers;

17 (j) Acquisition of housing units for the purpose of preservation as  
18 low-income or very low-income housing;

19 (k) Projects making housing more accessible to families with  
20 members who have disabilities; and

21 (l) During the 2005-2007 fiscal biennium, a manufactured/mobile  
22 home landlord-tenant ombudsman conflict resolution and park  
23 registration program.

24 (3) During the ~~((2005-2007 fiscal biennium, revenues generated~~  
25 ~~under RCW 36.22.178 may be used for the development of affordable~~  
26 ~~housing projects and other activities funded in section 108, chapter~~  
27 ~~371, Laws of 2006))~~ 2013-2015 fiscal biennium, the legislature may  
28 transfer from the housing trust fund to the state general fund such  
29 amounts as reflect the excess fund balance of the fund.

30 (4) Legislative appropriations from capital bond proceeds may be  
31 used only for the costs of projects authorized under subsection (2)(a),  
32 (i), and (j) of this section, and not for the administrative costs of  
33 the department.

34 (5) Moneys from repayment of loans from appropriations from capital  
35 bond proceeds may be used for all activities necessary for the proper  
36 functioning of the housing assistance program except for activities  
37 authorized under subsection (2)(b) and (c) of this section.

(6) Administrative costs of the department shall not exceed five percent of the annual funds available for the housing assistance program, except during the 2011-2013 fiscal biennium when administrative costs associated with housing trust fund application, distribution, and project development activities may not exceed three percent of the annual funds available for the housing assistance program; administrative costs associated with compliance and monitoring activities of the department may not exceed one quarter of one percent annually of the contracted amount of state investment in the housing assistance program; and reappropriations may not be included in the calculation of the annual funds available for determining the administrative costs.

**Sec. 971.** RCW 43.185.050 and 2013 c 145 s 2 are each amended to read as follows:

(1) The department must use moneys from the housing trust fund and other legislative appropriations to finance in whole or in part any loans or grant projects that will provide housing for persons and families with special housing needs and with incomes at or below fifty percent of the median family income for the county or standard metropolitan statistical area where the project is located. At least thirty percent of these moneys used in any given funding cycle shall be for the benefit of projects located in rural areas of the state as defined by the department. If the department determines that it has not received an adequate number of suitable applications for rural projects during any given funding cycle, the department may allocate unused moneys for projects in nonrural areas of the state.

(2) Activities eligible for assistance from the housing trust fund and other legislative appropriations include, but are not limited to:

(a) New construction, rehabilitation, or acquisition of low and very low-income housing units;

(b) Rent subsidies;

(c) Matching funds for social services directly related to providing housing for special-need tenants in assisted projects;

(d) Technical assistance, design and finance services and consultation, and administrative costs for eligible nonprofit community or neighborhood-based organizations;

1 (e) Administrative costs for housing assistance groups or  
2 organizations when such grant or loan will substantially increase the  
3 recipient's access to housing funds other than those available under  
4 this chapter;

5 (f) Shelters and related services for the homeless, including  
6 emergency shelters and overnight youth shelters;

7 (g) Mortgage subsidies, including temporary rental and mortgage  
8 payment subsidies to prevent homelessness;

9 (h) Mortgage insurance guarantee or payments for eligible projects;

10 (i) Down payment or closing cost assistance for eligible first-time  
11 home buyers;

12 (j) Acquisition of housing units for the purpose of preservation as  
13 low-income or very low-income housing; and

14 (k) Projects making housing more accessible to families with  
15 members who have disabilities.

16 (3) Legislative appropriations from capital bond proceeds may be  
17 used only for the costs of projects authorized under subsection (2)(a),  
18 (i), and (j) of this section, and not for the administrative costs of  
19 the department.

20 (4) Moneys from repayment of loans from appropriations from capital  
21 bond proceeds may be used for all activities necessary for the proper  
22 functioning of the housing assistance program except for activities  
23 authorized under subsection (2)(b) and (c) of this section.

24 (5) Administrative costs associated with application, distribution,  
25 and project development activities of the department may not exceed  
26 three percent of the annual funds available for the housing assistance  
27 program. Reappropriations must not be included in the calculation of  
28 the annual funds available for determining the administrative costs.

29 (6) Administrative costs associated with compliance and monitoring  
30 activities of the department may not exceed one-quarter of one percent  
31 annually of the contracted amount of state investment in the housing  
32 assistance program.

33 (7) During the 2013-2015 fiscal biennium, the legislature may  
34 transfer from the housing trust fund to the state general fund such  
35 amounts as reflect the excess fund balance of the fund.

36 **Sec. 972.** RCW 43.325.040 and 2009 c 564 s 942 and 2009 c 451 s 5  
37 are each reenacted and amended to read as follows:

1 (1) The energy freedom account is created in the state treasury.  
2 All receipts from appropriations made to the account and any loan  
3 payments of principal and interest derived from loans made under the  
4 energy freedom account must be deposited into the account. Moneys in  
5 the account may be spent only after appropriation. Expenditures from  
6 the account may be used only for financial assistance for further  
7 funding for projects consistent with this chapter or otherwise  
8 authorized by the legislature.

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

- 14 (a) Refueling projects awarded under this chapter;  
15 (b) Pilot projects for plug-in hybrids, including grants provided  
16 for the electrification program set forth in RCW 43.325.110; and  
17 (c) Demonstration projects developed with state universities as  
18 defined in RCW 28B.10.016 and local governments that result in the  
19 design and building of a hydrogen vehicle fueling station.

20 (3)(a) The energy recovery act account is created in the state  
21 treasury. State and federal funds may be deposited into the account  
22 and any loan payments of principal and interest derived from loans made  
23 from the energy recovery act account must be deposited into the  
24 account. Moneys in the account may be spent only after appropriation.

25 (b) Expenditures from the account may be used only for loans, loan  
26 guarantees, and grants that encourage the establishment of innovative  
27 and sustainable industries for renewable energy and energy efficiency  
28 technology, including but not limited to:

- 29 (i) Renewable energy projects or programs that require interim  
30 financing to complete project development and implementation;  
31 (ii) Companies with innovative, near-commercial or commercial,  
32 clean energy technology; and  
33 (iii) Energy efficiency technologies that have a viable repayment  
34 stream from reduced utility costs.

35 (c) The director shall establish policies and procedures for  
36 processing, reviewing, and approving applications for funding under  
37 this section. When developing these policies and procedures, the

1 department must consider the clean energy leadership strategy developed  
2 under section 2, chapter 318, Laws of 2009.

3 (d) The director shall enter into agreements with approved  
4 applicants to fix the term and rates of funding provided from this  
5 account.

6 (e) The policies and procedures of this subsection (3) do not apply  
7 to assistance awarded for projects under RCW 43.325.020(3).

8 (4) Any state agency receiving funding from the energy freedom  
9 account is prohibited from retaining greater than three percent of any  
10 funding provided from the energy freedom account for administrative  
11 overhead or other deductions not directly associated with conducting  
12 the research, projects, or other end products that the funding is  
13 designed to produce unless this provision is waived in writing by the  
14 director.

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

22 (6) Subsections (2), (4), and (5) of this section do not apply to  
23 assistance awarded for projects under RCW 43.325.020(3).

24 (7) During the ((2009-2011)) 2013-2015 fiscal biennium, the  
25 legislature may transfer from the energy freedom account to the state  
26 general fund such amounts as reflect the excess fund balance of the  
27 account.

28 **Sec. 973.** RCW 46.66.080 and 2011 1st sp.s. c 50 s 958 are each  
29 amended to read as follows:

30 (1) The Washington auto theft prevention authority account is  
31 created in the state treasury, subject to appropriation. All revenues  
32 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all  
33 receipts from gifts, grants, bequests, devises, or other funds from  
34 public and private sources to support the activities of the auto theft  
35 prevention authority must be deposited into the account. Expenditures  
36 from the account may be used only for activities relating to motor  
37 vehicle theft, including education, prevention, law enforcement,

1 investigation, prosecution, and confinement. During the ((2009-2011  
2 and)) 2011-2013 and 2013-2015 fiscal biennia, the legislature may  
3 appropriate moneys from the Washington auto theft prevention authority  
4 account for criminal justice purposes and community building and may  
5 transfer funds to the state general fund such amounts as reflect the  
6 excess fund balance of the account.

7 (2) The authority shall allocate moneys appropriated from the  
8 account to public agencies for the purpose of establishing,  
9 maintaining, and supporting programs that are designed to prevent motor  
10 vehicle theft, including:

11 (a) Financial support to prosecution agencies to increase the  
12 effectiveness of motor vehicle theft prosecution;

13 (b) Financial support to a unit of local government or a team  
14 consisting of units of local governments to increase the effectiveness  
15 of motor vehicle theft enforcement;

16 (c) Financial support for the procurement of equipment and  
17 technologies for use by law enforcement agencies for the purpose of  
18 enforcing motor vehicle theft laws; and

19 (d) Financial support for programs that are designed to educate and  
20 assist the public in the prevention of motor vehicle theft.

21 (3) The costs of administration shall not exceed ten percent of the  
22 moneys in the account in any one year so that the greatest possible  
23 portion of the moneys available to the authority is expended on  
24 combating motor vehicle theft.

25 (4) Prior to awarding any moneys from the Washington auto theft  
26 prevention authority account for motor vehicle theft enforcement, the  
27 auto theft prevention authority must verify that the financial award  
28 includes sufficient funding to cover proposed activities, which  
29 include, but are not limited to: (a) State, municipal, and county  
30 offender and juvenile confinement costs; (b) administration costs; (c)  
31 law enforcement costs; (d) prosecutor costs; and (e) court costs, with  
32 a priority being given to ensuring that sufficient funding is available  
33 to cover state, municipal, and county offender and juvenile confinement  
34 costs.

35 (5) Moneys expended from the Washington auto theft prevention  
36 authority account under subsection (2) of this section shall be used to  
37 supplement, not supplant, other moneys that are available for motor  
38 vehicle theft prevention.

1 (6) Grants provided under subsection (2) of this section constitute  
2 reimbursement for purposes of RCW 43.135.060(1).

3 **Sec. 974.** RCW 46.68.340 and 2008 c 282 s 3 are each amended to  
4 read as follows:

5 The ignition interlock device revolving account is created in the  
6 state treasury. All receipts from the fee assessed under RCW  
7 46.20.385(6) must be deposited into the account. Moneys in the account  
8 may be spent only after appropriation. Expenditures from the account  
9 may be used only for administering and operating the ignition interlock  
10 device revolving account program and during the 2013-2015 fiscal  
11 biennium, the legislature may appropriate moneys from the ignition  
12 interlock device revolving account for substance abuse programs for  
13 offenders.

14 **Sec. 975.** RCW 70.42.090 and 1989 c 386 s 10 are each amended to  
15 read as follows:

16 (1) The department shall establish a schedule of fees for license  
17 applications, renewals, amendments, and waivers. In fixing said fees,  
18 the department shall set the fees at a sufficient level to defray the  
19 cost of administering the licensure program. All such fees shall be  
20 fixed by rule adopted in accordance with the provisions of the  
21 administrative procedure act, chapter 34.05 RCW. In determining the  
22 fee schedule, the department shall consider the following: (a)  
23 Complexity of the license required; (b) number and type of tests  
24 performed at the test site; (c) degree of supervision required from the  
25 department staff; (d) whether the license is granted under RCW  
26 70.42.040; and (e) general administrative costs of the test site  
27 licensing program established under this chapter. For each category of  
28 license, fees charged shall be related to program costs.

29 (2) The medical test site licensure account is created in the state  
30 treasury. The state treasurer shall transfer into the medical test  
31 site licensure account all revenue received from medical test site  
32 license fees. Funds for this account may only be appropriated for the  
33 support of the activities defined under this chapter. For the 2013-  
34 2015 fiscal biennium, moneys in the account may be spent for laboratory  
35 services in the department of health.

1       (3) The department may establish separate fees for repeat  
2 inspections and repeat audits it performs under RCW 70.42.170.

3       **Sec. 976.** RCW 70.93.180 and 2011 1st sp.s. c 50 s 963 are each  
4 amended to read as follows:

5       (1) There is hereby created an account within the state treasury to  
6 be known as the "waste reduction, recycling, and litter control  
7 account". Moneys in the account may be spent only after appropriation.  
8 Expenditures from the waste reduction, recycling, and litter control  
9 account shall be used as follows:

10       (a) Fifty percent to the department of ecology, for use by the  
11 departments of ecology, natural resources, revenue, transportation, and  
12 corrections, and the parks and recreation commission, for use in litter  
13 collection programs, to be distributed under RCW 70.93.220. The amount  
14 to the department of ecology shall also be used for a central  
15 coordination function for litter control efforts statewide, for the  
16 biennial litter survey under RCW 70.93.200(8), and for statewide public  
17 awareness programs under RCW 70.93.200(7). The amount to the  
18 department shall also be used to defray the costs of administering the  
19 funding, coordination, and oversight of local government programs for  
20 waste reduction, litter control, and recycling, so that local  
21 governments can apply one hundred percent of their funding to achieving  
22 program goals. The amount to the department of revenue shall be used  
23 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

24       (b) Twenty percent to the department for local government funding  
25 programs for waste reduction, litter control, and recycling activities  
26 by cities and counties under RCW 70.93.250, to be administered by the  
27 department of ecology; and

28       (c) Thirty percent to the department of ecology for waste reduction  
29 and recycling efforts.

30       (2) All taxes imposed in RCW 82.19.010 and fines and bail  
31 forfeitures collected or received pursuant to this chapter shall be  
32 deposited in the waste reduction, recycling, and litter control account  
33 and used for the programs under subsection (1) of this section.

34       (3) Not less than five percent and no more than ten percent of the  
35 amount appropriated into the waste reduction, recycling, and litter  
36 control account every biennium shall be reserved for capital needs,  
37 including the purchase of vehicles for transporting crews and for



1 collecting litter and solid waste. Capital funds shall be distributed  
2 among state agencies and local governments according to the same  
3 criteria provided in RCW 70.93.220 for the remainder of the funds, so  
4 that the most effective waste reduction, litter control, and recycling  
5 programs receive the most funding. The intent of this subsection is to  
6 provide funds for the purchase of equipment that will enable the  
7 department to account for the greatest return on investment in terms of  
8 reaching a zero litter goal.

9 (4) During the 2009-2011 fiscal biennium, the legislature may  
10 transfer from the waste reduction, recycling, and litter control  
11 account to the state general fund such amounts as reflect the excess  
12 fund balance of the account. Additionally, during the 2009-2011 fiscal  
13 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

14 (5) During the 2011-2013 fiscal biennium, the legislature may  
15 transfer from the waste reduction, recycling, and litter control  
16 account to the state general fund such amounts as reflect the excess  
17 fund balance of the account. Additionally, during the 2011-2013 fiscal  
18 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

19 (6) During the 2013-2015 fiscal biennium, subsection (1)(a), (b),  
20 and (c) of this section is suspended.

21 **Sec. 977.** RCW 70.105D.070 and 2012 2nd sp.s. c 7 s 920 and 2012  
22 2nd sp.s. c 2 s 6005 are each reenacted and amended to read as follows:

23 (1) The state toxics control account and the local toxics control  
24 account are hereby created in the state treasury.

25 (2) The following moneys shall be deposited into the state toxics  
26 control account: (a) Those revenues which are raised by the tax  
27 imposed under RCW 82.21.030 and which are attributable to that portion  
28 of the rate equal to thirty-three one-hundredths of one percent; (b)  
29 the costs of remedial actions recovered under this chapter or chapter  
30 70.105A RCW; (c) penalties collected or recovered under this chapter;  
31 and (d) any other money appropriated or transferred to the account by  
32 the legislature. Moneys in the account may be used only to carry out  
33 the purposes of this chapter, including but not limited to the  
34 following activities:

35 (i) The state's responsibility for hazardous waste planning,  
36 management, regulation, enforcement, technical assistance, and public  
37 education required under chapter 70.105 RCW;

1 (ii) The state's responsibility for solid waste planning,  
2 management, regulation, enforcement, technical assistance, and public  
3 education required under chapter 70.95 RCW;

4 (iii) The hazardous waste cleanup program required under this  
5 chapter;

6 (iv) State matching funds required under the federal cleanup law;

7 (v) Financial assistance for local programs in accordance with  
8 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

9 (vi) State government programs for the safe reduction, recycling,  
10 or disposal of hazardous wastes from households, small businesses, and  
11 agriculture;

12 (vii) Hazardous materials emergency response training;

13 (viii) Water and environmental health protection and monitoring  
14 programs;

15 (ix) Programs authorized under chapter 70.146 RCW;

16 (x) A public participation program, including regional citizen  
17 advisory committees;

18 (xi) Public funding to assist potentially liable persons to pay for  
19 the costs of remedial action in compliance with cleanup standards under  
20 RCW 70.105D.030(2)(e) but only when the amount and terms of such  
21 funding are established under a settlement agreement under RCW  
22 70.105D.040(4) and when the director has found that the funding will  
23 achieve both (A) a substantially more expeditious or enhanced cleanup  
24 than would otherwise occur, and (B) the prevention or mitigation of  
25 unfair economic hardship;

26 (xii) Development and demonstration of alternative management  
27 technologies designed to carry out the hazardous waste management  
28 priorities of RCW 70.105.150;

29 (xiii) During the 2009-2011 ~~((and))~~, 2011-2013, and 2013-2015  
30 fiscal biennia, shoreline update technical assistance;

31 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional  
32 permitting teams;

33 (xv) During the 2011-2013 fiscal biennium, actions for reducing  
34 public exposure to toxic air pollution, and actions taken through the  
35 family forest fish passage program to correct barriers to fish passage  
36 on privately owned small forest lands; ~~((and))~~

37 (xvi) During the 2011-2013 fiscal biennium, the department of

1 ecology's water quality, shorelands and environmental assessment,  
2 hazardous waste, waste to resources, nuclear waste, and air quality  
3 programs;

4 (xvii) During the 2013-2015 fiscal biennium, the department of  
5 ecology's water quality, shorelands, environmental assessment,  
6 administration, and air quality programs;

7 (xviii) During the 2013-2015 fiscal biennium, actions at the state  
8 conservation commission to improve water quality for shellfish;

9 (xix) During the 2013-2015 fiscal biennium, solid and hazardous  
10 waste compliance at the department of corrections;

11 (xx) During the 2013-2015 fiscal biennium, activities at the  
12 department of fish and wildlife concerning water quality monitoring,  
13 hatchery water quality regulatory compliance, and technical assistance  
14 to local governments on growth management and shoreline management;

15 (xxi) During the 2013-2015 fiscal biennium, forest practices  
16 regulation at the department of natural resources; and

17 (xxii) During the 2013-2015 fiscal biennium, actions at the  
18 department of ecology and the University of Washington for reducing  
19 ocean acidification.

20 (3) The following moneys shall be deposited into the local toxics  
21 control account: Those revenues which are raised by the tax imposed  
22 under RCW 82.21.030 and which are attributable to that portion of the  
23 rate equal to thirty-seven one-hundredths of one percent.

24 (a) Moneys deposited in the local toxics control account shall be  
25 used by the department for grants or loans to local governments for the  
26 following purposes in descending order of priority:

27 (i) Remedial actions;

28 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

29 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,  
30 70.95I, and 70.105 RCW;

31 (iv) Funds for a program to assist in the assessment and cleanup of  
32 sites of methamphetamine production, but not to be used for the initial  
33 containment of such sites, consistent with the responsibilities and  
34 intent of RCW 69.50.511; and

35 (v) Cleanup and disposal of hazardous substances from abandoned or  
36 derelict vessels, defined for the purposes of this section as vessels  
37 that have little or no value and either have no identified owner or

1 have an identified owner lacking financial resources to clean up and  
2 dispose of the vessel, that pose a threat to human health or the  
3 environment.

4 (b) Funds for plans and programs shall be allocated consistent with  
5 the priorities and matching requirements established in chapters  
6 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that  
7 is a Puget Sound partner, as defined in RCW 90.71.010, along with any  
8 project that is referenced in the action agenda developed by the Puget  
9 Sound partnership under RCW 90.71.310, shall, except as conditioned by  
10 RCW 70.105D.120, receive priority for any available funding for any  
11 grant or funding programs or sources that use a competitive bidding  
12 process. During the 2007-2009 fiscal biennium, moneys in the account  
13 may also be used for grants to local governments to retrofit public  
14 sector diesel equipment and for storm water planning and implementation  
15 activities.

16 (c) To expedite cleanups throughout the state, the department shall  
17 partner with local communities and liable parties for cleanups. The  
18 department is authorized to use the following additional strategies in  
19 order to ensure a healthful environment for future generations:

20 (i) The director may alter grant-matching requirements to create  
21 incentives for local governments to expedite cleanups when one of the  
22 following conditions exists:

23 (A) Funding would prevent or mitigate unfair economic hardship  
24 imposed by the clean-up liability;

25 (B) Funding would create new substantial economic development,  
26 public recreational, or habitat restoration opportunities that would  
27 not otherwise occur; or

28 (C) Funding would create an opportunity for acquisition and  
29 redevelopment of vacant, orphaned, or abandoned property under RCW  
30 70.105D.040(5) that would not otherwise occur;

31 (ii) The use of outside contracts to conduct necessary studies;

32 (iii) The purchase of remedial action cost-cap insurance, when  
33 necessary to expedite multiparty clean-up efforts.

34 (d) To facilitate and expedite cleanups using funds from the local  
35 toxics control account, during the 2009-2011 fiscal biennium the  
36 director may establish grant-funded accounts to hold and disperse local  
37 toxics control account funds and funds from local governments to be  
38 used for remedial actions.

1 (4) Except for unanticipated receipts under RCW 43.79.260 through  
2 43.79.282, moneys in the state and local toxics control accounts may be  
3 spent only after appropriation by statute.

4 (5) Except during the 2011-2013 fiscal biennium, one percent of the  
5 moneys deposited into the state and local toxics control accounts shall  
6 be allocated only for public participation grants to persons who may be  
7 adversely affected by a release or threatened release of a hazardous  
8 substance and to not-for-profit public interest organizations. The  
9 primary purpose of these grants is to facilitate the participation by  
10 persons and organizations in the investigation and remedying of  
11 releases or threatened releases of hazardous substances and to  
12 implement the state's solid and hazardous waste management priorities.  
13 No grant may exceed sixty thousand dollars. Grants may be renewed  
14 annually. Moneys appropriated for public participation from either  
15 account which are not expended at the close of any biennium shall  
16 revert to the state toxics control account.

17 (6) No moneys deposited into either the state or local toxics  
18 control account may be used for solid waste incinerator feasibility  
19 studies, construction, maintenance, or operation, or, after January 1,  
20 2010, for projects designed to address the restoration of Puget Sound,  
21 funded in a competitive grant process, that are in conflict with the  
22 action agenda developed by the Puget Sound partnership under RCW  
23 90.71.310.

24 (7) The department shall adopt rules for grant or loan issuance and  
25 performance.

26 (8) During the 2011-2013 and 2013-2015 fiscal (~~((biennium))~~) biennia,  
27 the legislature may transfer from the local toxics control account to  
28 the state toxics control account such amounts as reflect excess fund  
29 balance in the account.

30 (9) During the 2011-2013 fiscal biennium, the local toxics control  
31 account may also be used for local government shoreline update grants  
32 and actions for reducing public exposure to toxic air pollution;  
33 funding to local governments for flood levee improvements; and grants  
34 to local governments for brownfield redevelopment.

35 (10) During the 2013-2015 fiscal biennium, the local toxics control  
36 account may also be used for local government storm water planning and  
37 implementation activities.

1       (11) During the 2013-2015 fiscal biennium, the local toxics control  
2 account may also be used for local government shoreline update grants.

3       **Sec. 978.** RCW 70.119.150 and 1993 c 306 s 3 are each amended to  
4 read as follows:

5       The waterworks operator certification account is created in the  
6 general fund of the state treasury. All fees paid pursuant to RCW  
7 70.119.100, 70.119.120(3), and any other receipts realized in the  
8 administration of this chapter shall be deposited in the waterworks  
9 operator certification account. Moneys in the account shall be spent  
10 only after appropriation. Moneys from the account shall be used by the  
11 department of health to carry out the purposes of the waterworks  
12 operator certification program. For the 2013-2015 fiscal biennium,  
13 moneys in the account may be spent on the department of health's water  
14 protection and drinking water programs.

15       **Sec. 979.** RCW 70.148.020 and 2012 1st sp.s. c 3 s 1 are each  
16 amended to read as follows:

17       (1) The pollution liability insurance program trust account is  
18 established in the custody of the state treasurer. All funds  
19 appropriated for this chapter and all premiums collected for  
20 reinsurance shall be deposited in the account. Expenditures from the  
21 account shall be used exclusively for the purposes of this chapter  
22 including payment of costs of administering the pollution liability  
23 insurance and underground storage tank community assistance programs.  
24 Expenditures for payment of administrative and operating costs of the  
25 agency are subject to the allotment procedures under chapter 43.88 RCW  
26 and may be made only after appropriation by statute. No appropriation  
27 is required for other expenditures from the account.

28       (2) Each calendar quarter, the director shall report to the  
29 insurance commissioner the loss and surplus reserves required for the  
30 calendar quarter. The director shall notify the department of revenue  
31 of this amount by the fifteenth day of each calendar quarter.

32       (3) Each calendar quarter the director shall determine the amount  
33 of reserves necessary to fund commitments made to provide financial  
34 assistance under RCW 70.148.130 to the extent that the financial  
35 assistance reserves do not jeopardize the operations and liabilities of  
36 the pollution liability insurance program. The director shall notify

1 the department of revenue of this amount by the fifteenth day of each  
2 calendar quarter. The director may immediately establish an initial  
3 financial assistance reserve of five million dollars from available  
4 revenues. The director may not expend more than fifteen million  
5 dollars for the financial assistance program.

6 ~~((4))~~ (4) During the 2013-2015 fiscal biennium, the legislature  
7 may transfer from the pollution liability insurance program trust  
8 account to the state general fund such amounts as reflect the excess  
9 fund balance of the account.

10 (5) This section expires July 1, 2020.

11 **Sec. 980.** RCW 74.09.215 and 2012 c 241 s 103 are each amended to  
12 read as follows:

13 The medicaid fraud penalty account is created in the state  
14 treasury. All receipts from civil penalties collected under RCW  
15 74.09.210, all receipts received under judgments or settlements that  
16 originated under a filing under the federal false claims act, and all  
17 receipts received under judgments or settlements that originated under  
18 the state medicaid fraud false claims act, chapter 74.66 RCW must be  
19 deposited into the account. Moneys in the account may be spent only  
20 after appropriation and must be used only for medicaid services, fraud  
21 detection and prevention activities, recovery of improper payments, and  
22 for other medicaid fraud enforcement activities. For the 2013-2015  
23 fiscal biennium, moneys in the account may be spent on inpatient and  
24 outpatient rebasing and conversion to the tenth version of the  
25 international classification of diseases.

26 **Sec. 981.** RCW 74.09.215 and 2013 c 36 s 3 are each amended to read  
27 as follows:

28 The medicaid fraud penalty account is created in the state  
29 treasury. All receipts from civil penalties collected under RCW  
30 74.09.210, all receipts received under judgments or settlements that  
31 originated under a filing under the federal false claims act, and all  
32 receipts received under judgments or settlements that originated under  
33 the state medicaid fraud false claims act, chapter 74.66 RCW, must be  
34 deposited into the account. Moneys in the account may be spent only  
35 after appropriation and must be used only for medicaid services, fraud  
36 detection and prevention activities, recovery of improper payments, for

1 other medicaid fraud enforcement activities, and the prescription  
2 monitoring program established in chapter 70.225 RCW. For the 2013-  
3 2015 fiscal biennium, moneys in the account may be spent on inpatient  
4 and outpatient rebasing and conversion to the tenth version of the  
5 international classification of diseases.

6       **Sec. 982.** RCW 77.12.201 and 2012 2nd sp.s. c 7 s 923 are each  
7 amended to read as follows:

8       The legislative authority of a county may elect, by giving written  
9 notice to the director and the treasurer prior to January 1st of any  
10 year, to obtain for the following year an amount in lieu of real  
11 property taxes on game lands as provided in RCW 77.12.203. Upon the  
12 election, the county shall keep a record of all fines, forfeitures,  
13 reimbursements, and costs assessed and collected, in whole or in part,  
14 under this title for violations of law or rules adopted pursuant to  
15 this title, with the exception of the 2011-2013 and 2013-2015 fiscal  
16 (~~(biennium))~~ biennia, and shall monthly remit an amount equal to the  
17 amount collected to the state treasurer for deposit in the state  
18 general fund. The election shall continue until the department is  
19 notified differently prior to January 1st of any year.

20       **Sec. 983.** RCW 77.12.203 and 2012 2nd sp.s. c 7 s 924 are each  
21 amended to read as follows:

22       (1) Except as provided in subsection (5) of this section and  
23 notwithstanding RCW 84.36.010 or other statutes to the contrary, the  
24 director shall pay by April 30th of each year on game lands in each  
25 county, if requested by an election under RCW 77.12.201, an amount in  
26 lieu of real property taxes equal to that amount paid on similar  
27 parcels of open space land taxable under chapter 84.34 RCW or the  
28 greater of seventy cents per acre per year or the amount paid in 1984  
29 plus an additional amount for control of noxious weeds equal to that  
30 which would be paid if such lands were privately owned. This amount  
31 shall not be assessed or paid on department buildings, structures,  
32 facilities, game farms, fish hatcheries, tidelands, or public fishing  
33 areas of less than one hundred acres.

34       (2) "Game lands," as used in this section and RCW 77.12.201, means  
35 those tracts one hundred acres or larger owned in fee by the department  
36 and used for wildlife habitat and public recreational purposes. All



lands purchased for wildlife habitat, public access or recreation purposes with federal funds in the Snake River drainage basin shall be considered game lands regardless of acreage.

(3) This section shall not apply to lands transferred after April 23, 1990, to the department from other state agencies.

(4) The county shall distribute the amount received under this section in lieu of real property taxes to all property taxing districts except the state in appropriate tax code areas the same way it would distribute local property taxes from private property. The county shall distribute the amount received under this section for weed control to the appropriate weed district.

(5) For the 2011-2013 and 2013-2015 fiscal (~~(biennium)~~) biennia, the director shall pay by April 30th of each year on game lands in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes and shall be distributed as follows:

**County**

Adams.....	1,909
Asotin.....	36,123
Chelan.....	24,757
Columbia.....	7,795
Ferry.....	6,781
Garfield.....	4,840
Grant.....	37,443
Grays Harbor.....	7,264
Kittitas.....	143,974
Klickitat.....	21,906
Lincoln.....	13,535
Okanogan.....	151,402
Pend Oreille.....	3,309
Yakima.....	126,225

These amounts shall not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, tidelands, or public fishing areas of less than one hundred acres.

1       **Sec. 984.** RCW 79.64.040 and 2012 2nd sp.s. c 7 s 927 are each  
2 amended to read as follows:

3       (1) The board shall determine the amount deemed necessary in order  
4 to achieve the purposes of this chapter and shall provide by rule for  
5 the deduction of this amount from the moneys received from all leases,  
6 sales, contracts, licenses, permits, easements, and rights-of-way  
7 issued by the department and affecting state lands, community forest  
8 trust lands, and aquatic lands, provided that no deduction shall be  
9 made from the proceeds from agricultural college lands.

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

14       (3) Except as otherwise provided in subsections (4) and (6) of this  
15 section, the deductions authorized under this section shall not exceed  
16 twenty-five percent of the moneys received by the department in  
17 connection with any one transaction pertaining to state lands and  
18 aquatic lands other than second-class tide and shore lands and the beds  
19 of navigable waters, and fifty percent of the moneys received by the  
20 department pertaining to second-class tide and shore lands and the beds  
21 of navigable waters.

22       (4) Deductions authorized under this section for transactions  
23 pertaining to community forest trust lands must be established at a  
24 level sufficient to defray over time the management costs for  
25 activities prescribed in a parcel's management plan adopted pursuant to  
26 RCW 79.155.080, and, if deemed appropriate by the board consistent with  
27 RCW 79.155.090, to reimburse the state and any local entities' eligible  
28 financial contributions for acquisition of the parcel.

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

33       (6) During the 2011-2013 and 2013-2015 fiscal (~~((biennium))~~) biennia,  
34 the twenty-five percent limitation on deductions set in subsection (3)  
35 of this section may be increased up to thirty percent by the board.

36       **Sec. 985.** RCW 79.105.150 and 2012 2nd sp.s. c 7 s 929 and 2012 2nd  
37 sp.s. c 2 s 6008 are each reenacted and amended to read as follows:

(1) After deduction for management costs as provided in RCW 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys received by the state from the sale or lease of state-owned aquatic lands and from the sale of valuable material from state-owned aquatic lands shall be deposited in the aquatic lands enhancement account which is hereby created in the state treasury. After appropriation, these funds shall be used solely for aquatic lands enhancement projects; for the purchase, improvement, or protection of aquatic lands for public purposes; for providing and improving access to the lands; and for volunteer cooperative fish and game projects. During the 2011-2013 fiscal biennium, the aquatic lands enhancement account may also be used for scientific research as part of the adaptive management process and for developing a planning report for McNeil Island. During the 2011-2013 fiscal biennium, the legislature may transfer from the aquatic lands enhancement account to the state general fund such amounts as reflect excess fund balance of the account. During the 2011-2013 and 2013-2015 fiscal (~~(biennium))~~ biennia, the aquatic lands enhancement account may be used to support the shellfish program, the ballast water program, (~~(parks,))~~ hatcheries, and the Puget Sound toxic sampling program at the department of fish and wildlife, the knotweed program at the department of agriculture, state park programs at the state parks and recreation commission, the forest practices program at the department of natural resources, and the Puget SoundCorps program. During the 2011-2013 fiscal biennium and the 2013-2015 fiscal biennium, the legislature may transfer from the aquatic lands enhancement account to the marine resources stewardship trust account funds for the purposes of RCW 43.372.070.

(2) In providing grants for aquatic lands enhancement projects, the recreation and conservation funding board shall:

(a) Require grant recipients to incorporate the environmental benefits of the project into their grant applications;

(b) Utilize the statement of environmental benefits, consideration, except as provided in RCW 79.105.610, of whether the applicant is a Puget Sound partner, as defined in RCW 90.71.010, whether a project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, and except as otherwise provided in RCW 79.105.630, and effective one calendar year following the development and statewide availability of model evergreen community

1 management plans and ordinances under RCW 35.105.050, whether the  
2 applicant is an entity that has been recognized, and what gradation of  
3 recognition was received, in the evergreen community recognition  
4 program created in RCW 35.105.030 in its prioritization and selection  
5 process; and

6 (c) Develop appropriate outcome-focused performance measures to be  
7 used both for management and performance assessment of the grants.

8 (3) To the extent possible, the department should coordinate its  
9 performance measure system with other natural resource-related agencies  
10 as defined in RCW 43.41.270.

11 (4) The department shall consult with affected interest groups in  
12 implementing this section.

13 (5) After January 1, 2010, any project designed to address the  
14 restoration of Puget Sound may be funded under this chapter only if the  
15 project is not in conflict with the action agenda developed by the  
16 Puget Sound partnership under RCW 90.71.310.

17 **Sec. 986.** RCW 82.08.160 and 2012 2nd sp.s. c 5 s 3 are each  
18 amended to read as follows:

19 (1) On or before the twenty-fifth day of each month, all taxes  
20 collected under RCW 82.08.150 during the preceding month must be  
21 remitted to the state department of revenue, to be deposited with the  
22 state treasurer. Except as provided in subsections (2) ~~((and))~~, (3),  
23 and (4) of this section, upon receipt of such moneys the state  
24 treasurer must credit sixty-five percent of the sums collected and  
25 remitted under RCW 82.08.150 (1) and (2) and one hundred percent of the  
26 sums collected and remitted under RCW 82.08.150 (3) and (4) to the  
27 state general fund and thirty-five percent of the sums collected and  
28 remitted under RCW 82.08.150 (1) and (2) to a fund which is hereby  
29 created to be known as the "liquor excise tax fund."

30 (2) During the 2012 fiscal year, 66.19 percent of the sums  
31 collected and remitted under RCW 82.08.150 (1) and (2) must be  
32 deposited in the state general fund and the remainder collected and  
33 remitted under RCW 82.08.150 (1) and (2) must be deposited in the  
34 liquor excise tax fund.

35 (3) During fiscal year 2013, all funds collected under RCW  
36 82.08.150 (1), (2), (3), and (4) must be deposited into the state  
37 general fund.

1       (4) During the 2013-2015 fiscal biennium, eighty two and one-half  
2 percent of the sums collected and remitted under RCW 82.08.150 (1) and  
3 (2) must be deposited in the state general fund and the remainder  
4 collected and remitted under RCW 82.08.150 (1) and (2) must be  
5 deposited in the liquor excise tax fund.

6       **Sec. 987.** RCW 82.14.310 and 2011 1st sp.s. c 50 s 970 are each  
7 amended to read as follows:

8       (1) The county criminal justice assistance account is created in  
9 the state treasury. Beginning in fiscal year 2000, the state treasurer  
10 must transfer into the county criminal justice assistance account from  
11 the general fund the sum of twenty-three million two hundred thousand  
12 dollars divided into four equal deposits occurring on July 1, October  
13 1, January 1, and April 1. For each fiscal year thereafter, the state  
14 treasurer must increase the total transfer by the fiscal growth factor,  
15 as defined in RCW 43.135.025, forecast for that fiscal year by the  
16 office of financial management in November of the preceding year.

17       (2) The moneys deposited in the county criminal justice assistance  
18 account for distribution under this section, less any moneys  
19 appropriated for purposes under subsection (4) of this section, must be  
20 distributed at such times as distributions are made under RCW 82.44.150  
21 and on the relative basis of each county's funding factor as determined  
22 under this subsection.

23       (a) A county's funding factor is the sum of:

24       (i) The population of the county, divided by one thousand, and  
25 multiplied by two-tenths;

26       (ii) The crime rate of the county, multiplied by three-tenths; and

27       (iii) The annual number of criminal cases filed in the county  
28 superior court, for each one thousand in population, multiplied by  
29 five-tenths.

30       (b) Under this section and RCW 82.14.320 and 82.14.330:

31       (i) The population of the county or city is as last determined by  
32 the office of financial management;

33       (ii) The crime rate of the county or city is the annual occurrence  
34 of specified criminal offenses, as calculated in the most recent annual  
35 report on crime in Washington state as published by the Washington  
36 association of sheriffs and police chiefs, for each one thousand in  
37 population;

1 (iii) The annual number of criminal cases filed in the county  
2 superior court must be determined by the most recent annual report of  
3 the courts of Washington, as published by the administrative office of  
4 the courts;

5 (iv) Distributions and eligibility for distributions in the 1989-  
6 1991 biennium must be based on 1988 figures for both the crime rate as  
7 described under (ii) of this subsection and the annual number of  
8 criminal cases that are filed as described under (iii) of this  
9 subsection. Future distributions must be based on the most recent  
10 figures for both the crime rate as described under (ii) of this  
11 subsection and the annual number of criminal cases that are filed as  
12 described under (iii) of this subsection.

13 (3) Moneys distributed under this section must be expended  
14 exclusively for criminal justice purposes and may not be used to  
15 replace or supplant existing funding. Criminal justice purposes are  
16 defined as activities that substantially assist the criminal justice  
17 system, which may include circumstances where ancillary benefit to the  
18 civil or juvenile justice system occurs, and which includes (a)  
19 domestic violence services such as those provided by domestic violence  
20 programs, community advocates, and legal advocates, as defined in RCW  
21 70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile  
22 dispositional hearings relating to petitions for at-risk youth,  
23 truancy, and children in need of services. Existing funding for  
24 purposes of this subsection is defined as calendar year 1989 actual  
25 operating expenditures for criminal justice purposes. Calendar year  
26 1989 actual operating expenditures for criminal justice purposes  
27 exclude the following: Expenditures for extraordinary events not  
28 likely to reoccur, changes in contract provisions for criminal justice  
29 services, beyond the control of the local jurisdiction receiving the  
30 services, and major nonrecurring capital expenditures.

31 (4) Not more than five percent of the funds deposited to the county  
32 criminal justice assistance account may be available for appropriations  
33 for enhancements to the state patrol crime laboratory system and the  
34 continuing costs related to these enhancements. Funds appropriated  
35 from this account for such enhancements may not supplant existing funds  
36 from the state general fund.

37 (5) During the 2011-2013 fiscal biennium, the amount that would

1 otherwise be transferred into the county criminal justice assistance  
2 account from the general fund under subsection (1) of this section must  
3 be reduced by 3.4 percent.

4 (6) During the 2013-2015 fiscal biennium, for the purposes of  
5 substance abuse and other programs for offenders, the legislature may  
6 appropriate from the county criminal justice assistance account such  
7 amounts as are in excess of the amounts necessary to fully meet the  
8 state's obligations to the counties and to the Washington state patrol.  
9 Excess amounts in this account are not the result of subsection (5) of  
10 this section.

11 **Sec. 988.** RCW 86.26.007 and 2012 2nd sp.s. c 7 s 932 are each  
12 amended to read as follows:

13 The flood control assistance account is hereby established in the  
14 state treasury. At the beginning of the 2005-2007 fiscal biennium, the  
15 state treasurer shall transfer three million dollars from the general  
16 fund to the flood control assistance account. Each biennium thereafter  
17 the state treasurer shall transfer four million dollars from the  
18 general fund to the flood control assistance account, except that  
19 during the 2011-2013 fiscal biennium, the state treasurer shall  
20 transfer one million dollars from the general fund to the flood control  
21 assistance account. Moneys in the flood control assistance account may  
22 be spent only after appropriation for purposes specified under this  
23 chapter. During the 2013-2015 fiscal biennium, the legislature may  
24 transfer from the flood control assistance account to the state general  
25 fund such amounts as reflect the excess fund balance of the account.

(End of part)

SUPPLEMENTAL  
PART XI  
GENERAL GOVERNMENT

**Sec. 1101.** 2012 2nd sp.s. c 7 s 111 (uncodified) is amended to read as follows:

**FOR THE SUPREME COURT**

General Fund--State Appropriation (FY 2012)	\$6,757,000
General Fund--State Appropriation (FY 2013)	<del>(\$6,561,000)</del>
	<u>\$6,603,000</u>
TOTAL APPROPRIATION	<del>(\$13,318,000)</del>
	<u>\$13,360,000</u>

**Sec. 1102.** 2012 2nd sp.s. c 7 s 112 (uncodified) is amended to read as follows:

**FOR THE LAW LIBRARY**

General Fund--State Appropriation (FY 2012)	\$1,504,000
<u>General Fund--State Appropriation (FY 2013)</u>	<u>\$24,000</u>
Judicial Information System Account--State	
Appropriation	\$1,500,000
TOTAL APPROPRIATION	<del>(\$3,004,000)</del>
	<u>\$3,028,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$50,000 of the judicial information system account--state appropriation is provided solely to evaluate the state law library and assess its operational structure to determine the most effective delivery model for providing library services.

**Sec. 1103.** 2012 2nd sp.s. c 7 s 114 (uncodified) is amended to read as follows:

**FOR THE COURT OF APPEALS**

General Fund--State Appropriation (FY 2012)	\$15,275,000
General Fund--State Appropriation (FY 2013)	<del>(\$15,168,000)</del>
	<u>\$15,253,000</u>
TOTAL APPROPRIATION	<del>(\$30,443,000)</del>
	<u>\$30,528,000</u>



1       **Sec. 1104.** 2012 2nd sp.s. c 7 s 115 (uncodified) is amended to  
2 read as follows:

3 **FOR THE ADMINISTRATOR FOR THE COURTS**

4	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$50,725,000</del> ))
5		<u>\$50,725,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$48,429,000</del> ))
7		<u>\$48,594,000</u>
8	General Fund--Federal Appropriation . . . . .	\$2,532,000
9	General Fund--Private/Local Appropriation . . . . .	\$390,000
10	Judicial Information Systems Account--State	
11	Appropriation . . . . .	\$42,362,000
12	Judicial Stabilization Trust Account--State	
13	Appropriation . . . . .	\$5,954,000
14	TOTAL APPROPRIATION . . . . .	(( <del>\$150,392,000</del> ))
15		<u>\$150,557,000</u>

16       The appropriations in this section are subject to the following  
17 conditions and limitations:

18       (1) \$1,800,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$1,399,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely for school districts for petitions  
21 to juvenile court for truant students as provided in RCW 28A.225.030  
22 and 28A.225.035. The office of the administrator for the courts shall  
23 develop an interagency agreement with the superintendent of public  
24 instruction to allocate the funding provided in this subsection.  
25 Allocation of this money to school districts shall be based on the  
26 number of petitions filed. This funding includes amounts school  
27 districts may expend on the cost of serving petitions filed under RCW  
28 28A.225.030 by certified mail or by personal service or for the  
29 performance of service of process for any hearing associated with RCW  
30 28A.225.030.

31       (2)(a) \$8,252,000 of the general fund--state appropriation for  
32 fiscal year 2012 and \$7,313,000 of the general fund--state  
33 appropriation for fiscal year 2013 are provided solely for distribution  
34 to county juvenile court administrators to fund the costs of processing  
35 truancy, children in need of services, and at-risk youth petitions.  
36 The administrator for the courts, in conjunction with the juvenile  
37 court administrators, shall develop an equitable funding distribution

1 formula. The formula shall neither reward counties with higher than  
2 average per-petition processing costs nor shall it penalize counties  
3 with lower than average per-petition processing costs.

4 (b) Each fiscal year during the 2011-2013 fiscal biennium, each  
5 county shall report the number of petitions processed and the total  
6 actual costs of processing truancy, children in need of services, and  
7 at-risk youth petitions. Counties shall submit the reports to the  
8 administrator for the courts no later than 45 days after the end of the  
9 fiscal year. The administrator for the courts shall electronically  
10 transmit this information to the chairs and ranking minority members of  
11 the house of representatives and senate ways and means committees no  
12 later than 60 days after a fiscal year ends. These reports are deemed  
13 informational in nature and are not for the purpose of distributing  
14 funds.

15 (3) The distributions made under this subsection and distributions  
16 from the county criminal justice assistance account made pursuant to  
17 section 801 of this act constitute appropriate reimbursement for costs  
18 for any new programs or increased level of service for purposes of RCW  
19 43.135.060.

20 (4) \$265,000 of the general fund--state appropriation for fiscal  
21 year 2012 is provided solely for the office of public guardianship to  
22 provide guardianship services for low-income incapacitated persons.

23 (5) \$1,178,000 of the judicial information systems account--state  
24 appropriation is provided solely for replacing computer equipment at  
25 state courts and state judicial agencies.

26 (6) No later than September 30, 2011, the judicial information  
27 systems committee shall provide a report to the legislature on the  
28 recommendations of the case management feasibility study, including  
29 plans for a replacement of the superior court management information  
30 system (SCOMIS) and plans for completing the data exchange core system  
31 component consistent with a complete data exchange standard. No later  
32 than December 31, 2011, the judicial information systems committee  
33 shall provide a report to the legislature on the status of the data  
34 exchange, the procurement process for a SCOMIS replacement, and a case  
35 management system that is designed to meet the requirements approved by  
36 the superior courts and county clerks of all thirty-nine counties. The  
37 legislature shall solicit input on both reports from judicial,  
38 legislative, and executive stakeholders.

(7) In order to gather better data on juveniles in the criminal justice system, the administrative office of the courts shall modify the judgment and sentence form for juvenile and adult sentences to include one or more check boxes indicating whether (a) the adult superior court had original jurisdiction for a defendant who was younger than eighteen years of age at the time the case was filed; (b) the case was originally filed in juvenile court but transferred to adult superior court jurisdiction; or (c) the case was originally filed in adult superior court or transferred to adult superior court but then returned to the juvenile court.

(8) \$540,000 of the judicial stabilization trust account--state appropriation is provided solely for the office of public guardianship to continue guardianship services for those low-income incapacitated persons who were receiving services on June 30, 2012.

(9) The Washington association of juvenile court administrators and the juvenile rehabilitation administration, in consultation with the community juvenile accountability act advisory committee and the Washington state institute for public policy, shall analyze and review data elements available from the administrative office of the courts for possible integration into the evidence-based program quality assurance plans and processes. The administrative office of the courts, the Washington association of juvenile court administrators, and the juvenile rehabilitation administration shall provide information necessary to complete the review and analysis. The Washington association of juvenile court administrators and the juvenile rehabilitation administration shall report the findings of their review and analysis, as well as any recommendations, to the legislature by December 1, 2012.

(10) \$380,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an interagency reimbursement to the office of the attorney general for costs incurred in providing legal representation to the superior court judges of Grays Harbor county in *Grays Harbor County v. State*.

**Sec. 1105.** 2012 2nd sp.s. c 7 s 118 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF THE GOVERNOR**

General Fund--State Appropriation (FY 2012) . . . . . \$5,102,000

General Fund--State Appropriation (FY 2013) . . . . . ((~~\$5,247,000~~))  
\$5,286,000  
Economic Development Strategic Reserve Account--State  
Appropriation . . . . . \$1,500,000  
TOTAL APPROPRIATION . . . . . ((~~\$11,849,000~~))  
\$11,888,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,500,000 of the economic development strategic reserve account appropriation is provided solely for efforts to assist with currently active industrial recruitment efforts that will bring new jobs to the state or will retain headquarter locations of major companies currently housed in the state.

(2) \$540,000 of the general fund--state appropriation for fiscal year 2012 and \$526,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the office of the education ombudsman.

(3) \$39,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of Senate Bill No. 5802 (greenhouse gas emission targets). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

**Sec. 1106.** 2012 2nd sp.s. c 7 s 121 (uncodified) is amended to read as follows:

**FOR THE SECRETARY OF STATE**

General Fund--State Appropriation (FY 2012) . . . . . \$16,047,000  
General Fund--State Appropriation (FY 2013) . . . . . ((~~\$8,612,000~~))  
\$9,972,000  
General Fund--Federal Appropriation . . . . . \$7,326,000  
Public Records Efficiency, Preservation, and Access  
Account--State Appropriation . . . . . ((~~\$7,074,000~~))  
\$7,185,000  
Charitable Organization Education Account--State  
Appropriation . . . . . \$362,000  
Local Government Archives Account--State  
Appropriation . . . . . \$8,516,000  
Election Account--Federal Appropriation . . . . . \$17,284,000  
Washington State Heritage Center Account--State

Appropriation . . . . .	\$5,028,000
TOTAL APPROPRIATION . . . . .	( (\$70,249,000) )
	<u>\$71,720,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,898,000 of the general fund--state appropriation for fiscal year 2012 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2)(a) \$1,847,000 of the general fund--state appropriation for fiscal year 2012 and \$1,926,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2011-2013 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of

Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(3) Any reductions to funding for the Washington talking book and Braille library may not exceed in proportion any reductions taken to the funding for the library as a whole.

**Sec. 1107.** 2012 2nd sp.s. c 7 s 127 (uncodified) is amended to read as follows:

**FOR THE ATTORNEY GENERAL**

General Fund--State Appropriation (FY 2012) . . . . . \$4,758,000

General Fund--State Appropriation (FY 2013) . . . . . ((~~\$7,690,000~~))

\$7,890,000

General Fund--Federal Appropriation . . . . . \$10,015,000

New Motor Vehicle Arbitration Account--State

Appropriation . . . . . \$968,000

Legal Services Revolving Account--State

Appropriation . . . . . ((~~\$197,375,000~~))

\$197,412,000

Tobacco Prevention and Control Account--State

Appropriation . . . . . \$270,000

Medicaid Fraud Penalty Account--State Appropriation . . . . . \$1,129,000

TOTAL APPROPRIATION . . . . . ((~~\$222,205,000~~))

\$222,442,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing

1 the agency's expenditures for its agency-wide overhead and a breakdown  
2 by division of division administration expenses.

3 (2) Prior to entering into any negotiated settlement of a claim  
4 against the state that exceeds five million dollars, the attorney  
5 general shall notify the director of financial management and the  
6 chairs of the senate committee on ways and means and the house of  
7 representatives committee on ways and means.

8 (3) The attorney general shall annually report to the fiscal  
9 committees of the legislature all new *cy pres* awards and settlements  
10 and all new accounts, disclosing their intended uses, balances, the  
11 nature of the claim or account, proposals, and intended timeframes for  
12 the expenditure of each amount. The report shall be distributed  
13 electronically and posted on the attorney general's web site. The  
14 report shall not be printed on paper or distributed physically.

15 (4) The attorney general shall enter into an interagency agreement  
16 with the department of social and health services for expenditure of  
17 the state's proceeds from the *cy pres* settlement in *State of Washington*  
18 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204  
19 and 213 of this act.

20 (5) \$62,000 of the legal services revolving fund--state  
21 appropriation is provided solely to implement House Bill No. 1770  
22 (state purchasing). If the bill is not enacted by June 30, 2011, the  
23 amount provided in this subsection shall lapse.

24 (6) \$5,924,000 of the legal services revolving account--state  
25 appropriation is provided solely to implement House Bill No. 2123  
26 (workers' compensation). If the bill is not enacted by June 30, 2011,  
27 the amount provided in this subsection shall lapse.

28 (7) The office of the attorney general is authorized to expend  
29 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer  
30 protection costs in accordance with uses authorized in the court  
31 orders.

32 (8) \$96,000 of the legal services revolving fund--state  
33 appropriation is provided solely to implement Senate Bill No. 5076  
34 (financial institutions). If the bill is not enacted by June 30, 2011,  
35 the amount provided in this subsection shall lapse.

36 (9) \$99,000 of the legal services revolving fund--state  
37 appropriation is provided solely to implement Engrossed Second

1 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill  
2 is not enacted by June 30, 2011, the amount provided in this subsection  
3 shall lapse.

4 (10) \$416,000 of the legal services revolving fund--state  
5 appropriation is provided solely to implement Substitute Senate Bill  
6 No. 5801 (industrial insurance system). If the bill is not enacted by  
7 June 30, 2011, the amount provided in this subsection shall lapse.

8 (11) \$31,000 of the legal services revolving fund--state  
9 appropriation is provided solely to implement Engrossed Substitute  
10 Senate Bill No. 5021 (election campaign disclosure). If the bill is  
11 not enacted by June 30, 2011, the amount provided in this subsection  
12 shall lapse.

13 (12) The executive ethics board shall: (a) Develop a statewide  
14 plan, with performance measures, to provide overall direction and  
15 accountability in all executive branch agencies and statewide elected  
16 offices; (b) coordinate and work with the commission on judicial  
17 conduct and the legislative ethics board; (c) assess and evaluate each  
18 agency's ethical culture through employee and stakeholder surveys,  
19 review Washington state quality award feedback reports, and publish an  
20 annual report on the results to the public; and (d) solicit outside  
21 evaluations, studies, and recommendations for improvements from  
22 academics, nonprofit organizations, the public disclosure commission,  
23 or other entities with expertise in ethics, integrity, and the public  
24 sector.

25 (13) \$11,000 of the legal services revolving fund--state  
26 appropriation is provided solely to implement House Bill No. 2301  
27 (boxing, martial arts, wrestling). If the bill is not enacted by June  
28 30, 2012, the amount provided in this subsection shall lapse.

29 (14) \$56,000 of the legal services revolving fund--state  
30 appropriation is provided solely to implement House Bill No. 2319  
31 (affordable care act). If the bill is not enacted by June 30, 2012,  
32 the amount provided in this subsection shall lapse.

33 (15) \$5,743,000 of the general fund--state appropriation for fiscal  
34 year 2013 is provided solely for the legal costs associated with the  
35 evaluation, filing, prosecution, response to petitions for release, and  
36 appeal of sexually violent predator civil commitment cases, as provided  
37 in chapter 71.09 RCW. Within the amount provided in this subsection,



the attorney general may enter into an interagency agreement with a county prosecutor to perform prosecution services pursuant to chapter 71.09 RCW.

(16) \$94,000 of the legal services revolving fund--state appropriation is provided solely to implement Senate Bill No. 6103 (reflexology and massage therapy). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(17) \$57,000 of the legal services revolving fund--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 6237 (medical assistants). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(18) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud) is not enacted by June 30, 2012, the amounts appropriated in this section from the medicaid fraud penalty account--state appropriation shall lapse and an additional \$730,000 shall be appropriated from the general fund--state for fiscal year 2013 for fraud detection and prevention activities, recovery of improper payments, and for other medicaid fraud enforcement activities.

(19) \$56,000 of the legal services revolving fund--state appropriation is provided solely to implement House Bill No. 2592 (extended foster care). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(20) \$65,000 of the legal services revolving fund--state appropriation is provided solely for implementation of Second Engrossed Substitute Senate Bill No. 6406 (state natural resources). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 1108.** 2012 2nd sp.s. c 7 s 129 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMERCE**

General Fund--State Appropriation (FY 2012)	\$51,799,000
General Fund--State Appropriation (FY 2013)	<del>(( \$72,839,000 ))</del>
	<u>\$53,539,000</u>
General Fund--Federal Appropriation	\$340,184,000
General Fund--Private/Local Appropriation	\$5,036,000
Public Works Assistance Account--State	

1	Appropriation . . . . .	\$2,733,000
2	Drinking Water Assistance Administrative	
3	Account--State Appropriation . . . . .	\$437,000
4	Lead Paint Account--State Appropriation . . . . .	(( <del>\$65,000</del> ))
5		<u>\$100,000</u>
6	Building Code Council Account--State Appropriation . . . . .	.\$13,000
7	Home Security Fund Account--State Appropriation . . . . .	\$21,007,000
8	Affordable Housing for All Account--State	
9	Appropriation . . . . .	.\$11,899,000
10	County Research Services Account--State	
11	Appropriation . . . . .	\$540,000
12	Financial Fraud and Identity Theft Crimes Investigation	
13	and Prosecution Account--State Appropriation . . . . .	(( <del>\$1,166,000</del> ))
14		<u>\$969,000</u>
15	Low-Income Weatherization Assistance Account--State	
16	Appropriation . . . . .	(( <del>\$2,427,000</del> ))
17		<u>\$1,186,000</u>
18	City and Town Research Services Account--State	
19	Appropriation . . . . .	\$2,577,000
20	Community and Economic Development Fee Account--State	
21	Appropriation . . . . .	\$6,781,000
22	Washington Housing Trust Account--State	
23	Appropriation . . . . .	.\$17,444,000
24	Prostitution Prevention and Intervention Account--	
25	State Appropriation . . . . .	.\$86,000
26	Public Facility Construction Loan Revolving	
27	Account--State Appropriation . . . . .	\$748,000
28	Washington Community Technology Opportunity Account--	
29	State Appropriation . . . . .	\$713,000
30	Liquor Revolving Account--State Appropriation . . . . .	(( <del>\$2,802,000</del> ))
31		<u>\$3,032,000</u>
32	TOTAL APPROPRIATION . . . . .	(( <del>\$541,296,000</del> ))
33		<u>\$520,823,000</u>

34 The appropriations in this section are subject to the following  
35 conditions and limitations:

36 (1) Repayments of outstanding mortgage and rental assistance  
37 program loans administered by the department under RCW 43.63A.640 shall

1 be remitted to the department, including any current revolving account  
2 balances. The department shall collect payments on outstanding loans,  
3 and deposit them into the state general fund. Repayments of funds owed  
4 under the program shall be remitted to the department according to the  
5 terms included in the original loan agreements.

6 (2) \$500,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$500,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for a grant to resolution  
9 Washington to building statewide capacity for alternative dispute  
10 resolution centers and dispute resolution programs that guarantee that  
11 citizens have access to low-cost resolution as an alternative to  
12 litigation.

13 (3) \$306,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$306,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for a grant to the retired senior  
16 volunteer program.

17 (4) The department shall administer its growth management act  
18 technical assistance so that smaller cities receive proportionately  
19 more assistance than larger cities or counties.

20 (5) \$1,800,000 of the home security fund--state appropriation is  
21 provided for transitional housing assistance or partial payments for  
22 rental assistance under the independent youth housing program.

23 (6) \$5,000,000 of the home security fund--state appropriation is  
24 for the operation, repair, and staffing of shelters in the homeless  
25 family shelter program.

26 (7) \$198,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$198,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for the Washington new Americans  
29 program.

30 (8) \$2,949,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$2,949,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for associate development  
33 organizations.

34 (9) \$127,000 of the general fund--federal appropriation is provided  
35 solely for implementation of Substitute House Bill No. 1886  
36 (Ruckelshaus center process). If the bill is not enacted by June 30,  
37 2011, the amount provided in this subsection shall lapse.

1 (10) Up to \$200,000 of the general fund--private/local  
2 appropriation is for a grant to the Washington tourism alliance for the  
3 maintenance of the Washington state tourism web site  
4 www.experiencewa.com and its related sub-sites. The department may  
5 transfer ownership of the web site and other tourism promotion assets  
6 and assign obligations to the Washington tourism alliance for purposes  
7 of tourism promotion throughout the state. The alliance may use the  
8 assets only in a manner consistent with the purposes for which they  
9 were created. Any revenue generated from these assets must be used by  
10 the alliance for the sole purposes of statewide Washington tourism  
11 promotion. The legislature finds that the Washington tourism alliance,  
12 a not-for-profit, 501.c.6 organization established, funded, and  
13 governed by Washington tourism industry stakeholders to sustain  
14 destination tourism marketing across Washington, is an appropriate body  
15 to receive funding and assets from and assume obligations of the  
16 department for the purposes described in this section.

17 (11) Within the appropriations in this section, specific funding is  
18 provided to implement Substitute Senate Bill No. 5741 (economic  
19 development commission).

20 (12) \$2,000,000 of the community and economic development fee  
21 account appropriation is provided solely for the department of commerce  
22 for services to homeless families through the Washington families fund.

23 (13) \$234,000 of the general fund--state appropriation for fiscal  
24 year 2012 and \$233,000 of the general fund--state appropriation for  
25 fiscal year 2013 are provided solely for the Washington asset building  
26 coalitions.

27 (14) \$1,859,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$1,859,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for innovative research teams,  
30 also known as entrepreneurial STARS, at higher education research  
31 institutions, and for entrepreneurs-in-residence programs at higher  
32 education research institutions and entrepreneurial assistance  
33 organizations. Of these amounts no more than \$50,000 in fiscal year  
34 2012 and no more than \$50,000 in fiscal year 2013 may be provided for  
35 the operation of entrepreneurs-in-residence programs at entrepreneurial  
36 assistance organizations external to higher education research  
37 institutions.

1 (15) Up to \$700,000 of the general fund--private/local  
2 appropriation is for pass-through grants to cities in central Puget  
3 Sound to plan for transfer of development rights receiving areas under  
4 the central Puget Sound regional transfer of development rights  
5 program.

6 (16) \$16,000 of the general fund--state appropriation for fiscal  
7 year 2012 is provided solely to implement section 503 of Substitute  
8 House Bill No. 1277 (licensed settings for vulnerable adults). The  
9 long-term care ombudsman shall convene an adult family home quality  
10 assurance panel to review problems concerning the quality of care for  
11 residents in adult family homes. If Substitute House Bill No. 1277  
12 (licensed settings for vulnerable adults) is not enacted by June 30,  
13 2011, the amount provided in this subsection shall lapse.

14 (17) \$19,605,000 of the general fund--state appropriation for  
15 fiscal year 2012 and \$39,527,000 of the general fund--state  
16 appropriation for fiscal year 2013 are provided solely for  
17 establishment of the essential needs and housing support program  
18 created in Engrossed Substitute House Bill No. 2082 (essential needs  
19 and assistance program). The department of commerce shall contract for  
20 these services with counties or community-based organizations involved  
21 in providing essential needs and housing supports to low-income persons  
22 who meet eligibility pursuant to Engrossed Substitute House Bill No.  
23 2082. The department shall limit the funding used for administration  
24 of the program to no more than five percent. Counties and community  
25 providers shall limit the funding used for administration of the  
26 program to no more than seven percent.

27 (a) Of the amounts provided in this subsection, \$4,000,000 is  
28 provided solely for essential needs to clients who meet the eligibility  
29 established in Engrossed Substitute House Bill No. 2082. Counties and  
30 community-based organizations shall distribute basic essential products  
31 in a manner that prevents abuse. To the greatest extent possible, the  
32 counties or community-based organizations shall leverage local or  
33 private funds, and volunteer support to acquire and distribute the  
34 basic essential products.

35 (b) Of the amounts provided in this subsection, \$55,000,000 is  
36 provided solely for housing support services to individuals who are  
37 homeless or who may become homeless, and are eligible for services

1 under this program pursuant to Engrossed Substitute House Bill No.  
2 2082.

3 (18) \$4,380,000 of the home security fund--state appropriation is  
4 provided solely for the department to provide homeless housing services  
5 in accordance with Engrossed Substitute House Bill No. 2048 (housing  
6 assistance surcharges). If Engrossed Substitute House Bill No. 2048  
7 (housing assistance surcharges) is not enacted by June 30, 2012, the  
8 amounts provided in this subsection shall lapse.

9 (19) \$85,000 of the general fund--state appropriation for fiscal  
10 year 2013 is provided solely for the developmental disabilities council  
11 to contract for a family-to-family mentor program to provide  
12 information and support to families and guardians of persons who are  
13 transitioning out of residential habilitation centers. To the maximum  
14 extent allowable under federal law, these funds shall be matched under  
15 medicaid through the department of social and health services and  
16 federal funds shall be transferred to the department for the purposes  
17 stated in this subsection.

18 (20) \$2,802,000 of the liquor revolving account--state  
19 appropriation is provided solely for the department to contract with  
20 the municipal research and services center of Washington.

21 (21) \$1,000,000 of the general fund--state appropriation for fiscal  
22 year 2013 is provided solely for deposit in the shelter to housing  
23 project account, hereby created in the custody of the state treasurer  
24 as a nonappropriated account. The department may expend funds from the  
25 account solely for a two-year pilot project to enable young adults to  
26 move from temporary emergency shelter housing to transitional and  
27 permanent housing throughout King county. The pilot project will be  
28 administered under contract with the YMCA of greater Seattle in  
29 collaboration with the rising out of the shadows young adult shelter.  
30 Funding may be used for case management, housing subsidy,  
31 transportation, shelter services, training and evaluation. The pilot  
32 project and the shelter to housing project account expire December 31,  
33 2014.

34 (22) \$12,000 of the general fund--state appropriation for fiscal  
35 year 2013 is provided solely to implement Engrossed Second Substitute  
36 Senate Bill No. 5292 (irrigation and port districts). If the bill is  
37 not enacted by June 30, 2012, the amount provided in this subsection  
38 shall lapse.

1 (23) \$100,000 of the general fund--private/local appropriation is  
2 provided solely for the department to provide analysis and an advisory  
3 opinion on whether a proposed electric generation project or  
4 conservation resource qualifies to meet mandatory conservation targets  
5 in accordance with Substitute Senate Bill No. 6414 (review  
6 process/utilities). The department is authorized to require an  
7 applicant to pay an application fee to cover the cost of reviewing the  
8 project and preparing an advisory opinion. If Substitute Senate Bill  
9 No. 6414 (review process/utilities) is not enacted by June 30, 2012,  
10 the amount provided in this subsection shall lapse.

11 **Sec. 1109.** 2012 2nd sp.s. c 7 s 131 (uncodified) is amended to  
12 read as follows:

13 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

14	General Fund--State Appropriation (FY 2012) . . . . .	\$18,369,000
15	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$18,584,000</del> ))
16		<u>\$18,728,000</u>
17	General Fund--Federal Appropriation . . . . .	(( <del>\$31,530,000</del> ))
18		<u>\$35,530,000</u>
19	General Fund--Private/Local Appropriation . . . . .	\$1,370,000
20	Performance Audits of Government Account--State	
21	Appropriation . . . . .	\$198,000
22	Economic Development Strategic Reserve Account--State	
23	Appropriation . . . . .	\$280,000
24	Department of Personnel Services--State	
25	Appropriation . . . . .	\$8,551,000
26	Data Processing Revolving Account--State	
27	Appropriation . . . . .	\$5,910,000
28	Higher Education Personnel Services Account--State	
29	Appropriation . . . . .	\$1,537,000
30	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$100,000
31	TOTAL APPROPRIATION . . . . .	(( <del>\$86,429,000</del> ))
32		<u>\$90,573,000</u>

33 The appropriations in this section are subject to the following  
34 conditions and limitations:

35 (1) \$1,210,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$1,210,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for implementation of House Bill  
2 No. 1178 (regulatory assistance office). If the bill is not enacted by  
3 June 30, 2011, the amounts provided in this subsection shall lapse.

4 (2) \$150,000 of the general fund--state appropriation for fiscal  
5 year 2012 is provided solely for the office of financial management to  
6 contract with an independent consultant to evaluate and recommend the  
7 most cost-effective provision of services required to support the  
8 department of social and health services special commitment center on  
9 McNeil Island. The evaluation shall include island operation services  
10 that include, but are not limited to: (a) Marine transport of  
11 passengers and goods; (b) wastewater treatment; (c) fire protection and  
12 suppression; (d) electrical supply; (e) water supply; and (f) road  
13 maintenance.

14 The office of financial management shall solicit the input of  
15 Pierce county, the department of corrections, and the department of  
16 social and health services in developing the request for proposal,  
17 evaluating applications, and directing the evaluation. The consultant  
18 shall report to the governor and legislature by November 15, 2011.

19 (3) \$100,000 of the aquatic lands enhancement account--state  
20 appropriation is provided solely for the office of financial management  
21 to prepare a report to be used to initiate a comprehensive, long-range  
22 planning process for the future of McNeil Island during the 2013-2015  
23 fiscal biennium.

24 (a) The report on the initiation of the process must document:

25 (i) Ownership issues, including consultation with the federal  
26 government about its current legal requirements associated with the  
27 island;

28 (ii) Federal and state decision-making processes to change use or  
29 ownership;

30 (iii) Tribal treaty interests;

31 (iv) Fish and wildlife species and their habitats;

32 (v) Land use and public safety needs;

33 (vi) Recreational opportunities for the general public;

34 (vii) Historic and archaeological resources; and

35 (viii) Revenue from and necessary to support potential future uses  
36 of the island.

37 (b) The report shall develop and recommend a comprehensive, long-



1 range planning process for the future of the island and associated  
2 aquatic resources, addressing the items in (a) of this subsection.

3 (c) The office of financial management may use its own staff and  
4 other public agency and tribal staff or contract for services, and may  
5 create a work group of knowledgeable agencies, organizations, and  
6 individuals to assist in preparing the report.

7 (d) The office of financial management shall engage in broad  
8 consultation with interested parties, including, but not limited to:

9 (i) Federal agencies with relevant responsibilities;

10 (ii) Tribal governments;

11 (iii) State agencies;

12 (iv) Local governments and communities in the area, including the  
13 Anderson Island community, Steilacoom, and Pierce county; and

14 (v) Interested private organizations and individuals.

15 (e) The report must be submitted to the governor and appropriate  
16 committees of the legislature by October 1, 2012.

17 (4) The appropriations in this section include funding for  
18 activities transferred from the sentencing guidelines commission to the  
19 office of financial management pursuant to Engrossed Substitute Senate  
20 Bill No. 5891 (criminal justice cost savings). Prior to the effective  
21 date of Engrossed Substitute Senate Bill No. 5891, the appropriations  
22 in this section may be expended for the continued operations and  
23 expenses of the sentencing guidelines commission pursuant to the  
24 expenditure authority schedule produced by the office of financial  
25 management in accordance with chapter 43.88 RCW.

26 ((+6+)) (5) \$115,000 of the general fund--state appropriation for  
27 fiscal year 2013 is provided solely for implementation of Engrossed  
28 Substitute House Bill No. 2483 (higher education coordination). If the  
29 bill is not enacted by June 30, 2012, the amount provided in this  
30 subsection shall lapse.

31 ((+7+)) (6)(a) The office of financial management shall determine  
32 if cost savings can be achieved by the state through contracting for  
33 interpreter services more effectively. The office of financial  
34 management must work with all state agencies that use interpreter  
35 services to determine:

36 (i) How agencies currently procure interpreter services;

37 (ii) To what degree brokers or foreign language agencies are used  
38 in the acquisition of interpreter services; and

(iii) The cost of interpreter services as currently provided.

(b) The office of financial management, in consultation with the department of enterprise services, must also examine approaches to procuring interpreter services, including using the department of enterprise services' master contract, limiting overhead costs associated with interpreter contracts, and direct scheduling of interpreters. The report must include recommendations for the state to procure services in a more consistent and cost-effective manner.

(c) The office of financial management, in consultation with the department of labor and industries, must determine the impact that any alternative approach to procuring interpreter services will have on medical providers.

(d) The report must include:

(i) Analysis of the current process for procuring interpreter services;

(ii) Recommendations regarding options to make obtaining interpreter services more consistent and cost-effective; and

(iii) Estimates for potential cost savings.

(e) The office of financial management must report to the fiscal committees of the legislature by December 1, 2012.

~~((+8))~~ (7) \$25,000 of the general fund--state appropriation for fiscal year 2012 and \$225,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for implementation of House Bill No. 2824 (education funding). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(8) \$50,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of Senate Bill No. 5802 (greenhouse gas emission targets). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

**Sec. 1110.** 2012 2nd sp.s. c 7 s 132 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

Administrative Hearings Revolving Account--State

Appropriation . . . . .	(( <del>\$35,713,000</del> ))
	<u>\$36,413,000</u>

The appropriation in this section is subject to the following conditions and limitations: \$769,000 of the administrative hearings

1 revolving account--state appropriation is provided solely to implement  
2 Engrossed Substitute Senate Bill No. 5921 (social services programs).  
3 If the bill is not enacted by June 30, 2011, the amount provided in  
4 this subsection shall lapse.

5       **Sec. 1111.** 2012 2nd sp.s. c 7 s 136 (uncodified) is amended to  
6 read as follows:

7 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

8 Department of Retirement Systems Expense

9       Account--State Appropriation . . . . . ((~~\$46,511,000~~))  
10 \$46,591,000

11       The appropriation in this section is subject to the following  
12 conditions and limitations:

13       (1) \$146,000 of the department of retirement systems--state  
14 appropriation is provided solely for the administrative costs  
15 associated with implementation of House Bill No. 2070 (state and local  
16 government employees). If the bill is not enacted by June 30, 2011,  
17 the amount provided in this subsection shall lapse.

18       (2) \$65,000 of the department of retirement systems--state  
19 appropriation is provided solely for the administrative costs  
20 associated with implementation of House Bill No. 1625 (plan 3 default  
21 investment option). If the bill is not enacted by June 30, 2011, the  
22 amount provided in this subsection shall lapse.

23       (3) \$133,000 of the department of retirement systems--state  
24 appropriation is provided solely for the administrative costs  
25 associated with implementation of Engrossed House Bill No. 1981 as  
26 amended (post-retirement employment). If the bill is not enacted by  
27 June 30, 2011, the amount provided in this subsection shall lapse.

28       (4) \$15,000 of the department of retirement systems expense  
29 account--state appropriation is provided solely for the administrative  
30 costs associated with implementation of Substitute House Bill No. 2021  
31 (plan 1 annual increase amounts). If the bill is not enacted by June  
32 30, 2011, the amount provided in this section shall lapse.

33       (5) \$32,000 of the department of retirement systems--state  
34 appropriation is provided solely for the administrative costs  
35 associated with implementation of Engrossed Senate Bill No. 5159 (state  
36 patrol retirement system service credit). If the bill is not enacted  
37 by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 1112.** 2012 2nd sp.s. c 7 s 139 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

OMWBE Enterprises Account--State Appropriation . . . . . (~~(\$3,654,000)~~)  
\$3,754,000

**Sec. 1113.** 2012 2nd sp.s. c 7 s 142 (uncodified) is amended to read as follows:

**FOR THE LIQUOR CONTROL BOARD**

Liquor Control Board Construction and Maintenance

Account--State Appropriation . . . . . \$3,063,000  
Liquor Revolving Account--State Appropriation . . . . . \$171,838,000  
General Fund--Federal Appropriation . . . . . \$945,000  
General Fund--Private/Local Appropriation . . . . . \$25,000  
TOTAL APPROPRIATION . . . . . \$175,871,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The legislature intends to facilitate the orderly transition of liquor services as required by Initiative Measure No. 1183. For liquor control board employees that remain through June 15, 2012, a temporary opportunity to cash out sick leave is provided to assist the unique challenges to the liquor control board and its employees posed by this transition.

(2) Within the amounts appropriated in this section from the liquor revolving account--state appropriation, liquor control board employees who: (a) Occupy positions in the job classifications provided in subsection (3)(c) of this section that will be eliminated after the liquor control board ceases to distribute liquor; and (b) remain as liquor control board employees through June 15, 2012, and who separate from service due to lay off by October 1, 2012, may elect to receive remuneration for their entire sick leave balance at a rate equal to one day's current monetary compensation of the employee for each four full days of accrued sick leave.

(3) The following conditions apply to sick leave cash out under this subsection:

(a) The rate of monetary compensation for the purposes of this subsection shall not be reduced by any temporary salary reduction;

(b) Remuneration or benefits received under this subsection shall not be included for the purpose of computing a retirement allowance under any public retirement system in this state;

(c) The following job classifications are eligible:

- (i) Liquor store clerk;
- (ii) Retail assistant store manager 1;
- (iii) Retail assistant store manager 2;
- (iv) Retail store manager 3;
- (v) Retail store manager 4;
- (vi) Retail district manager;
- (vii) Retail operations manager;
- (viii) Director of retail services;
- (ix) Director of distribution center;
- (x) Director of purchasing;
- (xi) Director of business enterprise;
- (xii) Warehouse operator 1;
- (xiii) Warehouse operator 2;
- (xiv) Warehouse operator 3; and
- (xv) Warehouse operator 4; and

(d) Should the legislature revoke any remuneration or benefits granted under this section, an affected employee shall not be entitled thereafter to receive such benefits as a matter of contractual right.

(4) Within the amounts appropriated in this section from the liquor revolving account--state for fiscal year 2013, up to \$946,000 may be used by the liquor control board to implement Initiative Measure No. 502.

**Sec. 1114.** 2012 2nd sp.s. c 7 s 144 (uncodified) is amended to read as follows:

**FOR THE MILITARY DEPARTMENT**

General Fund--State Appropriation (FY 2012) . . . . .	\$7,116,000
General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$6,872,000 ))</del>
	<u>\$6,938,000</u>
General Fund--Federal Appropriation . . . . .	<del>(( \$159,075,000 ))</del>
	<u>\$159,114,000</u>
Enhanced 911 Account--State Appropriation . . . . .	\$48,620,000
Disaster Response Account--State Appropriation . . . . .	<del>(( \$23,119,000 ))</del>
	<u>\$23,904,000</u>

1	Disaster Response Account--Federal Appropriation . . . . .	\$91,368,000
2	Military Department Rent and Lease Account--State	
3	Appropriation . . . . .	\$615,000
4	Worker and Community Right-to-Know Account--State	
5	Appropriation . . . . .	\$2,163,000
6	TOTAL APPROPRIATION . . . . .	(( <del>\$338,948,000</del> ))
7		<u>\$339,838,000</u>

8       The appropriations in this section are subject to the following  
9 conditions and limitations:

10       (1)   \$18,018,000 of the disaster response account--state  
11 appropriation and \$66,266,000 of the disaster response account--federal  
12 appropriation may be spent only on disasters declared by the governor  
13 and with the approval of the office of financial management. The  
14 military department shall submit a report to the office of financial  
15 management and the legislative fiscal committees on October 1st and  
16 February 1st of each year detailing information on the disaster  
17 response account, including: (a) The amount and type of deposits into  
18 the account; (b) the current available fund balance as of the reporting  
19 date; and (c) the projected fund balance at the end of the 2011-2013  
20 biennium based on current revenue and expenditure patterns.

21       (2)   \$75,000,000 of the general fund--federal appropriation is  
22 provided solely for homeland security, subject to the following  
23 conditions:

24       (a) Any communications equipment purchased by local jurisdictions  
25 or state agencies shall be consistent with standards set by the  
26 Washington state interoperability executive committee; and

27       (b) The department shall submit an annual report to the office of  
28 financial management and the legislative fiscal committees detailing  
29 the governor's domestic security advisory group recommendations;  
30 homeland security revenues and expenditures, including estimates of  
31 total federal funding for the state; and incremental changes from the  
32 previous estimate.

33       **Sec. 1115.** 2012 2nd sp.s. c 7 s 149 (uncodified) is amended to  
34 read as follows:

35 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

36	General Fund--State Appropriation (FY 2012) . . . . .	\$3,401,000
37	General Fund--State Appropriation (FY 2013) . . . . .	\$3,309,000

1	((General Fund--Federal Appropriation . . . . . \$177,000
2	General Fund--Private/Local Appropriation . . . . . \$368,000))
3	Building Code Council Account--State Appropriation . . . . . \$1,186,000
4	Department of Personnel Service Account--State
5	Appropriation . . . . . \$11,117,000
6	Enterprise Services Account--State Appropriation . . . . . \$26,336,000
7	TOTAL APPROPRIATION . . . . . (( <del>\$45,894,000</del> ))
8	<u>\$45,349,000</u>

9       The appropriations in this section are subject to the following  
10 conditions and limitations:

11       (1) The appropriations in this section are for the operations and  
12 expenses of the department of enterprise services as established by  
13 Engrossed Substitute Senate Bill No. 5931 (central service functions of  
14 state government), effective October 1, 2011. Prior to October 1,  
15 2011, the appropriations in this section may be expended for the  
16 continued operations and expenses of the office of financial  
17 management, the department of general administration, the department of  
18 information services, and the department of personnel, pursuant to the  
19 expenditure authority schedules produced by the office of financial  
20 management, in accordance with chapter 43.88 RCW.

21       (2) \$3,028,000 of the general fund--state appropriation for fiscal  
22 year 2012 and \$2,967,000 of the general fund--state appropriation for  
23 fiscal year 2013 are provided solely for the payment of facilities and  
24 services charges, utilities and contracts charges, public and historic  
25 facilities charges, and capital projects surcharges allocable to the  
26 senate, house of representatives, statute law committee, and joint  
27 legislative systems committee. The department shall allocate charges  
28 attributable to these agencies among the affected revolving funds. The  
29 department shall maintain an interagency agreement with these agencies  
30 to establish performance standards, prioritization of preservation and  
31 capital improvement projects, and quality assurance provisions for the  
32 delivery of services under this subsection. The legislative agencies  
33 named in this subsection shall continue to enjoy all of the same rights  
34 of occupancy and space use on the capitol campus as historically  
35 established.

36       (3) In accordance with RCW 46.08.172 and 43.135.055, the department  
37 is authorized to increase parking fees in fiscal years 2012 and 2013 as  
38 necessary to meet the actual costs of conducting business.

1       (4) The building code council account appropriation is provided  
2 solely for the operation of the state building code council as required  
3 by statute and modified by the standards established by executive order  
4 10-06. The council shall not consider any proposed code amendment or  
5 take any other action not authorized by statute or in compliance with  
6 the standards established in executive order 10-06. No member of the  
7 council may receive compensation, per diem, or reimbursement for  
8 activities other than physical attendance at those meetings of the  
9 state building code council or the council's designated committees, at  
10 which the opportunity for public comment is provided generally and on  
11 all agenda items upon which the council proposes to take action.

12       (5) Specific funding is provided for the purposes of section 3 of  
13 House Bill No. 1770 (state purchasing).

14       (6) The amounts appropriated in this section are for implementation  
15 of Senate Bill No. 5931 (streamlining central service functions).

16       (7) The department of enterprise services shall purchase flags  
17 needed for ceremonial occasions on the capitol campus in order to fully  
18 represent the countries that have an international consulate in  
19 Washington state.

20       (8) Before any agency may purchase a passenger motor vehicle as  
21 defined in RCW 43.19.560, the agency must have written approval from  
22 the director of the department of enterprise services.

23       (9) The department shall adjust billings for self-insurance  
24 premiums to transportation agencies to reflect rate reductions assumed  
25 in this act.

(End of part)



PART XII  
HUMAN SERVICES

**Sec. 1201.** 2012 2nd sp.s. c 7 s 201 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the

1 department may combine and transfer such medicaid funds appropriated  
2 under sections 204, 206, 208, and 213 of this act as may be necessary  
3 to finance a unified health care plan for the WMIP and the MICP program  
4 enrollment. The WMIP pilot projects shall not exceed a daily  
5 enrollment of 6,000 persons, nor expand beyond one county during the  
6 2011-2013 fiscal biennium. The amount of funding assigned from each  
7 program may not exceed the average per capita cost assumed in this act  
8 for individuals covered by that program, actuarially adjusted for the  
9 health condition of persons enrolled, times the number of clients  
10 enrolled. In implementing the WMIP and the MICP, the health care  
11 authority and the department may: (i) Withhold from calculations of  
12 "available resources" as set forth in RCW 71.24.025 a sum equal to the  
13 capitated rate for enrolled individuals; and (ii) employ capitation  
14 financing and risk-sharing arrangements in collaboration with health  
15 care service contractors licensed by the office of the insurance  
16 commissioner and qualified to participate in both the medicaid and  
17 medicare programs. The health care authority and the department shall  
18 conduct an evaluation of the WMIP by October 15, 2012, and of the MICP  
19 measuring changes in participant health outcomes, changes in patterns  
20 of service utilization, participant satisfaction, participant access to  
21 services, and the state fiscal impact.

22 (b) (~~Effective January 1, 2013,~~) If Washington has been selected  
23 to participate in (~~phase two~~) a financial capitation model of the  
24 federal demonstration project for persons dually-eligible for both  
25 medicare and medicaid, the department and the authority may initiate  
26 the MICP. Participation in the project shall be limited to persons who  
27 are eligible for both medicare and medicaid and to counties in which  
28 the county legislative authority has agreed to the terms and conditions  
29 under which it will operate. The purpose of the project shall be to  
30 demonstrate and evaluate ways to improve care while reducing state  
31 expenditures for persons enrolled both in medicare and medicaid. To  
32 that end, prior to initiating the project, the department and the  
33 authority shall assure that state expenditures shall be no greater on  
34 either a per person or total basis than the state would otherwise  
35 incur. Individuals who are solely eligible for medicaid may also  
36 participate if their participation is agreed to by the health care  
37 authority, the department, and the county legislative authority.

1       (4) The legislature finds that medicaid payment rates, as  
2       calculated by the department pursuant to the appropriations in this  
3       act, bear a reasonable relationship to the costs incurred by  
4       efficiently and economically operated facilities for providing quality  
5       services and will be sufficient to enlist enough providers so that care  
6       and services are available to the extent that such care and services  
7       are available to the general population in the geographic area. The  
8       legislature finds that cost reports, payment data from the federal  
9       government, historical utilization, economic data, and clinical input  
10      constitute reliable data upon which to determine the payment rates.

11      (5) The department shall to the maximum extent practicable use the  
12      same system for delivery of spoken-language interpreter services for  
13      social services appointments as the one established for medical  
14      appointments in section 213 of this act. When contracting directly  
15      with an individual to deliver spoken language interpreter services, the  
16      department shall only contract with language access providers who are  
17      working at a location in the state and who are state-certified or  
18      state-authorized, except that when such a provider is not available,  
19      the department may use a language access provider who meets other  
20      certifications or standards deemed to meet state standards, including  
21      interpreters in other states.

22      (6)(a) The appropriations to the department of social and health  
23      services in this act shall be expended for the programs and in the  
24      amounts specified in this act. However, after May 1, ((2012)) 2013,  
25      unless specifically prohibited by this act, the department may transfer  
26      general fund--state appropriations for fiscal year ((2012)) 2013 among  
27      programs after approval by the director of financial management.  
28      However, the department shall not transfer state moneys that are  
29      provided solely for a specified purpose except as expressly provided in  
30      (b) of this subsection.

31      (b) To the extent that transfers under (a) of this subsection are  
32      insufficient to fund actual expenditures in excess of fiscal year  
33      ((2012)) 2013 caseload forecasts and utilization assumptions in the  
34      long-term care, foster care, adoptions support, medicaid personal care,  
35      and child support programs, the department may transfer state moneys  
36      that are provided solely for a specified purpose. The department shall  
37      not transfer funds, and the director of financial management shall not  
38      approve the transfer, unless the transfer is consistent with the

objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

**Sec. 1202.** 2012 2nd sp.s. c 7 s 202 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

General Fund--State Appropriation (FY 2012) . . . . .	\$287,014,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$285,018,000</del> ))
	<u>\$277,018,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$479,315,000</del> ))
	<u>\$476,655,000</u>
General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,354,000</del> ))
	<u>\$1,804,000</u>
Home Security Fund--State Appropriation . . . . .	\$10,741,000
Domestic Violence Prevention Account--State	
Appropriation . . . . .	\$1,240,000
Education Legacy Trust Account--State Appropriation . . . . .	\$725,000
TOTAL APPROPRIATION . . . . .	(( <del>\$1,065,407,000</del> ))
	<u>\$1,055,197,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(2) \$668,000 of the general fund--state appropriation for fiscal year 2012 and \$668,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to contract for the operation of one pediatric interim care center. The center shall provide

1 residential care for up to thirteen children through two years of age.  
2 Seventy-five percent of the children served by the center must be in  
3 need of special care as a result of substance abuse by their mothers.  
4 The center shall also provide on-site training to biological, adoptive,  
5 or foster parents. The center shall provide at least three months of  
6 consultation and support to the parents accepting placement of children  
7 from the center. The center may recruit new and current foster and  
8 adoptive parents for infants served by the center. The department  
9 shall not require case management as a condition of the contract. The  
10 department shall collaborate with the pediatric interim care center to  
11 determine if and how the center could be appropriately incorporated  
12 into the performance-based contract model and report its findings to  
13 the legislature by December 1, 2012.

14 (3)(a) \$80,887,000 of the general fund--state appropriation for  
15 fiscal year 2012, (~~(\$81,067,000)~~) \$53,786,000 of the general fund--  
16 state appropriation for fiscal year 2013, and (~~(\$74,800,000)~~)  
17 \$71,598,000 of the general fund--federal appropriation are provided  
18 solely for services for children and families. The amounts provided in  
19 this section shall be allotted on a monthly basis and expenditures  
20 shall not exceed allotments based on a three month rolling average  
21 without approval of the office of financial management following  
22 notification to the legislative fiscal committees.

23 (b) The department shall use these services to safely reduce the  
24 number of children in out-of-home care, safely reduce the time spent in  
25 out-of-home care prior to achieving permanency, and safely reduce the  
26 number of children returning to out-of-home care following permanency.  
27 The department shall provide an initial report to the legislature and  
28 the governor by January 15, 2012, regarding the start-up costs  
29 associated with performance-based contracts under RCW 74.13.360 .

30 (c) Of the amounts provided in (a) of this subsection, \$579,000 of  
31 the general fund--state appropriation for fiscal year 2013 and \$109,000  
32 of the general fund--federal appropriation are provided solely for a  
33 receiving care center east of the Cascade mountains.

34 (4) \$176,000 of the general fund--state appropriation for fiscal  
35 year 2012, \$177,000 of the general fund--state appropriation for fiscal  
36 year 2013, \$656,000 of the general fund--private/local appropriation,  
37 \$253,000 of the general fund--federal appropriation, and \$725,000 of  
38 the education legacy trust account--state appropriation are provided

1 solely for children's administration to contract with an educational  
2 advocacy provider with expertise in foster care educational outreach.  
3 The amounts in this subsection are provided solely for contracted  
4 education coordinators to assist foster children in succeeding in K-12  
5 and higher education systems and to assure a focus on education during  
6 the transition to performance based contracts. Funding shall be  
7 prioritized to regions with high numbers of foster care youth and/or  
8 regions where backlogs of youth that have formerly requested  
9 educational outreach services exist. The department shall utilize  
10 private matching funds to maintain educational advocacy services.

11 (5) \$670,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$670,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely for services provided through  
14 children's advocacy centers.

15 (6) To ensure expenditures remain within available funds  
16 appropriated in this section as required by RCW 74.13A.005 and  
17 74.13A.020, the secretary shall not set the amount of any adoption  
18 assistance payment or payments, made pursuant to RCW 26.33.320 and  
19 74.13A.005 through 74.13A.080, to more than ninety percent of the  
20 foster care maintenance payment for that child had he or she remained  
21 in a foster family home during the same period. This subsection does  
22 not apply to adoption assistance agreements in existence on the  
23 effective date of this section.

24 (7) \$10,741,000 of the home security fund--state appropriation is  
25 provided solely for the department to contract for services pursuant to  
26 RCW 13.32A.030 and 74.15.220. The department shall contract and  
27 collaborate with service providers in a manner that maintains the  
28 availability and geographic representation of secure and semi-secure  
29 crisis residential centers and HOPE centers. To achieve efficiencies  
30 and increase utilization, the department shall allow the co-location of  
31 these centers, except that a youth may not be placed in a secure  
32 facility or the secure portion of a co-located facility except as  
33 specifically authorized by chapter 13.32A RCW. The reductions to  
34 appropriations in this subsection related to semi-secure crisis  
35 residential centers reflect a reduction to the number of beds for semi-  
36 secure crisis residential centers and not a reduction in rates. Any  
37 secure crisis residential center or semi-secure crisis residential  
38 center bed reduction shall not be based solely upon bed utilization.

1 The department is to exercise its discretion in reducing the number of  
2 beds but to do so in a manner that maintains availability and  
3 geographic representation of semi-secure and secure crisis residential  
4 centers.

5 (8) \$47,000 of the general fund--state appropriation for fiscal  
6 year 2012, \$14,000 of the general fund--state appropriation for fiscal  
7 year 2013, and \$40,000 of the general fund--federal appropriation are  
8 provided solely to implement Substitute House Bill No. 1697 (dependency  
9 system). If the bill is not enacted by June 30, 2011, the amounts  
10 provided in this subsection shall lapse.

11 (9) \$564,000 of the general fund--federal appropriation is provided  
12 solely to implement Second Substitute House Bill No. 1128 (extended  
13 foster care). If the bill is not enacted by June 30, 2011, the amount  
14 provided in this subsection shall lapse.

15 (10) \$799,000 of the general fund--state appropriation for fiscal  
16 year 2013 and \$799,000 of the general fund--federal appropriation are  
17 provided solely for the implementation of Engrossed Second Substitute  
18 House Bill No. 2264 (child welfare/contracting). If the bill is not  
19 enacted by June 30, 2012, the amounts provided in this subsection shall  
20 lapse.

21 (11) \$178,000 of the general fund--federal appropriation is  
22 provided solely for the implementation of Engrossed Second Substitute  
23 House Bill No. 2592 (extended foster care). If the bill is not enacted  
24 by June 30, 2012, the amount provided in this subsection shall lapse.

25 (12) \$616,000 of the general fund--state appropriation for fiscal  
26 year 2013 and \$616,000 of the general fund--federal appropriation are  
27 provided solely for the implementation of Engrossed Substitute Senate  
28 Bill No. 6555 (child protective services). If the bill is not enacted  
29 by June 30, 2012, the amounts provided in this subsection shall lapse.

30 (13) \$57,000 of the general fund--state appropriation for fiscal  
31 year 2013 and \$53,000 of the general fund--federal appropriation are  
32 provided solely for staffing costs associated with implementation of  
33 Engrossed Second Substitute House Bill No. 2536 (children  
34 services/delivery). The amounts provided in this subsection must be  
35 used for coordinated evidence-based practice implementation amongst the  
36 department's programs providing mental health, child welfare, and  
37 juvenile justice services to children.

1       **Sec. 1203.** 2012 2nd sp.s. c 7 s 203 (uncodified) is amended to  
2 read as follows:

3       **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**  
4       **REHABILITATION PROGRAM**

5	General Fund--State Appropriation (FY 2012) . . . . .	\$85,723,000
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$85,258,000</del> ))
7		<u>\$85,477,000</u>
8	General Fund--Federal Appropriation . . . . .	(( <del>\$3,809,000</del> ))
9		<u>\$3,808,000</u>
10	General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,903,000</del> ))
11		<u>\$1,904,000</u>
12	Washington Auto Theft Prevention Authority Account--	
13	State Appropriation . . . . .	\$196,000
14	Juvenile Accountability Incentive Account--Federal	
15	Appropriation . . . . .	\$2,801,000
16	TOTAL APPROPRIATION . . . . .	(( <del>\$179,690,000</del> ))
17		<u>\$179,909,000</u>

18       The appropriations in this section are subject to the following  
19 conditions and limitations:

20       (1) \$331,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$331,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for deposit in the county criminal  
23 justice assistance account for costs to the criminal justice system  
24 associated with the implementation of chapter 338, Laws of 1997  
25 (juvenile code revisions). The amounts provided in this subsection are  
26 intended to provide funding for county adult court costs associated  
27 with the implementation of chapter 338, Laws of 1997 and shall be  
28 distributed in accordance with RCW 82.14.310.

29       (2) \$2,716,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$2,716,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for the implementation of chapter  
32 338, Laws of 1997 (juvenile code revisions). The amounts provided in  
33 this subsection are intended to provide funding for county impacts  
34 associated with the implementation of chapter 338, Laws of 1997 and  
35 shall be distributed to counties as prescribed in the current  
36 consolidated juvenile services (CJS) formula.

37       (3) \$3,482,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$3,482,000 of the general fund--state appropriation for



1 fiscal year 2013 are provided solely to implement community juvenile  
2 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile  
3 code revisions). Funds provided in this subsection may be used solely  
4 for community juvenile accountability grants, administration of the  
5 grants, and evaluations of programs funded by the grants.

6 (4) \$1,130,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$1,130,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely to implement alcohol and substance  
9 abuse treatment programs for locally committed offenders. The juvenile  
10 rehabilitation administration shall award these moneys on a competitive  
11 basis to counties that submitted a plan for the provision of services  
12 approved by the division of alcohol and substance abuse. The juvenile  
13 rehabilitation administration shall develop criteria for evaluation of  
14 plans submitted and a timeline for awarding funding and shall assist  
15 counties in creating and submitting plans for evaluation.

16 (5) \$3,123,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$3,123,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely for grants to county juvenile  
19 courts for the following programs identified by the Washington state  
20 institute for public policy (institute) in its October 2006 report:  
21 "Evidence-Based Public Policy Options to Reduce Future Prison  
22 Construction, Criminal Justice Costs and Crime Rates": Functional  
23 family therapy, multi-systemic therapy, aggression replacement training  
24 and interagency coordination programs, or other programs with a  
25 positive benefit-cost finding in the institute's report. County  
26 juvenile courts shall apply to the juvenile rehabilitation  
27 administration for funding for program-specific participation and the  
28 administration shall provide grants to the courts consistent with the  
29 per-participant treatment costs identified by the institute.

30 (6) \$1,537,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$1,537,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for expansion of the following  
33 treatments and therapies in juvenile rehabilitation administration  
34 programs identified by the Washington state institute for public policy  
35 in its October 2006 report: "Evidence-Based Public Policy Options to  
36 Reduce Future Prison Construction, Criminal Justice Costs and Crime  
37 Rates": Multidimensional treatment foster care, family integrated  
38 transitions, and aggression replacement training, or other programs

1 with a positive benefit-cost finding in the institute's report. The  
2 administration may concentrate delivery of these treatments and  
3 therapies at a limited number of programs to deliver the treatments in  
4 a cost-effective manner.

5 (7)(a) The juvenile rehabilitation administration shall administer  
6 a block grant, rather than categorical funding, of consolidated  
7 juvenile service funds, community juvenile accountability act grants,  
8 the chemical dependency disposition alternative funds, the mental  
9 health disposition alternative, and the sentencing disposition  
10 alternative for the purpose of serving youth adjudicated in the  
11 juvenile justice system. In making the block grant, the juvenile  
12 rehabilitation administration shall follow the following formula and  
13 will prioritize evidence-based programs and disposition alternatives  
14 and take into account juvenile courts program-eligible youth in  
15 conjunction with the number of youth served in each approved evidence-  
16 based program or disposition alternative: (i) Thirty-seven and one-  
17 half percent for the at-risk population of youth ten to seventeen years  
18 old; (ii) fifteen percent for moderate and high-risk youth; (iii)  
19 twenty-five percent for evidence-based program participation; (iv)  
20 seventeen and one-half percent for minority populations; (v) three  
21 percent for the chemical dependency disposition alternative; and (vi)  
22 two percent for the mental health and sentencing dispositional  
23 alternatives. Funding for the special sex offender disposition  
24 alternative (SSODA) shall not be included in the block grant, but  
25 allocated on the average daily population in juvenile courts. Funding  
26 for the evidence-based expansion grants shall be excluded from the  
27 block grant formula. Funds may be used for promising practices when  
28 approved by the juvenile rehabilitation administration and juvenile  
29 courts, through the community juvenile accountability act committee,  
30 based on the criteria established in consultation with Washington state  
31 institute for public policy and the juvenile courts.

32 (b) The juvenile rehabilitation administration shall phase the  
33 implementation of the formula provided in subsection (1) of this  
34 section by including a stop-loss formula of five percent in fiscal year  
35 2012 and five percent in fiscal year 2013.

36 (c) The juvenile rehabilitation administration and the juvenile  
37 courts shall establish a block grant funding formula oversight  
38 committee with equal representation from the juvenile rehabilitation

1 administration and the juvenile courts. The purpose of this committee  
2 is to assess the ongoing implementation of the block grant funding  
3 formula, utilizing data-driven decision making and the most current  
4 available information. The committee will be cochaired by the juvenile  
5 rehabilitation administration and the juvenile courts, who will also  
6 have the ability to change members of the committee as needed to  
7 achieve its purpose. Initial members will include one juvenile court  
8 representative from the finance committee, the community juvenile  
9 accountability act committee, the risk assessment quality assurance  
10 committee, the executive board of the Washington association of  
11 juvenile court administrators, the Washington state center for court  
12 research, and a representative of the superior court judges  
13 association; two representatives from the juvenile rehabilitation  
14 administration headquarters program oversight staff, two  
15 representatives of the juvenile rehabilitation administration regional  
16 office staff, one representative of the juvenile rehabilitation  
17 administration fiscal staff and a juvenile rehabilitation  
18 administration division director. The committee may make changes to  
19 the formula categories other than the evidence-based program and  
20 disposition alternative categories if it is determined the changes will  
21 increase statewide service delivery or effectiveness of evidence-based  
22 program or disposition alternative resulting in increased cost benefit  
23 savings to the state. Long-term cost benefit must be considered.  
24 Percentage changes may occur in the evidence-based program or  
25 disposition alternative categories of the formula should it be  
26 determined the changes will increase evidence-based program or  
27 disposition alternative delivery and increase the cost benefit to the  
28 state. These outcomes will also be considered in determining when  
29 evidence-based expansion or special sex offender disposition  
30 alternative funds should be included in the block grant or left  
31 separate.

32 (d) The juvenile courts and administrative office of the courts  
33 shall be responsible for collecting and distributing information and  
34 providing access to the data systems to the juvenile rehabilitation  
35 administration and the Washington state institute for public policy  
36 related to program and outcome data. The juvenile rehabilitation  
37 administration and the juvenile courts will work collaboratively to

1 develop program outcomes that reinforce the greatest cost benefit to  
2 the state in the implementation of evidence-based practices and  
3 disposition alternatives.

4 (8) The juvenile courts and administrative office of the courts  
5 shall collect and distribute information related to program outcome and  
6 provide access to these data systems to the juvenile rehabilitation  
7 administration and Washington state institute for public policy.  
8 Consistent with chapter 13.50 RCW, all confidentiality agreements  
9 necessary to implement this information-sharing shall be approved  
10 within 30 days of the effective date of this section. The agreements  
11 between administrative office of the courts, the juvenile courts, and  
12 the juvenile rehabilitation administration shall be executed to ensure  
13 that the juvenile rehabilitation administration receives the data that  
14 the juvenile rehabilitation administration identifies as needed to  
15 comply with this subsection. This includes, but is not limited to,  
16 information by program at the statewide aggregate level, individual  
17 court level, and individual client level for the purpose of the  
18 juvenile rehabilitation administration providing quality assurance and  
19 oversight for the locally committed youth block grant and associated  
20 funds and at times as specified by the juvenile rehabilitation  
21 administration as necessary to carry out these functions. The data  
22 shall be provided in a manner that reflects the collaborative work the  
23 juvenile rehabilitation administration and juvenile courts have  
24 developed regarding program outcomes that reinforce the greatest cost  
25 benefit to the state in the implementation of evidence-based practices  
26 and disposition alternatives.

27 (9) The Washington association of juvenile court administrators and  
28 the juvenile rehabilitation administration, in consultation with the  
29 community juvenile accountability act advisory committee and the  
30 Washington state institute for public policy, shall analyze and review  
31 data elements available from the administrative office of the courts  
32 for possible integration into the evidence-based program quality  
33 assurance plans and processes. The administrative office of the  
34 courts, the Washington association of juvenile court administrators,  
35 and the juvenile rehabilitation administration shall provide  
36 information necessary to complete the review and analysis. The  
37 Washington association of juvenile court administrators and the

juvenile rehabilitation administration shall report the findings of their review and analysis, as well as any recommendations, to the legislature by December 1, 2012.

**Sec. 1204.** 2012 2nd sp.s. c 7 s 204 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH PROGRAM**

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund--State Appropriation (FY 2012)	\$317,734,000
General Fund--State Appropriation (FY 2013)	<del>(( \$324,319,000 ))</del>
	<u>\$321,609,000</u>
General Fund--Federal Appropriation	<del>(( \$449,593,000 ))</del>
	<u>\$446,619,000</u>
General Fund--Private/Local Appropriation	\$17,864,000
Hospital Safety Net Assessment Fund--State	
Appropriation	\$5,251,000
TOTAL APPROPRIATION	<del>(( \$1,114,761,000 ))</del>
	<u>\$1,109,077,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$109,342,000 of the general fund--state appropriation for fiscal year 2012 and \$109,341,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for persons and services not covered by the medicaid program. This is a reduction of \$4,348,000 each fiscal year from the nonmedicaid funding that was allocated for expenditure by regional support networks during fiscal year 2011 prior to supplemental budget reductions. This \$4,348,000 reduction shall be distributed among regional support networks proportional to each network's share of the total state population. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

(b) \$6,590,000 of the general fund--state appropriation for fiscal year 2012, \$6,590,000 of the general fund--state appropriation for fiscal year 2013, and \$7,620,000 of the general fund--federal

1 appropriation are provided solely for the department and regional  
2 support networks to continue to contract for implementation of high-  
3 intensity programs for assertive community treatment (PACT) teams. In  
4 determining the proportion of medicaid and nonmedicaid funding provided  
5 to regional support networks with PACT teams, the department shall  
6 consider the differences between regional support networks in the  
7 percentages of services and other costs associated with the teams that  
8 are not reimbursable under medicaid. The department may allow regional  
9 support networks which have nonmedicaid reimbursable costs that are  
10 higher than the nonmedicaid allocation they receive under this section  
11 to supplement these funds with local dollars or funds received under  
12 section 204(1)(a) of this act. The department and regional support  
13 networks shall maintain consistency with all essential elements of the  
14 PACT evidence-based practice model in programs funded under this  
15 section.

16 (c) \$5,850,000 of the general fund--state appropriation for fiscal  
17 year 2012, \$5,850,000 of the general fund--state appropriation for  
18 fiscal year 2013, and \$1,300,000 of the general fund--federal  
19 appropriation are provided solely for the western Washington regional  
20 support networks to provide either community- or hospital campus-based  
21 services for persons who require the level of care previously provided  
22 by the program for adaptive living skills (PALS) at western state  
23 hospital.

24 (d) The number of nonforensic beds allocated for use by regional  
25 support networks at eastern state hospital shall be 192 per day. The  
26 number of nonforensic beds allocated for use by regional support  
27 networks at western state hospital shall be 557 per day.

28 (e) From the general fund--state appropriations in this subsection,  
29 the secretary of social and health services shall assure that regional  
30 support networks reimburse the aging and disability services  
31 administration for the general fund--state cost of medicaid personal  
32 care services that enrolled regional support network consumers use  
33 because of their psychiatric disability.

34 (g) The department is authorized to continue to contract directly,  
35 rather than through contracts with regional support networks, for  
36 children's long-term inpatient facility services.

37 (h) \$750,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$750,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely to continue performance-based  
2 incentive contracts to provide appropriate community support services  
3 for individuals with severe mental illness who were discharged from the  
4 state hospitals as part of the expanding community services initiative.  
5 These funds will be used to enhance community residential and support  
6 services provided by regional support networks through other state and  
7 federal funding.

8 (i) \$1,125,000 of the general fund--state appropriation for fiscal  
9 year 2012 and \$1,125,000 of the general fund--state appropriation for  
10 fiscal year 2013 are provided solely for the Spokane regional support  
11 network to implement services to reduce utilization and the census at  
12 eastern state hospital. Such services shall include:

13 (i) High intensity treatment team for persons who are high  
14 utilizers of psychiatric inpatient services, including those with co-  
15 occurring disorders and other special needs;

16 (ii) Crisis outreach and diversion services to stabilize in the  
17 community individuals in crisis who are at risk of requiring inpatient  
18 care or jail services;

19 (iii) Mental health services provided in nursing facilities to  
20 individuals with dementia, and consultation to facility staff treating  
21 those individuals; and

22 (iv) Services at the sixteen-bed evaluation and treatment facility.

23 At least annually, the Spokane regional support network shall  
24 assess the effectiveness of these services in reducing utilization at  
25 eastern state hospital, identify services that are not optimally  
26 effective, and modify those services to improve their effectiveness.

27 (j) \$1,529,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$1,529,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely to reimburse Pierce and Spokane  
30 counties for the cost of conducting 180-day commitment hearings at the  
31 state psychiatric hospitals.

32 (k) Regional support networks may use local funds to earn  
33 additional federal medicaid match, provided the locally matched rate  
34 does not exceed the upper-bound of their federally allowable rate  
35 range, and provided that the enhanced funding is used only to provide  
36 medicaid state plan or waiver services to medicaid clients.  
37 Additionally, regional support networks may use a portion of the state  
38 funds allocated in accordance with (a) of this subsection to earn

1 additional medicaid match, but only to the extent that the application  
2 of such funds to medicaid services does not diminish the level of  
3 crisis and commitment, community inpatient, residential care, and  
4 outpatient services presently available to persons not eligible for  
5 medicaid.

6 (l) Given the recent approval of federal medicaid matching funds  
7 for the disability lifeline and the alcohol and drug abuse treatment  
8 support act programs, the department shall charge regional support  
9 networks for only the state share rather than the total cost of  
10 community psychiatric hospitalization for persons enrolled in those  
11 programs.

12 (m) \$750,000 of the general fund--state appropriation for fiscal  
13 year 2012, \$750,000 of the general fund--state appropriation for fiscal  
14 year 2013, and \$1,500,000 of the general fund--federal appropriation  
15 are provided solely to adjust regional support network capitation rates  
16 to account for the per diem rates actually paid for psychiatric care  
17 provided at hospitals participating in the certified public expenditure  
18 program operated pursuant to section 213 of this act.

19 (n) The appropriations in this section reflect efficiencies to be  
20 achieved through voluntary consolidation of regional support networks  
21 in accordance with Substitute House Bill No. 2139 (regional support  
22 networks). Voluntary consolidation of regional support networks is  
23 expected to result in administrative efficiencies and maximize dollars  
24 available for direct services to individuals with mental illnesses  
25 without corresponding increases in state appropriations.

26 (2) INSTITUTIONAL SERVICES

27	General Fund--State Appropriation (FY 2012) . . . . .	\$115,017,000
28	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$112,603,000</del> ))
29		<u>\$118,883,000</u>
30	General Fund--Federal Appropriation . . . . .	(( <del>\$153,618,000</del> ))
31		<u>\$152,917,000</u>
32	General Fund--Private/Local Appropriation . . . . .	(( <del>\$67,325,000</del> ))
33		<u>\$64,555,000</u>
34	TOTAL APPROPRIATION . . . . .	(( <del>\$448,563,000</del> ))
35		<u>\$451,372,000</u>

36 The appropriations in this subsection are subject to the following  
37 conditions and limitations:



1 (a) The state psychiatric hospitals may use funds appropriated in  
2 this subsection to purchase goods and supplies through hospital group  
3 purchasing organizations when it is cost-effective to do so.

4 (b) \$231,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$231,000 of the general fund--state appropriation for  
6 fiscal year 2013 are provided solely for a community partnership  
7 between western state hospital and the city of Lakewood to support  
8 community policing efforts in the Lakewood community surrounding  
9 western state hospital. The amounts provided in this subsection (2)(b)  
10 are for the salaries, benefits, supplies, and equipment for one full-  
11 time investigator, one full-time police officer, and one full-time  
12 community service officer at the city of Lakewood.

13 (c) \$45,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$45,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for payment to the city of  
16 Lakewood for police services provided by the city at western state  
17 hospital and adjacent areas.

18 (d) \$20,000,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$20,000,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely to maintain staffed capacity to  
21 serve an average daily census in forensic wards at western state  
22 hospital of 270 patients per day.

23 (e) The appropriations in this section reflect efficiencies to be  
24 achieved through enactment of Substitute Senate Bill No. 6492  
25 (competency to stand trial). These efficiencies are expected to enable  
26 the hospitals to substantially increase the timeliness with which  
27 evaluations of defendant competency to stand trial are completed, and  
28 treatment to restore competency is initiated, without corresponding  
29 increases in state appropriations.

30 (f) \$56,000 of the general fund--state appropriation for fiscal  
31 year 2013 and \$52,000 of the general fund--federal appropriation are  
32 provided solely for staffing costs associated with implementation of  
33 Engrossed Second Substitute House Bill No. 2536 (children  
34 services/delivery). The amounts provided in this subsection must be  
35 used for coordinated evidence-based practice implementation amongst the  
36 department's programs providing mental health, child welfare, and  
37 juvenile justice services to children.

38 (3) SPECIAL PROJECTS

1	General Fund--State Appropriation (FY 2012) . . . . .	\$1,148,000
2	General Fund--State Appropriation (FY 2013) . . . . .	\$1,276,000
3	General Fund--Federal Appropriation . . . . .	<del>(( \$4,198,000 ))</del>
4		<u>\$5,198,000</u>
5	General Fund--Private/Local Appropriation . . . . .	\$700,000
6	TOTAL APPROPRIATION . . . . .	<del>(( \$7,322,000 ))</del>
7		<u>\$8,322,000</u>

8       The appropriations in this subsection are subject to the following  
9 conditions and limitations:

10       (a) \$1,161,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$1,161,000 of the general fund--state appropriation for  
12 fiscal year 2013 are provided solely for children's evidence-based  
13 mental health services. Funding is sufficient to continue serving  
14 children at the same levels as fiscal year 2009.

15       (b) \$700,000 of the general fund--private/local appropriation is  
16 provided solely for the University of Washington's evidence-based  
17 practice institute which supports the identification, evaluation, and  
18 implementation of evidence-based or promising practices for serving  
19 children and youth with mental health disorders. The department shall  
20 enter into an interagency agreement with the office of the attorney  
21 general for expenditure of \$700,000 of the state's proceeds of the cy  
22 pres settlement in *State of Washington v. AstraZeneca* (Seroquel) for  
23 this purpose.

24       (c) \$135,000 of the general fund--state appropriation for fiscal  
25 year 2013 and \$89,000 of the general fund--federal appropriation are  
26 provided solely for the department to contract with the University of  
27 Washington's evidence-based practice institute and the Washington state  
28 institute for public policy to consult with the department and the  
29 health care authority on the implementation of Engrossed Second  
30 Substitute House Bill No. 2536 (children services/delivery). The  
31 department's programs responsible for administration of mental health,  
32 child welfare, and juvenile justice programs will coordinate with the  
33 health care authority on the development of contract terms which  
34 facilitate efforts to meet requirements of the bill. If Engrossed  
35 Second Substitute House Bill No. 2536 (children services/delivery) is  
36 not enacted by June 30, 2012, the amounts provided in this subsection  
37 shall lapse.

38       (4) PROGRAM SUPPORT

1	General Fund--State Appropriation (FY 2012) . . . . .	\$4,482,000
2	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$4,247,000</del> ))
3		<u>\$4,161,000</u>
4	General Fund--Federal Appropriation . . . . .	(( <del>\$7,210,000</del> ))
5		<u>\$7,128,000</u>
6	General Fund--Private/Local Appropriation . . . . .	\$446,000
7	TOTAL APPROPRIATION . . . . .	(( <del>\$16,385,000</del> ))
8		<u>\$16,217,000</u>

9       (a) The appropriations in this subsection are subject to the  
 10 following conditions and limitations: In accordance with RCW  
 11 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to  
 12 increase license and certification fees in fiscal years 2012 and 2013  
 13 to support the costs of the regulatory program. The fee schedule  
 14 increases must be developed so that the maximum amount of additional  
 15 fees paid by providers statewide in the 2011-2013 fiscal biennium is  
 16 \$446,000. The department's fee schedule shall have differential rates  
 17 for providers with proof of accreditation from organizations that the  
 18 department has determined to have substantially equivalent standards to  
 19 those of the department, including but not limited to the joint  
 20 commission on accreditation of health care organizations, the  
 21 commission on accreditation of rehabilitation facilities, and the  
 22 council on accreditation. To reflect the reduced costs associated with  
 23 regulation of accredited programs, the department's fees for  
 24 organizations with such proof of accreditation must reflect the lower  
 25 costs of licensing for these programs than for other organizations  
 26 which are not accredited.

27       (b) \$19,000 of the general fund--state appropriation for fiscal  
 28 year 2012, \$17,000 of the general fund--state appropriation for fiscal  
 29 year 2013, and \$34,000 of the general fund--federal appropriation are  
 30 provided solely to support a partnership among the department of social  
 31 and health services, the department of health, and agencies that  
 32 deliver medical care and behavioral health services in Cowlitz county.  
 33 The partnership shall identify and recommend strategies for resolving  
 34 regulatory, licensing, data management, reporting, and funding barriers  
 35 to more effective integration of primary medical and behavioral health  
 36 care services in the county.

1       **Sec. 1205.** 2012 2nd sp.s. c 7 s 205 (uncodified) is amended to  
2 read as follows:

3       **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**  
4       **DISABILITIES PROGRAM**

5       (1) COMMUNITY SERVICES

6	General Fund--State Appropriation (FY 2012) . . . . .	\$405,412,000
7	General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$420,327,000 ))</del>
8		<u>\$411,060,000</u>
9	General Fund--Federal Appropriation . . . . .	<del>(( \$752,059,000 ))</del>
10		<u>\$745,018,000</u>
11	General Fund--Private/Local Appropriation . . . . .	\$184,000
12	TOTAL APPROPRIATION . . . . .	<del>(( \$1,577,982,000 ))</del>
13		<u>\$1,561,674,000</u>

14       The appropriations in this subsection are subject to the following  
15 conditions and limitations:

16       (a) Individuals receiving services as supplemental security income  
17 (SSI) state supplemental payments shall not become eligible for medical  
18 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
19 supplemental payments.

20       (b) Amounts appropriated in this subsection reflect a reduction to  
21 funds appropriated for in-home care. The department shall reduce the  
22 number of in-home hours authorized. The reduction shall be scaled  
23 based on the acuity level of care recipients. The largest hour  
24 reductions shall be to lower acuity patients and the smallest hour  
25 reductions shall be to higher acuity patients.

26       (c) Amounts appropriated in this subsection are sufficient to  
27 develop and implement the use of a consistent, statewide outcome-based  
28 vendor contract for employment and day services by July 1, 2012. The  
29 rates paid to vendors under this contract shall also be made  
30 consistent. In its description of activities the agency shall include  
31 activity listings and dollars appropriated for: Employment services,  
32 day services, child development services and county administration of  
33 services to the developmentally disabled. The department shall begin  
34 reporting to the office of financial management on these activities  
35 beginning in fiscal year 2010.

36       (d) \$944,000 of the general fund--state appropriation for fiscal  
37 year 2012, \$944,000 of the general fund--state appropriation for fiscal  
38 year 2013, and \$1,888,000 of the general fund--federal appropriation

1 are provided solely for state contributions for individual provider  
2 health care benefits. Pursuant to the collective bargaining agreement  
3 negotiated with the exclusive bargaining representative of individual  
4 providers established under RCW 74.39A.270, the state shall contribute  
5 to the multiemployer health benefits trust fund \$2.21 per paid hour  
6 worked by individual providers.

7 (e) \$1,329,000 of the general fund--state appropriation for fiscal  
8 year 2012, \$1,622,000 of the general fund--state appropriation for  
9 fiscal year 2013, and \$2,947,000 of the general fund--federal  
10 appropriation are provided solely for the state's contribution to the  
11 training partnership, as provided in RCW 74.39A.360, for instructional  
12 costs associated with the training of individual providers.  
13 Contributions are funded at \$0.22 per benefit-eligible paid hour worked  
14 by all home care workers. Expenditures for the purposes specified in  
15 this subsection shall not exceed the amounts provided in this  
16 subsection. However, if the governor and the service employees  
17 international union healthcare 775nw can reach agreement on repurposing  
18 funding that is currently provided in the individual provider  
19 collective bargaining agreement for new individual provider wages paid  
20 during training or other training related items, then expenditures for  
21 training trust contributions for individual providers may include the  
22 amounts provided in this subsection and the agreed upon repurposed  
23 funding. Funding in this section for purposes other than the  
24 individual provider collective bargaining agreement cannot be used for  
25 the purposes of this subsection (1)(e). It is the intent of the  
26 legislature that the funding provided in this subsection, including any  
27 repurposed funding, is sufficient to cover the costs of individual  
28 provider training and therefore tuition or other entrance fees are not  
29 necessary.

30 (f) \$104,669,000 of the general fund--state appropriation for  
31 fiscal year 2013 and \$104,669,000 of the general fund--federal  
32 appropriation are provided solely for the department to provide  
33 personal care services to waiver and nonwaiver in-home clients. The  
34 department shall provide the legislature with a report by December 5,  
35 2012, on the feasibility of converting the medicaid personal care  
36 program for in-home adults to a medicaid program as found in section  
37 1915(i) of the federal social security act that utilizes the option for

1 self-direction of individualized budgets. The department shall operate  
2 the personal care program within the amounts specifically provided.

3 (g)(i) Within the amounts appropriated in this subsection, the  
4 department shall revise the current working age adult policy to allow  
5 clients to choose between employment and community access activities.  
6 Clients age 21 and older who are receiving services through a home- and  
7 community-based medicaid waiver shall be offered the choice to  
8 transition to a community access program after nine months of  
9 enrollment in an employment program, and the option to transition from  
10 a community access program to an employment program at any time. The  
11 department shall inform clients and their legal representatives of all  
12 available options for employment and day services. Information  
13 provided to the client and the client's legal representative shall  
14 include the types of activities each service option provides, and the  
15 amount, scope, and duration of service for which the client would be  
16 eligible under each service option. An individual client may be  
17 authorized for only one service option, either employment services or  
18 community access services. Clients may not participate in more than  
19 one of these services at any given time.

20 (ii) The department shall work with counties and stakeholders to  
21 strengthen and expand the existing community access program. The  
22 program must emphasize support for the client so they are able to  
23 participate in activities that integrate them into their community and  
24 support independent living and skills.

25 (iii) The appropriation in this subsection includes funding to  
26 provide employment or community access services to 168 medicaid  
27 eligible young adults with developmental disabilities living with their  
28 families who need employment opportunities and assistance after high  
29 school graduation.

30 (h) \$75,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$75,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for the restoration of direct  
33 support to local organizations that utilize parent-to-parent networks  
34 and communication to promote access and quality of care for individuals  
35 with developmental disabilities and their families.

36 (i) In accordance with Engrossed Substitute House Bill No. 1277  
37 (licensed settings for vulnerable adults), adult family home license

fees are increased in fiscal years 2012 and 2013 to support the costs of conducting licensure, inspection, and regulatory programs.

(i) The current annual renewal license fee for adult family homes shall be increased to \$100 per bed beginning in fiscal year 2012 and \$175 per bed beginning in fiscal year 2013. Adult family homes shall receive a corresponding vendor rate increase per medicaid patient day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the amount necessary to fully fund the license fee increase for publicly funded beds, pursuant to the most recent bed estimates maintained by the department.

(ii) Beginning in fiscal year 2012, a processing fee of \$2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(j) Clients with developmental disabilities have demonstrated a need and a desire for a day services program as verified by over 900 clients currently accessing day programs through a long-term care service model. In addition, every individual, to include those with a developmental disability, should have the opportunity for meaningful employment which allows them to contribute to their communities and to become as self-sufficient as possible. Providing choice empowers recipients of publicly funded services and their families by expanding their degree of control over the services and supports they need.

The department shall work with legislators and stakeholders to develop a new approach to employment and day services. The objective of this plan is to ensure that adults with developmental disabilities have optimum choices, and that employment and day offerings are comprehensive enough to meet the needs of all clients currently served on a home and community based waiver. The proposal shall be submitted to the 2012 legislature for consideration and shall be constructed such that a client ultimately receives employment, community access, or the community day option but not more than one service at a time. The proposal shall include options for program efficiencies within the current employment and day structure and shall provide details on the plan to implement a consistent, statewide outcome-based vendor contract for employment and day services as specified in (c) of this subsection.

## (2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2012)	\$75,436,000
General Fund--State Appropriation (FY 2013)	<del>(( \$80,356,000 ))</del>





1 The appropriations in this subsection are subject to the following  
2 conditions and limitations:

3 Amounts appropriated in this subsection are for the purposes of  
4 transitioning clients with developmental disabilities into community  
5 settings. The department is authorized as needed to use these funds to  
6 either pay for clients residing within a residential habilitation  
7 center or for placements in the community. Pursuant to Second  
8 Substitute Senate Bill No. 5459 (services for people with developmental  
9 disabilities), funding in this subsection must be prioritized for the  
10 purpose of facilitating the consolidation and closure of Frances Haddon  
11 Morgan Center. The department shall use a person-centered approach in  
12 developing the discharge plan to assess each resident's needs and  
13 identify services the resident requires to successfully transition to  
14 the community or another residential habilitation center. The  
15 department is authorized to use any savings from this effort for the  
16 purpose of developing community resources to address the needs of  
17 clients with developmental disabilities who are in crisis or in need of  
18 respite. The department shall track the costs and savings of closing  
19 Frances Haddon Morgan Center and any investments into community  
20 placements and resources. The department shall provide a fiscal  
21 progress report to the legislature by December 5, 2011.

22 **Sec. 1206.** 2012 2nd sp.s. c 7 s 206 (uncodified) is amended to  
23 read as follows:

24 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**  
25 **SERVICES PROGRAM**

26	General Fund--State Appropriation (FY 2012) . . . . .	\$791,493,000
27	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$809,338,000</del> ))
28		<u>\$802,039,000</u>
29	General Fund--Federal Appropriation . . . . .	(( <del>\$1,690,993,000</del> ))
30		<u>\$1,686,091,000</u>
31	General Fund--Private/Local Appropriation . . . . .	\$27,517,000
32	Traumatic Brain Injury Account--State Appropriation . . . .	\$3,388,000
33	Nursing Facility Quality Assurance Account--State	
34	Appropriation . . . . .	\$88,000,000
35	TOTAL APPROPRIATION . . . . .	(( <del>\$3,410,729,000</del> ))
36		<u>\$3,398,528,000</u>

1       The appropriations in this section are subject to the following  
2 conditions and limitations:

3       (1) For purposes of implementing chapter 74.46 RCW, the weighted  
4 average nursing facility payment rate shall not exceed \$170.37 for  
5 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,  
6 including the rate add-ons described in (a) and (b) of this subsection.  
7 However, if the waiver requested from the federal centers for medicare  
8 and medicaid services in relation to the safety net assessment created  
9 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is  
10 for any reason not approved and implemented, the weighted average  
11 nursing facility payment rate shall not exceed \$159.87 for fiscal year  
12 2012 and shall not exceed \$160.93 for fiscal year 2013. There will be  
13 no adjustments for economic trends and conditions in fiscal years 2012  
14 and 2013. The economic trends and conditions factor or factors defined  
15 in the biennial appropriations act shall not be compounded with the  
16 economic trends and conditions factor or factors defined in any other  
17 biennial appropriations acts before applying it to the component rate  
18 allocations established in accordance with chapter 74.46 RCW. When no  
19 economic trends and conditions factor for either fiscal year is defined  
20 in a biennial appropriations act, no economic trends and conditions  
21 factor or factors defined in any earlier biennial appropriations act  
22 shall be applied solely or compounded to the component rate allocations  
23 established in accordance with chapter 74.46 RCW.

24       (a) Within the funds provided, the department shall continue to  
25 provide an add-on per medicaid resident day per facility not to exceed  
26 \$1.57. The add-on shall be used to increase wages, benefits, and/or  
27 staffing levels for certified nurse aides; or to increase wages and/or  
28 benefits for dietary aides, housekeepers, laundry aides, or any other  
29 category of worker whose statewide average dollars-per-hour wage was  
30 less than \$15 in calendar year 2008, according to cost report data.  
31 The add-on may also be used to address resulting wage compression for  
32 related job classes immediately affected by wage increases to low-wage  
33 workers. The department shall continue reporting requirements and a  
34 settlement process to ensure that the funds are spent according to this  
35 subsection.

36       (b) The department shall do a comparative analysis of the facility-  
37 based payment rates calculated on July 1, 2012, using the payment  
38 methodology defined in chapter 74.46 RCW and as funded in the omnibus

1 appropriations act, excluding the comparative add-on, acuity add-on,  
2 and safety net reimbursement, to the facility-based payment rates in  
3 effect June 30, 2010. If the facility-based payment rate calculated on  
4 July 1, 2012, is smaller than the facility-based payment rate on June  
5 30, 2010, then the difference shall be provided to the individual  
6 nursing facilities as an add-on payment per medicaid resident day.

7 (c) During the comparative analysis performed in subsection (b) of  
8 this section, if it is found that the direct care rate for any facility  
9 calculated using the payment methodology defined in chapter 74.46 RCW  
10 and as funded in the omnibus appropriations act, excluding the  
11 comparative add-on, acuity add-on, and safety net reimbursement, is  
12 greater than the direct care rate in effect on June 30, 2010, then the  
13 facility shall receive a ten percent direct care rate add-on to  
14 compensate that facility for taking on more acute clients than they  
15 have in the past.

16 (d) The department shall provide a medicaid rate add-on to  
17 reimburse the medicaid share of the skilled nursing facility safety net  
18 assessment as a medicaid allowable cost. The nursing facility safety  
19 net rate add-on may not be included in the calculation of the annual  
20 statewide weighted average nursing facility payment rate.

21 (e) If the waiver requested from the federal centers for medicare  
22 and medicaid services in relation to the safety net assessment created  
23 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is  
24 for any reason not approved and implemented, (b), (c), and (d) of this  
25 subsection do not apply.

26 (2) After examining actual nursing facility cost information, the  
27 legislature finds that the medicaid nursing facility rates calculated  
28 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home  
29 payments) provide sufficient reimbursement to efficiently and  
30 economically operating nursing facilities and bear a reasonable  
31 relationship to costs.

32 (3) In accordance with chapter 74.46 RCW, the department shall  
33 issue no additional certificates of capital authorization for fiscal  
34 year 2012 and no new certificates of capital authorization for fiscal  
35 year 2013 and shall grant no rate add-ons to payment rates for capital  
36 improvements not requiring a certificate of need and a certificate of  
37 capital authorization for fiscal years 2012 and 2013.

1 (4) The long-term care program may develop and pay enhanced rates  
2 for exceptional care to nursing homes for persons with traumatic brain  
3 injuries who are transitioning from hospital care. The cost per  
4 patient day for caring for these clients in a nursing home setting may  
5 be equal to or less than the cost of caring for these clients in a  
6 hospital setting.

7 (5) Amounts appropriated in this section reflect a reduction to  
8 funds appropriated for in-home care. The department shall reduce the  
9 number of in-home hours authorized. The reduction shall be scaled  
10 based on the acuity level of care recipients. The largest hour  
11 reductions shall be to lower acuity patients and the smallest hour  
12 reductions shall be to higher acuity patients.

13 (6) \$1,883,000 of the general fund--state appropriation for fiscal  
14 year 2012, \$1,883,000 of the general fund--state appropriation for  
15 fiscal year 2013, and \$3,766,000 of the general fund--federal  
16 appropriation are provided solely for state contributions for  
17 individual provider health care benefits. Pursuant to the collective  
18 bargaining agreement negotiated with the exclusive bargaining  
19 representative of individual providers established under RCW  
20 74.39A.270, the state shall contribute to the multiemployer health  
21 benefits trust fund \$2.21 per paid hour worked by individual providers.

22 (7) \$2,449,000 of the general fund--state appropriation for fiscal  
23 year 2012, \$3,012,000 of the general fund--state appropriation for  
24 fiscal year 2013, and \$5,463,000 of the general fund--federal  
25 appropriation are provided solely for the state's contribution to the  
26 training partnership, as provided in RCW 74.39A.360, for instructional  
27 costs associated with the training of individual providers.  
28 Contributions are funded at \$0.22 per benefit-eligible paid hour worked  
29 by all home care workers. Expenditures for the purposes specified in  
30 this subsection shall not exceed the amounts provided in this  
31 subsection. However, if the governor and the service employees  
32 international union healthcare 775nw can reach agreement on repurposing  
33 funding that is currently provided in the individual provider  
34 collective bargaining agreement for new individual provider wages paid  
35 during training or other training related items, then expenditures for  
36 training trust contributions for individual providers may include the  
37 amounts provided in this subsection and the agreed upon repurposed  
38 funding. Funding in this section for purposes other than the

1 individual provider collective bargaining agreement cannot be used for  
2 the purposes of this subsection (7). It is the intent of the  
3 legislature that the funding provided in this subsection, including any  
4 repurposed funding, is sufficient to cover the costs of individual  
5 provider training and therefore tuition or other entrance fees are not  
6 necessary.

7 (8) \$338,550,000 of the general fund--state appropriation for  
8 fiscal year 2013 and \$338,550,000 of the general fund--federal  
9 appropriation are provided solely for the department to provide  
10 personal care services to waiver and nonwaiver in-home clients. The  
11 department shall provide the legislature with a report by December 5,  
12 2012, on the feasibility of converting the medicaid personal care  
13 program for in-home adults to a medicaid program as found in section  
14 1915(i) of the federal social security act that utilizes the option for  
15 self-direction of individualized budgets. The department shall operate  
16 the personal care program within the amounts specifically provided.

17 (9) Individuals receiving services as supplemental security income  
18 (SSI) state supplemental payments shall not become eligible for medical  
19 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
20 supplemental payments.

21 (10) The department shall eliminate the adult day health program  
22 under the state plan 1915(i) option and shall reestablish it under the  
23 long-term care home and community-based waiver.

24 (11) \$4,588,000 of the general fund--state appropriation for fiscal  
25 year 2012, \$4,559,000 of the general fund--state appropriation for  
26 fiscal year 2013, and \$9,237,000 of the general fund--federal  
27 appropriation are provided solely for the continued operation of  
28 community residential and support services for persons who are older  
29 adults or who have co-occurring medical and behavioral disorders and  
30 who have been discharged or diverted from a state psychiatric hospital.  
31 These funds shall be used to serve individuals whose treatment needs  
32 constitute substantial barriers to community placement, who no longer  
33 require active psychiatric treatment at an inpatient hospital level of  
34 care, and who no longer meet the criteria for inpatient involuntary  
35 commitment.

36 (12) \$1,840,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$1,877,000 of the general fund--state appropriation for  
38 fiscal year 2013 are provided solely for operation of the volunteer

1 services program. Funding shall be prioritized towards serving  
2 populations traditionally served by long-term care services to include  
3 senior citizens and persons with disabilities.

4 (13) In accordance with Engrossed Substitute House Bill No. 1277  
5 (licensed settings for vulnerable adults), nursing facility fees are  
6 increased in fiscal year 2012 and adult family home fees are increased  
7 in fiscal year 2012 and fiscal year 2013 to support the costs of  
8 conducting licensure, inspection, and regulatory programs.

9 (a) The current annual renewal license fee for nursing facilities  
10 shall be increased to \$359 per bed beginning in fiscal year 2012 and  
11 assumes \$517,000 of the general fund--private/local appropriation.  
12 Nursing facilities shall receive a vendor rate increase of \$0.08 per  
13 medicaid patient day to cover the license fee increase for publicly  
14 funded beds.

15 (b) The current annual renewal license fee for adult family homes  
16 shall be increased to \$100 per bed beginning in fiscal year 2012 and  
17 assumes \$1,449,000 of the general fund--private/local appropriation;  
18 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000  
19 of the general fund--private/local appropriation. Adult family homes  
20 shall receive a corresponding vendor rate increase per medicaid patient  
21 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the  
22 amount necessary to fully fund the license fee increase for publicly  
23 funded beds, pursuant to the most recent bed estimates maintained by  
24 the department.

25 (c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall  
26 be charged to each adult family home when the home is initially  
27 licensed. This fee is nonrefundable.

28 (d) \$72,000 of the general fund--state appropriation for fiscal  
29 year 2012, \$708,000 of the general fund--private/local appropriation  
30 and \$708,000 of the general fund--federal appropriation are provided  
31 solely to implement sections 501 through 503 of Engrossed Substitute  
32 House Bill No. 1277 (licensed settings for vulnerable adults). The  
33 department shall use additional investigative resources to address  
34 complaints about provider practices as well as alleged abuse, neglect,  
35 abandonment, and exploitation of residents in adult family homes. The  
36 department shall develop a statewide internal quality review and  
37 accountability program to improve the accountability of staff and the

consistent application of investigative activities, and shall convene a quality assurance panel to review problems in the quality of care in adult family homes.

(14) \$3,316,000 of the traumatic brain injury account--state appropriation is provided solely to continue services for persons with traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011 (traumatic brain injury strategic partnership).

(15) The department is authorized to place long-term care clients residing in nursing homes and paid for with state only funds into less restrictive community care settings while continuing to meet the client's care needs.

(16) The department shall participate in the work group established by the department of corrections in section 220(2) of this act to review release options for elderly and infirm offenders.

**Sec. 1207.** 2012 2nd sp.s. c 7 s 207 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM**

General Fund--State Appropriation (FY 2012) . . . . .	\$415,553,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$438,483,000</del> ))
	<u>\$385,021,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$1,174,416,000</del> ))
	<u>\$1,181,373,000</u>
General Fund--Private/Local Appropriation . . . . .	\$30,592,000
TOTAL APPROPRIATION . . . . .	(( <del>\$2,059,044,000</del> ))
	<u>\$2,012,539,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$195,410,000 of the general fund--state appropriation for fiscal year 2012, ((~~\$235,808,000~~)) \$179,397,000 of the general fund--state appropriation for fiscal year 2013, and ((~~\$725,586,000~~)) \$712,784,000 of the general fund--federal appropriation are provided solely for all components of the WorkFirst program. Under section 2 of Engrossed Substitute Senate Bill No. 5921 (social services programs), the amounts in this subsection assume that any participant in the temporary assistance for needy families where their participation is suspended and does not volunteer to participate in WorkFirst services

1 or unsubsidized employment does not receive child care subsidies or  
2 WorkFirst subsidies as a condition of the suspension. Within the  
3 amounts provided for the WorkFirst program, the department may provide  
4 assistance using state-only funds for families eligible for temporary  
5 assistance for needy families.

6 (a) Within the amounts provided for WorkFirst in this subsection,  
7 the department shall continue to implement WorkFirst program  
8 improvements that are designed to achieve progress against outcome  
9 measures specified in Engrossed House Bill No. 2262 (WorkFirst and  
10 child care) and RCW 74.08A.410.

11 (b) The department may establish a career services work transition  
12 program.

13 (c) Within amounts appropriated in this section, the legislature  
14 expressly mandates that the department exercise its authority, granted  
15 in 1997 under RCW 74.08A.290, to contract for work activities services  
16 pursuant to that statutory authority and RCW 41.06.142(3).

17 (d) The department shall create a temporary assistance for needy  
18 families budget structure that allows for more transparent tracking of  
19 budget units and subunits of expenditures where these units and  
20 subunits are mutually exclusive from other department budget units.  
21 The budget structure shall include budget units for the following:  
22 Grants, child care, WorkFirst activities, and administration of the  
23 program.

24 (2) \$23,679,000 of the general fund--state appropriation for fiscal  
25 year 2012, in addition to supplemental security income recoveries, is  
26 provided solely for financial assistance and other services to  
27 recipients in the program established in section 4, chapter 8, Laws of  
28 2010 1st sp. sess., until the program terminates on October 31, 2011.

29 (3)(a) \$12,457,000 of the general fund--state appropriation for  
30 fiscal year 2012 and \$21,959,000 of the general fund--state  
31 appropriation for fiscal year 2013, in addition to supplemental  
32 security income recoveries, are provided solely for the programs  
33 created in Engrossed Substitute House Bill No. 2082 (essential needs  
34 and assistance program) beginning November 1, 2011.

35 (b) The department shall review clients receiving services through  
36 the aged, blind, or disabled assistance program, to determine whether  
37 they would benefit from assistance in becoming naturalized citizens,



1 and thus be eligible to receive federal supplemental security income  
2 benefits. Those cases shall be given high priority for naturalization  
3 funding through the department.

4 (c) The department shall continue the interagency agreement with  
5 the department of veterans' affairs to establish a process for referral  
6 of veterans who may be eligible for veterans' services. This agreement  
7 must include out-stationing department of veterans' affairs staff in  
8 selected community service office locations in King and Pierce counties  
9 to facilitate applications for veterans' services.

10 (4) \$1,657,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$1,657,000 of the general fund--state appropriation for  
12 fiscal year 2013 are provided solely for naturalization services.

13 (5) \$2,366,000 of the general fund--state appropriation for fiscal  
14 year 2012 is provided solely for refugee employment services, of which  
15 \$1,774,000 is provided solely for the department to pass through to  
16 statewide refugee assistance organizations for limited English  
17 proficiency pathway services; and \$2,366,000 of the general fund--state  
18 appropriation for fiscal year 2013 is provided solely for refugee  
19 employment services, of which \$1,774,000 is provided solely for the  
20 department to pass through to statewide refugee assistance  
21 organizations for limited English proficiency pathway services.

22 (6) On December 1, 2011, and annually thereafter, the department  
23 must report to the legislature on all sources of funding available for  
24 both refugee and immigrant services and naturalization services during  
25 the current fiscal year and the amounts expended to date by service  
26 type and funding source. The report must also include the number of  
27 clients served and outcome data for the clients.

28 (7) To ensure expenditures remain within available funds  
29 appropriated in this section, the legislature establishes the benefit  
30 under the state food assistance program, pursuant to RCW 74.08A.120, to  
31 be fifty percent of the federal supplemental nutrition assistance  
32 program benefit amount.

33 **Sec. 1208.** 2012 2nd sp.s. c 7 s 208 (uncodified) is amended to  
34 read as follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**  
36 **SUBSTANCE ABUSE PROGRAM**

37 General Fund--State Appropriation (FY 2012) . . . . . \$73,742,000

1	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$71,218,000</del> ))
2		<u>\$71,019,000</u>
3	General Fund--Federal Appropriation . . . . .	(( <del>\$184,401,000</del> ))
4		<u>\$187,979,000</u>
5	General Fund--Private/Local Appropriation . . . . .	(( <del>\$13,486,000</del> ))
6		<u>\$16,248,000</u>
7	Criminal Justice Treatment Account--State	
8	Appropriation . . . . .	\$20,748,000
9	Problem Gambling Account--State Appropriation . . . . .	\$1,448,000
10	TOTAL APPROPRIATION . . . . .	(( <del>\$365,043,000</del> ))
11		<u>\$371,184,000</u>

12       The appropriations in this section are subject to the following  
13 conditions and limitations:

14       (1) Within the amounts appropriated in this section, the department  
15 may contract with the University of Washington and community-based  
16 providers for the provision of the parent-child assistance program.  
17 For all contractors, indirect charges for administering the program  
18 shall not exceed ten percent of the total contract amount.

19       (2) Within the amounts appropriated in this section, the department  
20 shall continue to provide for chemical dependency treatment services  
21 for adult medicaid eligible, pregnant and parenting women, disability  
22 lifeline, and alcoholism and drug addiction treatment and support act,  
23 and medical care services clients.

24       (3) In accordance with RCW 70.96A.090 and 43.135.055, the  
25 department is authorized to increase fees for the review and approval  
26 of treatment programs in fiscal years 2012 and 2013 as necessary to  
27 support the costs of the regulatory program. The department's fee  
28 schedule shall have differential rates for providers with proof of  
29 accreditation from organizations that the department has determined to  
30 have substantially equivalent standards to those of the department,  
31 including but not limited to the joint commission on accreditation of  
32 health care organizations, the commission on accreditation of  
33 rehabilitation facilities, and the council on accreditation. To  
34 reflect the reduced costs associated with regulation of accredited  
35 programs, the department's fees for organizations with such proof of  
36 accreditation must reflect the lower cost of licensing for these  
37 programs than for other organizations which are not accredited.

1 (4) \$3,500,000 of the general fund--federal appropriation (from the  
2 substance abuse prevention and treatment federal block grant) is  
3 provided solely for the continued funding of existing county drug and  
4 alcohol use prevention programs.

5 (5) Within amounts appropriated in this section, the department is  
6 required to increase federal match available for intensive inpatient  
7 services. During fiscal year 2013, the department shall shift  
8 contracts for a minimum of 32 intensive inpatient beds currently  
9 provided in settings that are considered institutions for mental  
10 diseases to two or more facilities with no more than 16 beds that are  
11 able to claim federal match for services provided to medicaid clients  
12 or individuals covered under the department's section 1115 medicaid  
13 waiver. The department is authorized to conduct a request for proposal  
14 process to fulfill this requirement. By December 1, 2012, the  
15 department shall provide a plan to the office of financial management  
16 and to the relevant fiscal and policy committees of the legislature for  
17 transitioning all remaining intensive inpatient beds currently provided  
18 in settings that are considered institutions for mental diseases into  
19 facilities with no more than 16 beds by June 2017. The plan shall  
20 identify the maximum number of additional beds that can be transitioned  
21 into facilities with no more than 16 beds during the 2013-2015 fiscal  
22 biennium and the remaining number that will be transitioned during the  
23 2015-2017 fiscal biennium, a timeline and process for accomplishing  
24 this, and a projection of the related general fund--state savings for  
25 each biennium.

26 (6) The amounts appropriated in this section include reductions of  
27 \$303,000 in the general fund--state appropriation for fiscal year 2012  
28 and \$1,815,000 in the general fund--state appropriation for fiscal year  
29 2013. The department must apply this reduction across all levels of  
30 chemical dependency residential treatment services excluding services  
31 contracted through the counties, services provided to pregnant and  
32 parenting women, services provided to juveniles, and services provided  
33 to parents in dependency proceedings.

34 **Sec. 1209.** 2012 2nd sp.s. c 7 s 209 (uncodified) is amended to  
35 read as follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**

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The appropriations in this section are subject to the following conditions and limitations: \$480,000 of the telecommunications devices for the hearing and speech impaired account--state appropriation is provided solely for the office of deaf and hard of hearing to contract for services that provide ((employment)) support and help with life activities for deaf-blind individuals in ((King county)) the Puget Sound area.

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT PROGRAM

**Sec. 1211.** 2012 2nd sp.s. c 7 s 211 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND  
SUPPORTING SERVICES PROGRAM

General Fund--State Appropriation (FY 2012)	\$26,069,000
General Fund--State Appropriation (FY 2013)	<del>(\$24,474,000)</del>
	<u>\$26,338,000</u>
General Fund--Federal Appropriation	<del>(\$39,550,000)</del>
	<u>\$42,090,000</u>
General Fund--Private/Local Appropriation	\$2,116,000

Performance Audits of State Government--State  
Appropriation . . . . . \$4,812,000  
TOTAL APPROPRIATION . . . . . ((~~\$97,021,000~~))  
\$101,425,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$300,000 of the general fund--state appropriation for fiscal year 2012 and \$300,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state mentors program to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(2) \$445,000 of the general fund--state appropriation for fiscal year 2012 and \$445,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for funding of the teamchild project.

(3) \$178,000 of the general fund--state appropriation for fiscal year 2012 and \$178,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the juvenile detention alternatives initiative.

(4) \$4,812,000 of the performance audits of state government--state appropriation is provided solely for support and expansion of the division of fraud investigation. The division shall conduct investigatory and enforcement activities for all department programs, including the child support and TANF programs.

(5) \$1,400,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for the department to distribute as support to community public health and safety networks that have a history of providing training and services related to adverse childhood experiences. Distribution of these funds is contingent upon securing funding from a private entity or entities to provide one dollar in matching funds for each dollar in state funds received by a network so that the funding received by a community public health and safety network will be equal portions of state and private funding.

~~((+7))~~ (6) \$250,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for a grant program focused on criminal street gang prevention and intervention. The Washington state partnership council on juvenile justice may award grants under this

subsection. The council shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering effective criminal street gang prevention and intervention programs may apply for funding under this subsection.

~~((+8+))~~ (7) \$113,000 of the general fund--state appropriation for fiscal year 2013 and \$105,000 of the general fund--federal appropriation are provided solely for staffing costs associated with implementation of Engrossed Second Substitute House Bill No. 2536 (children services/delivery). The amounts provided in this subsection must be used for coordinated evidence-based practice implementation amongst the department's programs providing mental health, child welfare, and juvenile justice services to children. If Engrossed Second Substitute House Bill No. 2536 (children services/delivery) is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

**Sec. 1212.** 2012 2nd sp.s. c 7 s 212 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund--State Appropriation (FY 2012) . . . . .	\$62,140,000
General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$46,303,000 ))</del>
	<u>\$49,584,000</u>
General Fund--Federal Appropriation . . . . .	<del>(( \$53,049,000 ))</del>
	<u>\$53,409,000</u>
TOTAL APPROPRIATION . . . . .	<del>(( \$161,492,000 ))</del>
	<u>\$165,133,000</u>

The appropriations in this section are subject to the following conditions and limitations:

\$469,000 of the general fund--state appropriation for fiscal year 2011 and \$270,000 of the general fund--state appropriation for fiscal year 2012 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5921 (social services programs). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

1       **Sec. 1213.** 2012 2nd sp.s. c 7 s 213 (uncodified) is amended to  
2 read as follows:

3       **FOR THE STATE HEALTH CARE AUTHORITY**

4	General Fund--State Appropriation (FY 2012) . . . . .	\$2,034,296,000
5	General Fund--State Appropriation (FY 2013) . . . . .	(((\$2,031,185,000))
6		<u>\$2,113,181,000</u>
7	General Fund--Federal Appropriation . . . . .	(((\$5,307,323,000))
8		<u>\$5,327,942,000</u>
9	General Fund--Private/Local Appropriation . . . . .	(((\$62,597,000))
10		<u>\$51,082,000</u>
11	Emergency Medical Services and Trauma Care Systems	
12	Trust Account--State Appropriation . . . . .	(((\$15,077,000))
13		<u>\$14,157,000</u>
14	Hospital Safety Net Assessment Fund--State	
15	Appropriation . . . . .	(((\$434,087,000))
16		<u>\$442,930,000</u>
17	State Health Care Authority Administration Account--	
18	State Appropriation . . . . .	\$34,040,000
19	Basic Health Plan Stabilization Account--	
20	State Appropriation . . . . .	\$44,000,000
21	Medical Aid Account--State Appropriation . . . . .	\$529,000
22	Medicaid Fraud Penalty Account--State Appropriation . . . . .	(((\$9,200,000))
23		<u>\$9,408,000</u>
24	TOTAL APPROPRIATION . . . . .	(((\$9,972,334,000))
25		<u>\$10,071,565,000</u>

26       The appropriations in this section are subject to the following  
27 conditions and limitations:

28       ~~(1) ((The appropriations to the authority in this act shall be~~  
29 ~~expended for the purposes and in the amounts specified in this act. To~~  
30 ~~the extent that appropriations in this section are insufficient to fund~~  
31 ~~actual expenditures in excess of caseload forecasts and utilization~~  
32 ~~assumptions, the authority, after May 1, 2012, may transfer general~~  
33 ~~fund state appropriations for fiscal year 2012 that are provided~~  
34 ~~solely for a specified purpose. The authority shall not transfer~~  
35 ~~funds, and the director of financial management shall not approve the~~  
36 ~~transfer, unless the transfer is consistent with the objective of~~  
37 ~~conserving, to the maximum extent possible, the expenditure of state~~  
38 ~~funds. The director of financial management shall notify the~~

~~appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.~~

(+2)) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents eligible to participate in the basic health plan as subsidized enrollees and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

((+3)) (2) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

((+4)) (3)(a) \$1,200,000 of the general fund--state appropriation for fiscal year 2012 is provided solely to plan the implementation of a system of consolidated public school employee health benefits purchasing.

It is the intent of the legislature to improve the administration, transparency, and equity in delivering a K-12 employees' health benefits system. In addition, the legislature intends that any cost savings that result from changes to K-12 health benefits be dedicated to public schools.

To further this legislative intent, the state health care authority shall develop a plan to implement a consolidated health benefits' system for K-12 employees for the 2013-14 school year. The health care authority shall deliver a report to the legislature by December 15, 2011, that sets forth the implementation plan to the ways and means committees of the house of representatives and the senate.



1 (b) The report prepared by the health care authority shall compare  
2 and contrast the costs and benefits, both long and short term, of:

- 3 (i) The current K-12 health benefits system;  
4 (ii) A new K-12 employee benefits pool; and  
5 (iii) Enrolling K-12 employees into the health benefits pool for  
6 state employees.

7 (c) In addition to the implementation plan, the report shall  
8 include the following information:

9 (i) The costs and benefits of the current K-12 health benefits  
10 system;

11 (ii) The costs and benefits of providing a new statewide K-12  
12 employees' health benefits pool to school districts and school  
13 employees;

14 (iii) The costs and benefits of enrolling K-12 employees into the  
15 existing health benefits pool for state employees;

16 (iv) Recommendations of ways to limit administrative duplication  
17 and costs, improve transparency to employees, the legislature, and the  
18 public and assure equity among beneficiaries of publicly provided  
19 employee health benefits;

20 (v) Recommendations for standardizing benefit packages and  
21 purchasing efforts in a manner that seeks to maximize funding and  
22 equity for all school employees;

23 (vi) Recommendations regarding the use of incentives, including how  
24 changes to state health benefit allocations could provide employees  
25 with benefits that would encourage participation;

26 (vii) Recommendations regarding the implementation of a new K-12  
27 employee benefit plan, with separate options for voluntary  
28 participation and mandatory statewide participation;

29 (viii) Recommendations regarding methods to reduce inequities  
30 between individual and family coverage;

31 (ix) Consolidation of the purchasing and budget accountability for  
32 school employee benefits to maximize administrative efficiency and  
33 leverage existing skills and resources; and

34 (x) Other details the health care authority deems necessary,  
35 including but not limited to recommendations on the following:

36 (A) Approaches for implementing the transition to a statewide pool,  
37 including administrative and statutory changes necessary to ensure a

1 successful transition, and whether the pool should be separate from, or  
2 combined with, the public employees' benefits pool;

3 (B) The structure of a permanent governing group to provide ongoing  
4 oversight to the consolidated pool, in a manner similar to the public  
5 employees benefits board functions for employee health benefits,  
6 including statutory duties and authorities of the board; and

7 (C) Options for including potential changes to: Eligibility  
8 standardization, the public employees benefits risk pools, the movement  
9 of school employee retirees into the new K-12 pool or pools, and the  
10 movement of educational service district employees into the new K-12  
11 pool or pools.

12 (d) In determining its costs and benefits of a new statewide K-12  
13 employees' health benefits pool for school districts and school  
14 employees, the health care authority shall assume the following:

15 (i) School district enrollees must constitute an entire bargaining  
16 unit, or an entire group of nonrepresented employees;

17 (ii) Staffing and administration for benefits purchasing shall be  
18 provided by the health care authority; and

19 (iii) The new K-12 pool would operate on a schedule that  
20 coordinates with the financing and enrollment schedule used for school  
21 districts.

22 (e) The office of the superintendent of public instruction and the  
23 office of the insurance commissioner shall provide information and  
24 technical assistance to the health care authority as requested by the  
25 health care authority. The health care authority shall not implement  
26 the new school employee benefits pool until authorized to do so by the  
27 legislature.

28 ((+5+)) (4) The administrator shall take at least the following  
29 actions to assure that persons participating in the basic health plan  
30 are eligible for the level of assistance they receive: (a) Require  
31 submission of (i) income tax returns, and recent pay history, from all  
32 applicants, or (ii) other verifiable evidence of earned and unearned  
33 income from those persons not required to file income tax returns; (b)  
34 check employment security payroll records at least once every twelve  
35 months on all enrollees; (c) require enrollees whose income as  
36 indicated by payroll records exceeds that upon which their subsidy is  
37 based to document their current income as a condition of continued  
38 eligibility; (d) require enrollees for whom employment security payroll

1 records cannot be obtained to document their current income at least  
2 once every six months; (e) not reduce gross family income for self-  
3 employed persons by noncash-flow expenses such as, but not limited to,  
4 depreciation, amortization, and home office deductions, as defined by  
5 the United States internal revenue service; and (f) pursue repayment  
6 and civil penalties from persons who have received excessive subsidies,  
7 as provided in RCW 70.47.060(9).

8 ((+6+)) (5) Enrollment in the subsidized basic health plan shall be  
9 limited to only include persons who qualify as subsidized enrollees as  
10 defined in RCW 70.47.020 and who (a) qualify for services under 1115  
11 medicaid demonstration project number 11-W-00254/10; or (b) are foster  
12 parents licensed under chapter 74.15 RCW.

13 ((+7+)) (6) \$23,700,000 of the general fund--federal appropriation  
14 is provided solely for planning and implementation of a health benefit  
15 exchange under the federal patient protection and affordable care act.  
16 Within the amounts provided in this subsection, funds used by the  
17 authority for information technology projects are conditioned on the  
18 authority satisfying the requirements of Engrossed Second Substitute  
19 Senate Bill No. 5931 (central service agencies).

20 ((+8+)) (7) Based on quarterly expenditure reports and caseload  
21 forecasts, if the health care authority estimates that expenditures for  
22 the medical assistance program will exceed the appropriations, the  
23 health care authority shall take steps including but not limited to  
24 reduction of rates or elimination of optional services to reduce  
25 expenditures so that total program costs do not exceed the annual  
26 appropriation authority.

27 ((+9+)) (8) In determining financial eligibility for medicaid-  
28 funded services, the health care authority is authorized to disregard  
29 recoveries by Holocaust survivors of insurance proceeds or other  
30 assets, as defined in RCW 48.104.030.

31 ((+10+)) (9) The legislature affirms that it is in the state's  
32 interest for Harborview medical center to remain an economically viable  
33 component of the state's health care system.

34 ((+11+)) (10) When a person is ineligible for medicaid solely by  
35 reason of residence in an institution for mental diseases, the health  
36 care authority shall provide the person with the same benefits as he or  
37 she would receive if eligible for medicaid, using state-only funds to  
38 the extent necessary.

1        ~~((+12+))~~ (11) \$4,261,000 of the general fund--state appropriation  
2 for fiscal year 2012, \$4,261,000 of the general fund--state  
3 appropriation for fiscal year 2013, and \$8,522,000 of the general  
4 fund--federal appropriation are provided solely for low-income  
5 disproportionate share hospital payments under RCW 74.09.730(1)(a).

6        ~~((+13+))~~ (12) \$6,000,000 of the general fund--federal appropriation  
7 is provided solely for supplemental payments to nursing homes operated  
8 by public hospital districts. The public hospital district shall be  
9 responsible for providing the required nonfederal match for the  
10 supplemental payment, and the payments shall not exceed the maximum  
11 allowable under federal rules. It is the legislature's intent that the  
12 payments shall be supplemental to and shall not in any way offset or  
13 reduce the payments calculated and provided in accordance with part E  
14 of chapter 74.46 RCW. It is the legislature's further intent that  
15 costs otherwise allowable for rate-setting and settlement against  
16 payments under chapter 74.46 RCW shall not be disallowed solely because  
17 such costs have been paid by revenues retained by the nursing home from  
18 these supplemental payments. The supplemental payments are subject to  
19 retrospective interim and final cost settlements based on the nursing  
20 homes' as-filed and final medicare cost reports. The timing of the  
21 interim and final cost settlements shall be at the health care  
22 authority's discretion. During either the interim cost settlement or  
23 the final cost settlement, the health care authority shall recoup from  
24 the public hospital districts the supplemental payments that exceed the  
25 medicaid cost limit and/or the medicare upper payment limit. The  
26 health care authority shall apply federal rules for identifying the  
27 eligible incurred medicaid costs and the medicare upper payment limit.

28        ~~((+14+))~~ (13) The health care authority shall continue the  
29 inpatient hospital certified public expenditures program for the 2011-  
30 2013 fiscal biennium. The program shall apply to all public hospitals,  
31 including those owned or operated by the state, except those classified  
32 as critical access hospitals or state psychiatric institutions. The  
33 health care authority shall submit reports to the governor and  
34 legislature by November 1, 2011, and by November 1, 2012, that evaluate  
35 whether savings continue to exceed costs for this program. If the  
36 certified public expenditures (CPE) program in its current form is no  
37 longer cost-effective to maintain, the health care authority shall  
38 submit a report to the governor and legislature detailing

1 cost-effective alternative uses of local, state, and federal resources  
2 as a replacement for this program. During fiscal year 2012 and fiscal  
3 year 2013, hospitals in the program shall be paid and shall retain one  
4 hundred percent of the federal portion of the allowable hospital cost  
5 for each medicaid inpatient fee-for-service claim payable by medical  
6 assistance and one hundred percent of the federal portion of the  
7 maximum disproportionate share hospital payment allowable under federal  
8 regulations. Inpatient medicaid payments shall be established using an  
9 allowable methodology that approximates the cost of claims submitted by  
10 the hospitals. Payments made to each hospital in the program in each  
11 fiscal year of the biennium shall be compared to a baseline amount.  
12 The baseline amount will be determined by the total of (a) the  
13 inpatient claim payment amounts that would have been paid during the  
14 fiscal year had the hospital not been in the CPE program based on the  
15 reimbursement rates developed, implemented, and consistent with  
16 policies approved in the 2011-13 biennial operating appropriations act  
17 and in effect on July 1, 2011, (b) one half of the indigent assistance  
18 disproportionate share hospital payment amounts paid to and retained by  
19 each hospital during fiscal year 2005, and (c) all of the other  
20 disproportionate share hospital payment amounts paid to and retained by  
21 each hospital during fiscal year 2005 to the extent the same  
22 disproportionate share hospital programs exist in the 2011-13 biennium.  
23 If payments during the fiscal year exceed the hospital's baseline  
24 amount, no additional payments will be made to the hospital except the  
25 federal portion of allowable disproportionate share hospital payments  
26 for which the hospital can certify allowable match. If payments during  
27 the fiscal year are less than the baseline amount, the hospital will be  
28 paid a state grant equal to the difference between payments during the  
29 fiscal year and the applicable baseline amount. Payment of the state  
30 grant shall be made in the applicable fiscal year and distributed in  
31 monthly payments. The grants will be recalculated and redistributed as  
32 the baseline is updated during the fiscal year. The grant payments are  
33 subject to an interim settlement within eleven months after the end of  
34 the fiscal year. A final settlement shall be performed. To the extent  
35 that either settlement determines that a hospital has received funds in  
36 excess of what it would have received as described in this subsection,  
37 the hospital must repay the excess amounts to the state when requested.  
38 \$8,102,000 of the general fund--state appropriation for fiscal year

1 2012, of which \$6,570,000 is appropriated in section 204(1) of this  
2 act, and (~~(\$3,162,000)~~) \$10,722,069 of the general fund--state  
3 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated  
4 in section 204(1) of this act, are provided solely for state grants for  
5 the participating hospitals. CPE hospitals will receive the inpatient  
6 and outpatient reimbursement rate restorations in RCW 74.60.080 and  
7 rate increases in RCW 74.60.090 funded through the hospital safety net  
8 assessment fund rather than through the baseline mechanism specified in  
9 this subsection.

10 (~~(+15+)~~) (14) The health care authority shall seek public-private  
11 partnerships and federal funds that are or may become available to  
12 provide on-going support for outreach and education efforts under the  
13 federal children's health insurance program reauthorization act of  
14 2009.

15 (~~(+16+)~~) (15) The health care authority shall target funding for  
16 maternity support services towards pregnant women with factors that  
17 lead to higher rates of poor birth outcomes, including hypertension, a  
18 preterm or low birth weight birth in the most recent previous birth, a  
19 cognitive deficit or developmental disability, substance abuse, severe  
20 mental illness, unhealthy weight or failure to gain weight, tobacco  
21 use, or African American or Native American race. The health care  
22 authority shall prioritize evidence-based practices for delivery of  
23 maternity support services. To the extent practicable, the health care  
24 authority shall develop a mechanism to increase federal funding for  
25 maternity support services by leveraging local public funding for those  
26 services.

27 (~~(+17+)~~) (16) For children with family incomes above 200 percent of  
28 the federal poverty level in the state-funded children's health program  
29 for children who are not eligible for coverage under the federally  
30 funded children's health insurance program, premiums shall be set every  
31 two years in an amount equal to the average state-only share of the per  
32 capita cost of coverage in the state-funded children's health program  
33 for children in families with incomes at or less than two hundred  
34 percent of the federal poverty level.

35 (~~(+18+)~~) (17) Within the amounts appropriated in this section, the  
36 health care authority shall provide disproportionate share hospital  
37 payments to hospitals that provide services to children in the

1 children's health program who are not eligible for services under Title  
2 XIX or XXI of the federal social security act due to their citizenship  
3 status.

4 ~~((+19+))~~ (18) \$859,000 of the general fund--state appropriation for  
5 fiscal year 2012, \$979,000 of the general fund--state appropriation for  
6 fiscal year 2013, and \$1,841,000 of the general fund--federal  
7 appropriation are provided solely to increase prior authorization  
8 activities for advanced imaging procedures.

9 ~~((+20+))~~ (19) \$196,000 of the general fund--state appropriation for  
10 fiscal year 2012, \$246,000 of the general fund--state appropriation for  
11 fiscal year 2013, and \$442,000 of the general fund--federal  
12 appropriation are provided solely to increase prior authorization  
13 activities for surgical procedures, which may include orthopedic  
14 procedures, spinal procedures and interventions, and nerve procedures.

15 ~~((+21+))~~ (20) \$300,000 of the general fund--private/local  
16 appropriation and \$300,000 of the general fund--federal appropriation  
17 are provided solely for a prescriptive practices improvement  
18 collaborative focusing upon atypical antipsychotics and other  
19 medications commonly used in the treatment of severe and persistent  
20 mental illnesses among adults. The project shall promote collaboration  
21 among community mental health centers, other major prescribers of  
22 atypical antipsychotic medications to adults enrolled in state medical  
23 assistance programs, and psychiatrists, pharmacists, and other  
24 specialists at the University of Washington department of psychiatry  
25 and/or other research universities. The collaboration shall include  
26 patient-specific prescriber consultations by psychiatrists and  
27 pharmacists specializing in treatment of severe and persistent mental  
28 illnesses among adults; production of profiles to assist prescribers  
29 and clinics in tracking their prescriptive practices and their  
30 patients' medication use and adherence relative to evidence-based  
31 practices guidelines, other prescribers, and patients at other clinics;  
32 and in-service seminars at which participants can share and increase  
33 their knowledge of evidence-based and other effective prescriptive  
34 practices. The health care authority shall enter into an interagency  
35 agreement with the office of the attorney general for expenditure of  
36 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*  
37 *Washington v. AstraZeneca* (Seroquel) for this purpose.

1        ~~((+22+))~~ (21) \$570,000 of the general fund--private/local  
2 appropriation is provided solely for continued operation of the  
3 partnership access line for child mental health consultations. The  
4 health care authority shall enter into an interagency agreement with  
5 the office of the attorney general for expenditure of \$570,000 of the  
6 state's proceeds of the *cy pres* settlement in *State of Washington v.*  
7 *AstraZeneca* (Seroquel) for this purpose.

8        ~~((+23+))~~ (22) \$80,000 of the general fund--state appropriation for  
9 fiscal year 2012, \$80,000 of the general fund--state appropriation for  
10 fiscal year 2013, and \$160,000 of the general fund--federal  
11 appropriation are provided solely to fund the Tacoma-Pierce county  
12 health department for access and outreach activities to reduce infant  
13 mortality.

14        ~~((+24+))~~ (23) \$75,000 of the general fund--state appropriation for  
15 fiscal year 2012, \$75,000 of the general fund--state appropriation for  
16 fiscal year 2013, and \$150,000 of the general fund--federal  
17 appropriation are provided solely to assist with development and  
18 implementation of evidence-based strategies regarding the appropriate,  
19 safe, and effective role of C-section surgeries and early induced labor  
20 in births and neonatal care. The strategies shall be identified and  
21 implemented in consultation with clinical research specialists,  
22 physicians, hospitals, advanced registered nurse practitioners, and  
23 organizations concerned with maternal and child health.

24        ~~((+25+))~~ (24) Within the amounts appropriated in this section, the  
25 health care authority shall continue to provide school-based medical  
26 services by means of an intergovernmental transfer arrangement. Under  
27 the arrangement, the state shall provide forty percent and school  
28 districts sixty percent of the nonfederal matching funds required for  
29 receipt of federal medicaid funding for the service.

30        ~~((+26+))~~ (25) \$263,000 of the general fund--state appropriation for  
31 fiscal year 2012, \$88,000 of the general fund--state appropriation for  
32 fiscal year 2013, and \$351,000 of the general fund--federal  
33 appropriation are provided solely for development and submission to the  
34 federal government by October 1, 2011, of a demonstration project  
35 proposal as provided in Substitute Senate Bill No. 5596 (medicaid  
36 demonstration waiver).

37        ~~((+27+))~~ (26) Within the amounts appropriated in this section, the  
38 health care authority shall provide spoken-language interpreter



1 services. The authority shall develop and implement a new model for  
2 delivery of such services no later than July 1, 2012. The model shall  
3 include:

4 (a) Development by the authority in consultation with subject-area  
5 experts of guidelines to assist medical practitioners identify the  
6 circumstances under which it is appropriate to use telephonic or video-  
7 remote interpreting;

8 (b) The requirement that the state contract with delivery  
9 organizations, including foreign language agencies, who employ or  
10 subcontract only with language access providers or interpreters working  
11 in the state who are certified or authorized by the state. When a  
12 state-certified or state-authorized in-state language access provider  
13 or interpreter is not available, the delivery organization, including  
14 foreign language agencies, may use a provider with other certifications  
15 or qualifications deemed to meet state standards, including  
16 interpreters in other states; and

17 (c) Provision of a secure, web-based tool that medical  
18 practitioners will use to schedule appointments for interpreter  
19 services and to identify the most appropriate, cost-effective method of  
20 service delivery in accordance with the state guidelines.

21 Nothing in this subsection affects the ability of health care  
22 providers to provide interpretive services through employed staff or  
23 through telephone and video remote technologies when not reimbursed  
24 directly by the department. The amounts in this subsection do not  
25 include federal administrative funds provided to match nonstate  
26 expenditures by local health jurisdictions and governmental hospitals.

27 ~~((+28+))~~ (27) In its procurement of contractors for delivery of  
28 medical managed care services for nondisabled, nonelderly persons, the  
29 medical assistance program shall (a) place substantial emphasis upon  
30 price competition in the selection of successful bidders; and (b) not  
31 require delivery of any services that would increase the actuarial cost  
32 of service beyond the levels included in current healthy options  
33 contracts.

34 ~~((+29+))~~ (28) \$1,430,000 of the general fund--state appropriation  
35 for fiscal year 2012, \$1,430,000 of the general fund--state  
36 appropriation for fiscal year 2013, and \$2,860,000 of the general  
37 fund--federal appropriation are provided solely to pay  
38 federally-designated rural health clinics their standard encounter rate

1 for prenatal and well-child visits, whether delivered under a managed  
2 care contract or fee-for-service. In reconciling managed care  
3 enhancement payments for calendar years 2009 and 2010, the department  
4 shall treat well-child and prenatal care visits as encounters subject  
5 to the clinic's encounter rate.

6 ~~((+30+))~~ (29) \$280,000 of the general fund--state appropriation for  
7 fiscal year 2012 and \$282,000 of the general fund--federal  
8 appropriation are provided solely to increase utilization management of  
9 drugs and drug classes for which there is evidence of over-utilization,  
10 off-label use, excessive dosing, duplicative therapy, or opportunities  
11 to shift utilization to less expensive, equally effective formulations.

12 ~~((+31+))~~ (30) \$70,000 of the general fund--state appropriation for  
13 fiscal year 2012, \$70,000 of the general fund--state appropriation for  
14 fiscal year 2013, and \$140,000 of the general fund--federal  
15 appropriation are provided solely to continue operation by a nonprofit  
16 organization of a toll-free hotline that assists families to learn  
17 about and enroll in the apple health for kids program.

18 ~~((+32+))~~ (31) \$400,000 of the general fund--state appropriation for  
19 fiscal year 2012 and \$400,000 of the general fund--state appropriation  
20 for fiscal year 2013 is provided solely for the local outreach, case  
21 management, and coordination with dental providers needed to execute  
22 the access to baby and child dentistry program, which provides dental  
23 care to Medicaid eligible children up to age six.

24 ~~((+33+))~~ (32) Within the amounts appropriated in this section, the  
25 health care authority shall continue to provide dental services to  
26 pregnant women. Services shall include preventive, routine, and  
27 emergent dental care.

28 ~~((+34+))~~ (33) \$395,000 of the general fund--state appropriation for  
29 fiscal year 2012, \$395,000 of the general fund--state appropriation for  
30 fiscal year 2013, and \$790,000 of the general fund--federal  
31 appropriation are provided solely for continued operation of the  
32 dental education in care of persons with disabilities (DECOD) program  
33 at the University of Washington.

34 ~~((+35+))~~ (34) \$159,000 of the general fund--state appropriation for  
35 fiscal year 2012, \$302,000 of the general fund--private/local  
36 appropriation, and \$146,072,000 of the general fund--federal  
37 appropriation are provided solely for the provider incentive program  
38 and other initiatives related to the health information technology

1 Medicaid plan. The general fund--private/local appropriation in this  
2 subsection shall be funded with proceeds from settlements in the case  
3 of *State of Washington vs. GlaxoSmithKline*. The authority and the  
4 office of the attorney general shall enter an interagency agreement  
5 regarding use of these funds.

6 ~~((+36+))~~ (35) \$2,926,000 of the general fund--local appropriation  
7 and \$2,928,000 of the general fund--federal appropriation are provided  
8 solely to support medical airlift services.

9 ~~((+37+))~~ (36) The authority shall collect data on enrollment and  
10 utilization to study whether the expansion of family planning coverage  
11 under Substitute Senate Bill No. 5912 is reducing state medical  
12 expenditures by reducing unwanted pregnancies. The authority shall  
13 report its findings to the legislature by December 1, 2012.

14 ~~((+38+))~~ (37) \$480,000 of the general fund--state appropriation for  
15 fiscal year 2012, \$480,000 of the general fund--state appropriation for  
16 fiscal year 2013, and \$824,000 of the general fund--federal  
17 appropriation are provided solely for customer services staff. The  
18 authority will attempt to improve the phone answer rate to 40 percent  
19 and reduce the response times to written questions to ten days for  
20 clients and 25 days for providers. The authority will report to the  
21 legislature on its progress toward achieving these goals by January 1,  
22 2012. If the authority has not achieved these goals by July 1, 2012,  
23 then the authority shall reduce expenditures on management staff in  
24 order to increase expenditures on customer service staff until the  
25 goals are achieved.

26 ~~((+39+))~~ (38) The department shall purchase a brand name drug when  
27 it determines that the cost of the brand name drug after rebates is  
28 less than the cost of generic alternatives and that purchase of the  
29 brand rather than generic version can save at least \$250,000. The  
30 department may purchase generic alternatives when changes in market  
31 prices make the price of the brand name drug after rebates more  
32 expensive than the generic alternatives.

33 ~~((+41+))~~ (39) \$150,000 of the general fund--state appropriation for  
34 fiscal year 2012 and \$1,964,000 of the general fund--state  
35 appropriation for fiscal year 2013 are provided solely to implement  
36 Engrossed Second Substitute House Bill No. 2319 (affordable care act).  
37 If the bill is not enacted by June 30, 2012, the amounts provided in  
38 this subsection shall lapse.

1       (~~(+42+)~~) (40) \$1,109,000 of the general fund--state appropriation  
2 for fiscal year 2012, \$1,471,000 of the general fund--state  
3 appropriation for fiscal year 2013, and \$21,890,000 of the general  
4 fund--federal appropriation are provided solely to implement phase two  
5 of the project to create a single provider payment system that  
6 consolidates medicaid medical and social services payments and replaces  
7 the social service payment system.

8       (~~(+43+)~~) (41) In order to achieve the twelve percent reduction in  
9 emergency room expenditures in the fiscal year 2013 appropriations  
10 provided in this section, the authority, in consultation with the  
11 Washington state hospital association, the Washington state medical  
12 association, and the Washington chapter of the American college of  
13 emergency physicians shall designate best practices and performance  
14 measures to reduce medically unnecessary emergency room visits of  
15 medicaid clients. The Washington state hospital association, the  
16 Washington state medical association, and the Washington chapter of the  
17 American college of emergency physicians will work with the authority  
18 to promote these best practices. The best practices and performance  
19 measures shall consist of the following items:

20       (a) Adoption of a system to exchange patient information among  
21 emergency room departments on a regional or statewide basis;

22       (b) Active dissemination of patient educational materials produced  
23 by the Washington state hospital association, Washington state medical  
24 association, and the Washington chapter of the American college of  
25 emergency physicians that instruct patients on appropriate facilities  
26 for nonemergent health care needs;

27       (c) Designation of hospital personnel and emergency room physician  
28 personnel to receive and appropriately disseminate information on  
29 clients participating in the medicaid patient review and coordination  
30 program and to review monthly utilization reports on those clients  
31 provided by the authority;

32       (d) A process to assist the authority's patient review and  
33 coordination program clients with their care plans. The process must  
34 include substantial efforts by hospitals to schedule an appointment  
35 with the client's assigned primary care provider within seventy-two  
36 hours of the client's medically unnecessary emergency room visit when  
37 appropriate under the client's care plan;

1 (e) Implementation of narcotic guidelines that incorporate the  
2 Washington chapter of the American college of emergency physician  
3 guidelines;

4 (f) Physician enrollment in the state's prescription monitoring  
5 program, as long as the program is funded; and

6 (g) Designation of a hospital emergency department physician  
7 responsible for reviewing the state's medicaid utilization management  
8 feedback reports, which will include defined performance measures. The  
9 emergency department physician and hospital will have a process to take  
10 appropriate action in response to the information in the feedback  
11 reports if performance measures are not met. The authority must  
12 develop feedback reports that include timely emergency room utilization  
13 data such as visit rates, medically unnecessary visit rates (by  
14 hospital and by client), emergency department imaging utilization  
15 rates, and other measures as needed. The authority may utilize the  
16 Robert Bree collaborative for assistance related to this best practice.

17 The requirements for best practices for a critical access hospital  
18 should not include adoption of a system to exchange patient information  
19 if doing so would pose a financial burden, and should not include  
20 requirements related to the authority's patient review and coordination  
21 program if the volume of those patients seen at the critical access  
22 hospital are small.

23 Hospitals participating in this medicaid best practices program  
24 shall submit to the authority a declaration from executive level  
25 leadership indicating hospital adoption of and compliance with the best  
26 practices enumerated above. In the declaration, hospitals will affirm  
27 that they have in place written policies, procedures, or guidelines to  
28 implement these best practices and are willing to share them upon  
29 request. The declaration must also give consent for the authority to  
30 disclose feedback reports and performance measures on its web site.  
31 The authority shall submit a list of declaring hospitals to the  
32 relevant policy and fiscal committees of the legislature by July 15,  
33 2012.

34 If the authority does not receive by July 1, 2012, declarations  
35 from hospitals representing at least seventy-five percent of emergency  
36 room visits by medicaid clients in fiscal year 2010, the authority may  
37 implement a policy of nonpayment of medically unnecessary emergency  
38 room visits, with appropriate client and clinical safeguards such as

1 exemptions and expedited prior authorization. The authority shall by  
2 January 15, 2013, perform a preliminary fiscal analysis of trends in  
3 implementing the best practices in this subsection, focusing on outlier  
4 hospitals with high rates of unnecessary visits by medicaid clients,  
5 high emergency room visit rates for patient review and coordination  
6 clients, low rates of completion of treatment plans for patient review  
7 and coordination clients assigned to the hospital, and high rates of  
8 prescribed long-acting opiates. In cooperation with the leadership of  
9 the hospital, medical, and emergency physician associations, additional  
10 efforts shall be focused on assisting those outlier hospitals and  
11 providers to achieve more substantial savings. The authority by  
12 January 15, 2013, will report to the legislature about whether assumed  
13 savings based on preliminary trend and forecasted data are on target  
14 and if additional best practices or other actions need to be  
15 implemented.

16 If necessary, pursuant to RCW 34.05.350(1)(c), the authority may  
17 employ emergency rulemaking to achieve the reductions assumed in the  
18 appropriations under this section.

19 Nothing in this subsection shall in any way impact the authority's  
20 ability to adopt and implement policies pertaining to the patient  
21 review and coordination program.

22 ~~((+46+))~~ (42) The department shall seek a medicaid state plan  
23 amendment to create a graduate medical education supplemental payment  
24 for services delivered to managed care recipients by University of  
25 Washington medicine and other public professional providers. This  
26 program shall be effective as soon as administratively possible and  
27 shall operate concurrently with the existing professional services  
28 supplemental payment program. Providers that participate in the  
29 graduate medical education supplemental payment program are not  
30 eligible to participate in the professional services supplemental  
31 payment program. The department shall apply federal rules for  
32 identifying the difference between current physician encounter and fee-  
33 for-service medicaid payments to participating providers and the  
34 applicable federal upper payment limit. Participating providers shall  
35 be solely responsible for providing the local funds required to obtain  
36 federal matching funds. Any incremental costs incurred by the  
37 department in the development, implementation, and maintenance of this  
38 program shall be the responsibility of the participating providers.

1 Participating providers shall retain the full amount of supplemental  
2 payments provided under this program, net of any costs related to the  
3 program that are disallowed due to audits or litigation against the  
4 state.

5 ~~((+47+))~~ (43) The authority shall exclude antiretroviral drugs used  
6 to treat HIV/AIDS, anticancer medication that is used to kill or slow  
7 the growth of cancerous cells, antihemophilic drugs, insulin and other  
8 drugs to lower blood glucose, and immunosuppressive drugs from any  
9 formulary limitations implemented to operate within the appropriations  
10 provided in this section.

11 ~~((+48+))~~ (44) If Engrossed Substitute Senate Bill No. 5978  
12 (medicaid fraud) is not enacted by June 30, 2012, the amounts  
13 appropriated in this section from the medicaid fraud penalty account--  
14 state appropriation shall lapse and an additional \$3,608,000 shall be  
15 appropriated from the general fund--state for fiscal year 2013 for  
16 medicaid services, fraud detection and prevention activities, recovery  
17 of improper payments, and for other medicaid fraud enforcement  
18 activities.

19 ~~((+50+))~~ (45) Within the amounts appropriated in this section, the  
20 health care authority and the department of social and health services  
21 shall implement the state option to provide health homes for enrollees  
22 with chronic conditions under section 2703 of the federal affordable  
23 care act. The total state match for enrollees who are dually-eligible  
24 for both medicare and medicaid and not enrolled in managed care shall  
25 be no more than the net savings to the state from the enhanced match  
26 rate for its medicaid-only managed care enrollees under section 2703.

27 ~~((+51+))~~ (46) The health care authority shall not initiate any  
28 services that require expenditure of state general fund moneys unless  
29 expressly authorized in this act or other law. The health care  
30 authority may seek, receive, and spend, under RCW 43.79.260 through  
31 43.79.282, federal moneys not anticipated in this act as long as the  
32 federal funding does not require expenditure of state moneys for the  
33 program in excess of amounts anticipated in this act. If the health  
34 care authority receives unanticipated unrestricted federal moneys,  
35 those moneys shall be spent for services authorized in this act or in  
36 any other legislation providing appropriation authority, and an equal  
37 amount of appropriated state general fund moneys shall lapse. Upon the  
38 lapsing of any moneys under this subsection, the office of financial

management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

~~((+52+))~~ (47) \$66,000 of the general fund--state appropriation for fiscal year 2013 and \$66,000 of the general fund--federal appropriation are provided solely to implement Engrossed Second Substitute House Bill No. 2536 (children services/delivery). The department of social and health services' programs responsible for administration of mental health, child welfare, and juvenile justice programs will coordinate with the health care authority on the development of contract terms which facilitate efforts to meet requirements of the bill. If the bill is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

~~((+53+))~~ (48) The health care authority shall participate in the work group established by the department of corrections in section 220(2) of this act to review release options for elderly and infirm offenders.

(49) The authority shall withdraw the medicaid state plan amendment to implement a wrap-around drug formulary.

**Sec. 1214.** 2012 2nd sp.s. c 7 s 216 (uncodified) is amended to read as follows:

**FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

General Fund--State Appropriation (FY 2012) . . . . . \$14,589,000

General Fund--State Appropriation (FY 2013) . . . . . (~~(\$14,147,000)~~)

\$14,504,000

General Fund--Federal Appropriation . . . . . \$456,000

General Fund--Private/Local Appropriation . . . . . (~~(\$4,048,000)~~)

\$3,940,000

Death Investigations Account--State Appropriation . . . . . \$148,000

Municipal Criminal Justice Assistance Account--

State Appropriation . . . . . \$460,000

Washington Auto Theft Prevention Authority Account--

State Appropriation . . . . . \$8,597,000

TOTAL APPROPRIATION . . . . . (~~(\$42,445,000)~~)

\$42,694,000



1       The appropriations in this section are subject to the following  
2 conditions and limitations:

3       (1) \$5,000,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$5,000,000 of the general fund--state appropriation for  
5 fiscal year 2013, are provided to the Washington association of  
6 sheriffs and police chiefs solely to verify the address and residency  
7 of registered sex offenders and kidnapping offenders under RCW  
8 9A.44.130.

9       (2) \$321,000 of the general fund--local appropriation is provided  
10 solely to purchase ammunition for the basic law enforcement academy.  
11 Jurisdictions shall reimburse to the criminal justice training  
12 commission the costs of ammunition, based on the average cost of  
13 ammunition per cadet, for cadets that they enroll in the basic law  
14 enforcement academy.

15       (3) The criminal justice training commission may not run a basic  
16 law enforcement academy class of fewer than 30 students.

17       (4) \$100,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$100,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for a school safety program. The  
20 commission, in collaboration with the school safety center advisory  
21 committee, shall provide the school safety training for all school  
22 administrators and school safety personnel hired after the effective  
23 date of this section.

24       (5) \$96,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$96,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for the school safety center  
27 within the commission. The safety center shall act as an information  
28 dissemination and resource center when an incident occurs in a school  
29 district in Washington or in another state, coordinate activities  
30 relating to school safety, and review and approve manuals and curricula  
31 used for school safety models and training. Through an interagency  
32 agreement, the commission shall provide funding for the office of the  
33 superintendent of public instruction to continue to develop and  
34 maintain a school safety information web site. The school safety  
35 center advisory committee shall develop and revise the training  
36 program, using the best practices in school safety, for all school  
37 safety personnel. The commission shall provide research-related

1 programs in school safety and security issues beneficial to both law  
2 enforcement and schools.

3 (6) \$1,000,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$1,000,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for grants to counties enforcing  
6 illegal drug laws and which have been underserved by federally funded  
7 state narcotics task forces. The Washington association of sheriffs  
8 and police chiefs, the Washington association of prosecuting attorneys,  
9 and the Washington association of county officials shall jointly  
10 develop funding allocations for the offices of the county sheriff,  
11 county prosecutor, and county clerk in qualifying counties. The  
12 commission shall not impose an administrative cost on this program.

13 **Sec. 1215.** 2012 2nd sp.s. c 7 s 218 (uncodified) is amended to  
14 read as follows:

15 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

16 (1) HEADQUARTERS

17	General Fund--State Appropriation (FY 2012) . . . . .	\$1,829,000
18	General Fund--State Appropriation (FY 2013) . . . . .	\$1,801,000
19	Charitable, Educational, Penal, and Reformatory	
20	Institutions Account--State Appropriation . . . . .	\$10,000
21	TOTAL APPROPRIATION . . . . .	\$3,640,000

22 (2) FIELD SERVICES

23	General Fund--State Appropriation (FY 2012) . . . . .	\$5,002,000
24	General Fund--State Appropriation (FY 2013) . . . . .	\$4,964,000
25	General Fund--Federal Appropriation . . . . .	\$3,348,000
26	General Fund--Private/Local Appropriation . . . . .	<del>(( \$4,722,000 ))</del>
27		<u>\$5,172,000</u>
28	Veterans Innovations Program Account--State	
29	Appropriation . . . . .	\$810,000
30	Veteran Estate Management Account--Private/Local	
31	Appropriation . . . . .	\$1,079,000
32	TOTAL APPROPRIATION . . . . .	<del>(( \$19,925,000 ))</del>
33		<u>\$20,375,000</u>

34 The appropriations in this subsection are subject to the following  
35 conditions and limitations: \$821,000 of the veterans innovations  
36 program account--state appropriation is provided solely for the  
37 department to continue support for returning combat veterans through

1 the veterans innovation program, including emergency financial  
2 assistance through the defenders' fund and long-term financial  
3 assistance through the competitive grant program.

4 (3) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2012) . . . . .	\$1,743,000
6	General Fund--Federal Appropriation . . . . .	(( <del>\$61,437,000</del> ))
7		<u>\$60,019,000</u>
8	General Fund--Private/Local Appropriation . . . . .	(( <del>\$29,506,000</del> ))
9		<u>\$30,569,000</u>
10	TOTAL APPROPRIATION . . . . .	(( <del>\$92,686,000</del> ))
11		<u>\$92,331,000</u>

12 **Sec. 1216.** 2012 2nd sp.s. c 7 s 219 (uncodified) is amended to  
13 read as follows:

14 **FOR THE DEPARTMENT OF HEALTH**

15	General Fund--State Appropriation (FY 2012) . . . . .	\$79,404,000
16	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$78,114,000</del> ))
17		<u>\$77,589,000</u>
18	General Fund--Federal Appropriation . . . . .	(( <del>\$553,078,000</del> ))
19		<u>\$573,078,000</u>
20	General Fund--Private/Local Appropriation . . . . .	(( <del>\$148,055,000</del> ))
21		<u>\$144,055,000</u>
22	Hospital Data Collection Account--State Appropriation . . . . .	\$214,000
23	Health Professions Account--State Appropriation . . . . .	\$99,085,000
24	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$604,000
25	Emergency Medical Services and Trauma Care Systems	
26	Trust Account--State Appropriation . . . . .	(( <del>\$12,300,000</del> ))
27		<u>\$10,523,000</u>
28	Safe Drinking Water Account--State Appropriation . . . . .	\$4,464,000
29	Drinking Water Assistance Account--Federal	
30	Appropriation . . . . .	\$21,965,000
31	Waterworks Operator Certification--State	
32	Appropriation . . . . .	\$1,528,000
33	Drinking Water Assistance Administrative Account--	
34	State Appropriation . . . . .	\$326,000
35	Site Closure Account--State Appropriation . . . . .	\$79,000
36	Biotoxin Account--State Appropriation . . . . .	(( <del>\$1,167,000</del> ))
37		<u>\$1,231,000</u>

1	State Toxics Control Account--State Appropriation . . . . .	\$3,628,000
2	Medical Test Site Licensure Account--State	
3	Appropriation . . . . .	\$2,311,000
4	Youth Tobacco Prevention Account--State	
5	Appropriation . . . . .	(( <del>\$1,512,000</del> ))
6		<u>\$1,348,000</u>
7	Community and Economic Development Fee Account--State	
8	Appropriation . . . . .	\$298,000
9	Public Health Supplemental Account--Private/Local	
10	Appropriation . . . . .	\$3,598,000
11	Accident Account--State Appropriation . . . . .	\$295,000
12	Medical Aid Account--State Appropriation . . . . .	\$50,000
13	Tobacco Prevention and Control Account--State	
14	Appropriation . . . . .	\$1,729,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$1,013,804,000</del> ))
16		<u>\$1,027,402,000</u>

17       The appropriations in this section are subject to the following  
18 conditions and limitations:

19       (1) The department of health shall not initiate any services that  
20 will require expenditure of state general fund moneys unless expressly  
21 authorized in this act or other law. The department of health and the  
22 state board of health shall not implement any new or amended rules  
23 pertaining to primary and secondary school facilities until the rules  
24 and a final cost estimate have been presented to the legislature, and  
25 the legislature has formally funded implementation of the rules through  
26 the omnibus appropriations act or by statute. The department may seek,  
27 receive, and spend, under RCW 43.79.260 through 43.79.282, federal  
28 moneys not anticipated in this act as long as the federal funding does  
29 not require expenditure of state moneys for the program in excess of  
30 amounts anticipated in this act. If the department receives  
31 unanticipated unrestricted federal moneys, those moneys shall be spent  
32 for services authorized in this act or in any other legislation that  
33 provides appropriation authority, and an equal amount of appropriated  
34 state moneys shall lapse. Upon the lapsing of any moneys under this  
35 subsection, the office of financial management shall notify the  
36 legislative fiscal committees. As used in this subsection,  
37 "unrestricted federal moneys" includes block grants and other funds

1 that federal law does not require to be spent on specifically defined  
2 projects or matched on a formula basis by state funds.

3 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
4 is authorized to establish and raise fees in fiscal year 2012 as  
5 necessary to meet the actual costs of conducting business and the  
6 appropriation levels in this section. This authorization applies to  
7 fees required for: The review of health care facility construction;  
8 review of health facility requests for certificate of need; the  
9 regulation and inspection of farm worker housing, hospital licensing,  
10 in-home health service agencies, and producers of radioactive waste;  
11 the regulation and inspection of shellfish sanitary control, surgical  
12 facility licensing, and; fees associated with the following  
13 professions: Dietitians and nutritionists, occupational therapists,  
14 pharmacy, veterinarian, orthotics and prosthetics, surgical  
15 technicians, nursing home administrators, health care assistants,  
16 hearing and speech, psychology, hypnotherapy, chiropractic, social  
17 workers, physicians, and physician assistants.

18 (3) Pursuant to RCW 18.130.250, the department is authorized to  
19 establish a lower cost fee category for retired licensed practical  
20 nurses and registered nurses.

21 (4) In accordance with RCW 43.135.055, the department is authorized  
22 to adopt fees set forth in and previously authorized in chapter 92,  
23 Laws of 2010.

24 (5) \$1,969,000 of the health professions account--state  
25 appropriation is provided solely to implement online licensing for  
26 health care providers. The department must submit a detailed  
27 investment plan for this project to the office of financial management.  
28 The office of financial management must review and approve this plan  
29 before funding may be expended. The department of health must  
30 successfully implement online application and renewal for at least one  
31 profession as a pilot project before pursuing additional professions.  
32 The department must report to the office of financial management on the  
33 outcome of the pilot project.

34 (6) \$16,000 of the health professions account--state appropriation  
35 is provided solely for the implementation of House Bill No. 1181 (board  
36 of naturopathy). If the bill is not enacted by June 30, 2011, the  
37 amount provided in this subsection shall lapse.

1 (7) \$21,000 of the health professions account--state appropriation  
2 is provided solely for the implementation of Substitute House Bill No.  
3 1304 (health care assistants). If the bill is not enacted by June 30,  
4 2011, the amount provided in this subsection shall lapse.

5 (8) \$54,000 of the health professions account--state appropriation  
6 is provided solely for the implementation of House Bill No. 1353  
7 (pharmacy technicians). If the bill is not enacted by June 30, 2011,  
8 the amount provided in this subsection shall lapse.

9 (9) \$142,000 of the health professions account--state appropriation  
10 is provided solely for the implementation of Engrossed Substitute  
11 Senate Bill No. 5020 (social workers). If the bill is not enacted by  
12 June 30, 2011, the amount provided in this subsection shall lapse.

13 (10) \$336,000 of the health professions account--state  
14 appropriation is provided solely for the implementation of Senate Bill  
15 No. 5480 (physicians and physician assistants). If the bill is not  
16 enacted by June 30, 2011, the amount provided in this subsection shall  
17 lapse.

18 (11) \$46,000 of the health professions account--state appropriation  
19 is provided solely for the implementation of Substitute Senate Bill No.  
20 5071 (online access for midwives and marriage and family therapists).  
21 If the bill is not enacted by June 30, 2011, the amount provided in  
22 this subsection shall lapse.

23 (12) \$137,000 of the health professions account--state  
24 appropriation is provided solely for implementation of Substitute House  
25 Bill No. 1133 (massage practitioner license). If the bill is not  
26 enacted by June 30, 2011, the amount provided in this subsection shall  
27 lapse.

28 (13) \$85,000 of the general fund--state appropriation for fiscal  
29 year 2012 is provided solely for the developmental disabilities council  
30 to contract for a family-to-family mentor program to provide  
31 information and support to families and guardians of persons who are  
32 transitioning out of residential habilitation centers. To the maximum  
33 extent allowable under federal law, these funds shall be matched under  
34 medicaid through the department of social and health services and  
35 federal funds shall be transferred to the department for the purposes  
36 stated in this subsection. If Second Substitute Senate Bill No. 5459  
37 (people with developmental disabilities) is not enacted by June 30,  
38 2011, the amounts provided in this subsection shall lapse.

1 (14) \$57,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$58,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the midwifery licensure and  
4 regulatory program to offset a reduction in revenue from fees. There  
5 shall be no change to the current annual fees for new or renewed  
6 licenses for the midwifery program, except from online access to HEAL-  
7 WA. The department shall convene the midwifery advisory committee on  
8 a quarterly basis to address issues related to licensed midwifery.

9 (15) \$118,000 of the general fund--state appropriation for fiscal  
10 year 2012 and \$118,000 of the general fund--state appropriation for  
11 fiscal year 2013 are provided solely for prevention of youth suicides.

12 (16) \$87,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$87,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for the senior falls prevention  
15 program.

16 (17) \$19,000 of the health professions account--state appropriation  
17 is provided solely for implementation of Senate Bill No. 6290 (military  
18 spouses and partners). If the bill is not enacted by June 30, 2012,  
19 the amount provided in this subsection shall lapse.

20 (18) \$102,000 of the health professions account--state  
21 appropriation is provided solely for implementation of Engrossed  
22 Substitute Senate Bill No. 6237 (career pathway/medical assistants).  
23 If the bill is not enacted by June 30, 2012, the amount provided in  
24 this subsection shall lapse.

25 (19) \$21,000 of the health professions account--state appropriation  
26 is provided solely for implementation of Substitute Senate Bill No.  
27 6328 (mental health professionals). If the bill is not enacted by June  
28 30, 2012, the amount provided in this subsection shall lapse.

29 (20) \$61,000 of the health professions account--state appropriation  
30 is provided solely for implementation of Engrossed Substitute Senate  
31 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,  
32 2012, the amount provided in this subsection shall lapse.

33 (21) \$28,000 of the health professions account--state appropriation  
34 is provided solely for implementation of Engrossed Second Substitute  
35 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is  
36 not enacted by June 30, 2012, the amount provided in this subsection  
37 shall lapse.

1 (22) Appropriations for fiscal year 2013 include funding for  
2 consolidation of the department of ecology's low-level radioactive  
3 waste site use permit program in the department of health.

4 (23) During the remainder of the 2011-2013 fiscal biennium, each  
5 person subject to RCW 43.70.110(3)(c) is required to pay only one  
6 surcharge of up to twenty-five dollars annually for the purposes of RCW  
7 43.70.112, regardless of how many professional licenses the person  
8 holds.

9 (24) \$15,000 of the health professions account--state appropriation  
10 is provided solely to implement Substitute House Bill No. 2056  
11 (assisted living facilities). If the bill is not enacted by June 30,  
12 2012, the amount provided in this subsection shall lapse.

13 (25) \$11,000 of the health professions account--state appropriation  
14 is provided solely to implement Engrossed House Bill No. 2186 (licensed  
15 midwives). If the bill is not enacted by June 30, 2012, the amount  
16 provided in this subsection shall lapse.

17 (26) \$11,000 of the general fund--state appropriation for fiscal  
18 year 2013 is provided solely to implement Engrossed Substitute House  
19 Bill No. 2229 (hospital employees). If the bill is not enacted by June  
20 30, 2012, the amount provided in this subsection shall lapse.

21 (27) \$48,000 of the health professions account--state appropriation  
22 is provided solely to implement Engrossed Substitute House Bill No.  
23 2314 (long-term care workers). If the bill is not enacted by June 30,  
24 2012, the amount provided in this subsection shall lapse.

25 (28) \$280,000 of the health professions account--state  
26 appropriation is provided solely to implement Engrossed Substitute  
27 House Bill No. 2366 (suicide assessment and training). If the bill is  
28 not enacted by June 30, 2012, the amounts provided in this subsection  
29 shall lapse.

30 (29) \$11,000 of the general fund--state appropriation for fiscal  
31 year 2013 is provided solely to implement Engrossed Substitute House  
32 Bill No. 2582 (health care services billing). If the bill is not  
33 enacted by June 30, 2012, the amount provided in this subsection shall  
34 lapse.

35 (30) \$22,000 of the general fund--state appropriation for fiscal  
36 year 2013 is provided solely to implement Substitute Senate Bill No.  
37 6105 (prescription monitoring program). If the bill is not enacted by  
38 June 30, 2012, the amount provided in this subsection shall lapse.



(31) \$30,000 of the health professions account--state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 2473 (medication assistant endorsement). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(32) General fund--state appropriations for fiscal year 2013 includes funding to subsidize operating license and inspection fees in the temporary worker housing program. In implementing this subsidy, the department shall evaluate program regulations including but not limited to the use of occupancy levels to determine the fee structure and the frequency of inspections.

**Sec. 1217.** 2012 2nd sp.s. c 7 s 220 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified in this section. However, after May 1, ((2012)) 2013, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year ((2012)) 2013 between programs. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(1) ADMINISTRATION AND SUPPORT SERVICES	
General Fund--State Appropriation (FY 2012) . . . . .	\$52,025,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$52,981,000</del> ))
	<u>\$52,706,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$105,006,000</del> ))
	<u>\$104,731,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$35,000 of the general fund--state appropriation for fiscal year 2012 and \$35,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2012)	\$598,237,000
General Fund--State Appropriation (FY 2013)	<del>(\$575,457,000)</del>
	<u>\$582,159,000</u>
General Fund--Federal Appropriation	\$3,324,000
Washington Auto Theft Prevention Authority Account--	
State Appropriation	<del>(\$14,079,000)</del>
	<u>\$13,177,000</u>
Enhanced 911 Account--State Appropriation	\$2,000,000
TOTAL APPROPRIATION	<del>(\$1,193,097,000)</del>
	<u>\$1,198,897,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) During the 2011-13 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

1 (b) The Harborview medical center and the University of Washington  
2 medical center shall provide inpatient and outpatient hospital services  
3 to offenders confined in department of corrections facilities at a rate  
4 no greater than the average rate that the department has negotiated  
5 with other community hospitals in Washington state.

6 (c) \$102,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$102,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely to implement House Bill No. 1290  
9 (health care employee overtime). If the bill is not enacted by June  
10 30, 2011, the amounts provided in this subsection shall lapse.

11 (d) \$32,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$33,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely to implement Substitute House Bill  
14 No. 1718 (offenders with developmental disabilities). If the bill is  
15 not enacted by June 30, 2011, the amounts provided in this subsection  
16 shall lapse.

17 (e) The department of corrections shall contract with local and  
18 tribal governments for the provision of jail capacity to house  
19 offenders. A contract shall not have a cost of incarceration in excess  
20 of \$85 per day per offender. A contract shall not have a year-to-year  
21 increase in excess of three percent per year. The contracts may  
22 include rates for the medical care of offenders which exceed the daily  
23 cost of incarceration and the limitation on year-to-year increase,  
24 provided that medical payments conform to the department's offender  
25 health plan, pharmacy formulary, and all off-site medical expenses are  
26 preapproved by department utilization management staff.

27 (f) \$311,000 of the general fund--state appropriation for fiscal  
28 year 2013 is provided solely for implementation of House Bill No. 2346  
29 (correctional officer uniforms). If the bill is not enacted by June  
30 30, 2012, the amount provided in this subsection shall lapse.

31 (g) \$41,000 of the general fund--state appropriation for fiscal  
32 year 2012 and (~~(\$165,000))~~ \$501,000 of the general fund--state  
33 appropriation for fiscal year 2013 are provided solely for the  
34 department to maintain the facility, property, and assets at the  
35 institution formerly known as the maple lane school in Rochester. The  
36 department may not house incarcerated offenders at the maple lane site  
37 until specifically directed by the legislature. By November 1, 2012,

1 the department shall report to the appropriate fiscal committees of the  
2 house of representatives and the senate with a plan for the future use  
3 of the facility.

4 (h) By December 1, 2012, the department shall provide to the  
5 legislative fiscal committees a report that evaluates health care  
6 expenditures in Washington state correctional institutions and makes  
7 recommendations for controlling health care costs. The report shall  
8 evaluate the source of health care costs, including offender health  
9 issues, use of pharmaceuticals, offsite and specialist medical care,  
10 chronic disease costs, and mental health issues. The department may  
11 include information from other states on cost control in offender  
12 health care, trends in offender health care that indicate potential  
13 cost increases, and management of high-cost diagnoses.

14 (i) The department shall convene a work group to develop health  
15 care cost containment strategies at local jail facilities. The work  
16 group shall identify cost containment strategies in place at the  
17 department and at local jail facilities, identify the costs and  
18 benefits of implementing strategies in jail health-care facilities, and  
19 make recommendations on implementing beneficial strategies. The work  
20 group shall submit a report on its findings and recommendations to the  
21 fiscal committees of the legislature by October 1, 2013. The work  
22 group shall include jail administrators, representatives from health  
23 care facilities at the local jail level and the state prisons level,  
24 and other representatives as deemed necessary.

25 (j) The department of corrections, with participation of the health  
26 care authority and the department of social and health services, aging  
27 and adult services administration, shall establish a work group to  
28 analyze and review release options for elderly and infirm offenders and  
29 submit recommendations to the appropriate policy and fiscal committees  
30 of the legislature with release options for these populations no later  
31 than December 1, 2012. In making its recommendations, the work group  
32 shall identify:

33 (i) The most expensive medical conditions for which the department  
34 has had to treat its offenders and the offenders receiving the most  
35 costly ongoing medical treatments;

36 (ii) For identified populations, the age, level of disability, cost  
37 of care while incarcerated, safety issues related to release, ease of  
38 placement, and time served in relation to the offender's sentence;

(iii) Potential cost savings to the state that may be generated by the early release of elderly and infirm offenders;

(iv) Housing options to expedite the release of aging and infirm offenders while maintaining the safety of housing providers, other housing residents, and the general public; and

(v) Optimal procedures for reviewing offenders on a case-by-case basis to ensure that the interests of justice and public safety are considered in any early release decision.

(3) COMMUNITY SUPERVISION

General Fund--State Appropriation (FY 2012)	\$127,121,000
General Fund--State Appropriation (FY 2013)	<del>(( \$128,494,000 ))</del>
	<u>\$126,033,000</u>
Federal Narcotics Forfeiture Account--Federal	
Appropriation	\$372,000
Controlled Substances Account--State	
Appropriation	\$32,000
TOTAL APPROPRIATION	<del>(( \$256,019,000 ))</del>
	<u>\$253,558,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$875,000 of the general fund--state appropriation for fiscal year 2012 is provided solely to implement Engrossed Substitute House Bill No. 5891 (criminal justice cost savings). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(b) \$6,362,000 of the general fund--state appropriation for fiscal year 2013 is provided solely to implement an evidence-based risk-needs-responsivity model for community supervision of offenders.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2012)	\$2,513,000
General Fund--State Appropriation (FY 2013)	\$2,431,000
TOTAL APPROPRIATION	\$4,944,000

The appropriations in this subsection are subject to the following conditions and limitations: \$66,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical

1 assistance associated with advising cities and counties in developing,  
2 promoting, and implementing consistent, safe, and efficient offender  
3 work programs.

4 (5) INTERAGENCY PAYMENTS

5	General Fund--State Appropriation (FY 2012) . . . . .	\$35,821,000
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$27,264,000</del> ))
7		<u>\$27,539,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$63,085,000</del> ))
9		<u>\$63,360,000</u>

10 The appropriations in this subsection are subject to the following  
11 conditions and limitations:

12 (a) The state prison institutions may use funds appropriated in  
13 this subsection to rent uniforms from correctional industries in  
14 accordance with existing legislative mandates.

15 (b) The state prison medical facilities may use funds appropriated  
16 in this subsection to purchase goods and supplies through hospital or  
17 other group purchasing organizations when it is cost effective to do  
18 so.

19 (c) The department shall reduce payments to the department of  
20 information services or its successor by \$213,000 in fiscal year 2012  
21 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall  
22 be related to the elimination of the offender base tracking system,  
23 including moving remaining portions of the offender base tracking  
24 system into the offender management network information system.

25 **Sec. 1218.** 2012 2nd sp.s. c 7 s 221 (uncodified) is amended to  
26 read as follows:

27 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

28	General Fund--State Appropriation (FY 2012) . . . . .	\$2,159,000
29	General Fund--State Appropriation (FY 2013) . . . . .	\$2,131,000
30	General Fund--Federal Appropriation . . . . .	(( <del>\$19,239,000</del> ))
31		<u>\$19,739,000</u>
32	General Fund--Private/Local Appropriation . . . . .	(( <del>\$30,000</del> ))
33		<u>\$105,000</u>
34	TOTAL APPROPRIATION . . . . .	(( <del>\$23,559,000</del> ))
35		<u>\$24,134,000</u>

(End of part)

**PART XIII**  
**NATURAL RESOURCES**

**Sec. 1301.** 2012 2nd sp.s. c 7 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2012) . . . . .	\$37,143,000
General Fund--State Appropriation (FY 2013) . . . . .	\$33,481,000
General Fund--Federal Appropriation . . . . .	\$100,000,000
General Fund--Private/Local Appropriation . . . . .	\$16,714,000
Special Grass Seed Burning Research Account--State	
Appropriation . . . . .	\$3,000
Reclamation Revolving Account--State Appropriation . . . . .	\$4,123,000
Flood Control Assistance Account--State	
Appropriation . . . . .	\$1,929,000
State Emergency Water Projects Revolving Account--State	
Appropriation . . . . .	\$270,000
Waste Reduction/Recycling/Litter Control--State	
Appropriation . . . . .	\$9,712,000
State Drought Preparedness Account--State	
Appropriation . . . . .	\$204,000
State and Local Improvements Revolving Account	
(Water Supply Facilities)--State Appropriation . . . . .	\$422,000
Aquatic Algae Control Account--State	
Appropriation . . . . .	\$509,000
Water Rights Tracking System Account--State Appropriation . . . . .	\$46,000
Site Closure Account--State Appropriation . . . . .	\$620,000
Wood Stove Education and Enforcement Account--State	
Appropriation . . . . .	\$595,000
Worker and Community Right-to-Know Account--State	
Appropriation . . . . .	\$1,655,000
Water Rights Processing Account--State Appropriation . . . . .	\$135,000
State Toxics Control Account--State Appropriation . . . . .	<del>(\$130,865,000)</del>
	<u>\$130,865,000</u>
State Toxics Control Account--Private/Local	
Appropriation . . . . .	\$964,000
Local Toxics Control Account--State Appropriation . . . . .	\$26,157,000

1	Water Quality Permit Account--State Appropriation . . . . .	\$38,814,000
2	Underground Storage Tank Account--State	
3	Appropriation . . . . .	\$3,212,000
4	Biosolids Permit Account--State Appropriation . . . . .	\$1,791,000
5	Hazardous Waste Assistance Account--State	
6	Appropriation . . . . .	\$5,793,000
7	Air Pollution Control Account--State Appropriation . . . . .	\$2,541,000
8	Oil Spill Prevention Account--State Appropriation . . . . .	\$5,489,000
9	Air Operating Permit Account--State Appropriation . . . . .	\$2,711,000
10	Freshwater Aquatic Weeds Account--State	
11	Appropriation . . . . .	\$1,698,000
12	Oil Spill Response Account--State Appropriation . . . . .	\$7,076,000
13	Metals Mining Account--State Appropriation . . . . .	\$14,000
14	Water Pollution Control Revolving Account--State	
15	Appropriation . . . . .	\$608,000
16	Water Pollution Control Revolving Account--Federal	
17	Appropriation . . . . .	\$2,501,000
18	TOTAL APPROPRIATION . . . . .	\$437,795,000

19       The appropriations in this section are subject to the following  
20 conditions and limitations:

21       (1) \$170,000 of the oil spill prevention account--state  
22 appropriation is provided solely for a contract with the University of  
23 Washington's sea grant program to continue an educational program  
24 targeted to small spills from commercial fishing vessels, ferries,  
25 cruise ships, ports, and marinas.

26       (2) Pursuant to RCW 43.135.055, the department is authorized to  
27 increase the following fees as necessary to meet the actual costs of  
28 conducting business and the appropriation levels in this section:  
29 Wastewater discharge permit, not more than 4.34 percent in fiscal year  
30 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not  
31 more than 10 percent during the biennium; and air contaminate source  
32 registration fee, not more than 36 percent during the biennium;  
33 agricultural burning acreage and pile burning fees, not more than 25  
34 percent and 100 percent respectively, in fiscal year 2013; and dam  
35 safety and inspection fees, not more than 35 percent in fiscal year  
36 2012 and 4.62 percent in fiscal year 2013. Any fee increase  
37 implemented to offset general fund--state reductions in the 2011-2013  
38 fiscal biennium may be made effective on or before July 1, 2012.



1 (3) If Substitute House Bill No. 1294 (Puget Sound corps) is not  
2 enacted by June 30, 2011, \$322,000 of the general fund--state  
3 appropriation for fiscal year 2012 and \$322,000 of the general fund--  
4 state appropriation for fiscal year 2013 shall be transferred to the  
5 department of natural resources.

6 (4) \$463,000 of the state toxics control account--state  
7 appropriation is provided solely for implementation of Engrossed Second  
8 Substitute House Bill No. 1186 (state's oil spill program). If the  
9 bill is not enacted by June 30, 2011, the amount provided in this  
10 subsection shall lapse.

11 (5) Pursuant to RCW 70.93.180(5), the appropriations in this  
12 section from the waste reduction, recycling, and litter control account  
13 shall only be expended on activities listed under RCW 70.93.180(1) (a)  
14 and (b), and the department shall not expend appropriations on RCW  
15 70.93.180(1)(c). The department may not spend waste reduction,  
16 recycling, and litter control account funds to support the following  
17 activities: The beyond waste plan, work on national solid waste  
18 recycling issues, work on construction and demolition recycling and  
19 green building alternatives, education programs including the green  
20 schools initiative, and management of the 1-800-recycle hotline and  
21 database on school awards. Waste reduction, recycling, and litter  
22 account control funds must be prioritized to support litter pickup  
23 using correctional crews, regulatory programs, and technical assistance  
24 to local governments.

25 (6) The department shall make every possible effort through its  
26 existing statutory authorities to obtain federal funding for public  
27 participation grants regarding the Hanford nuclear reservation and  
28 associated properties and facilities. Such federal funding shall not  
29 limit the total state funding authorized under this section for public  
30 participation grants made pursuant to RCW 70.105D.070(5), but the  
31 amount of any individual grant from such federal funding shall be  
32 offset against any grant award amount to an individual grantee from  
33 state funds under RCW 70.105D.070(5).

34 (7) The department shall review its water rights application review  
35 procedures to simplify the procedures, eliminate unnecessary steps, and  
36 decrease the time required to issue decisions. The department shall  
37 implement changes to improve water rights processing for which it has  
38 current administrative authority. The department shall report on

1 reforms implemented and efficiencies achieved as demonstrated through  
2 enhanced permit processing to the appropriate committees of the  
3 legislature on December 1, 2011, and October 1, 2012.

4 (a) The department shall consult with key stakeholders on statutory  
5 barriers to efficient water rights processing and effective water  
6 management, including identification of obsolete, confusing, or  
7 conflicting statutory provisions. The department shall report  
8 stakeholder recommendations to appropriate committees of the  
9 legislature by December 1, 2011, and October 1, 2012.

10 (b) \$500,000 of the general fund--state appropriation for fiscal  
11 year 2013 is provided solely for processing water right permit  
12 applications only if the department of ecology issues at least five  
13 hundred water right decisions in fiscal year 2012, and if the  
14 department of ecology does not issue at least five hundred water right  
15 decisions in fiscal year 2012 the amount provided in this subsection  
16 shall lapse and remain unexpended. The department of ecology shall  
17 submit a report to the office of financial management and the state  
18 treasurer by June 30, 2012, that documents whether five hundred water  
19 right decisions were issued in fiscal year 2012. For the purposes of  
20 this subsection, applications that are voluntarily withdrawn by an  
21 applicant do not count towards the five hundred water right decision  
22 requirement. For the purposes of water budget-neutral requests under  
23 chapter 173-539A WAC, multiple domestic connections authorized within  
24 a single water budget-neutral decision are considered one decision for  
25 the purposes of this subsection.

26 (c) The department shall maintain an ongoing accounting of water  
27 right applications received and acted on and shall post that  
28 information to the department's internet site.

29 (8) \$1,075,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$1,075,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for processing the backlog of  
32 pending water rights permit applications in the water resources  
33 program.

34 (9) In accordance with RCW 43.135.055, the department is approved  
35 to adopt fees set forth in and previously authorized by RCW 70.94.151,  
36 gasoline vapor registration fee.

37 (10) Pursuant to House Bill No. 2304 (low-level waste), the

1 appropriations in this section for the low-level radioactive waste site  
2 use permit program are for fiscal year 2012. Appropriations for fiscal  
3 year 2013 are contained in section 219 of this act.

4 (11) Pursuant to RCW 90.16.090(2), the appropriations in this  
5 section from the reclamation account--state appropriation shall be  
6 expended for the activities listed in RCW 90.16.090(1), and the  
7 expenditures need not be proportional to fee revenue sources.

8 (12) \$77,000 of the general fund--state appropriation for fiscal  
9 year 2013 is provided solely for the implementation of Engrossed Second  
10 Substitute Senate Bill No. 5343 (anaerobic digesters). If the bill is  
11 not enacted by June 30, 2012, the amount provided in this subsection  
12 shall lapse.

13 (~~((14))~~) (13) \$1,000,000 of the state toxics control account--state  
14 appropriation is for the department to provide technical training  
15 regarding the benefits of low-impact development including, but not  
16 limited to, when the use of low-impact development is appropriate and  
17 feasible, and the design, installation, maintenance, and best practices  
18 of low-impact development. The department will consult with Washington  
19 State University extension low-impact development technical center and  
20 others in the development of the low-impact technical training. As  
21 appropriate, the department may contract with the Washington State  
22 University extension low-impact development technical center, private  
23 sector vendors, associations, and others to deliver the technical  
24 training. The technical training must be provided free of cost to  
25 phase II permittees and the private development community including  
26 builders, engineers, and other industry professionals. The training  
27 must be sequenced geographically and provided in time for local  
28 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5).

29 (~~((15))~~) (14) \$188,000 of the general fund--state appropriation for  
30 fiscal year 2013 is provided solely for the implementation of Second  
31 Engrossed Substitute Senate Bill No. 6406 (state natural resources).  
32 If the bill is not enacted by June 30, 2012, the amount provided in  
33 this subsection shall lapse.

34 **Sec. 1302.** 2012 2nd sp.s. c 7 s 303 (uncodified) is amended to  
35 read as follows:

36 **FOR THE STATE PARKS AND RECREATION COMMISSION**

37 General Fund--State Appropriation (FY 2012) . . . . . \$8,955,000

1	General Fund--State Appropriation (FY 2013) . . . . .	\$8,379,000
2	General Fund--Federal Appropriation . . . . .	\$5,905,000
3	Winter Recreation Program Account--State	
4	Appropriation . . . . .	(( <del>\$1,759,000</del> ))
5		<u>\$2,034,000</u>
6	ORV and Nonhighway Vehicle Account--State Appropriation . . . . .	\$224,000
7	Snowmobile Account--State Appropriation . . . . .	\$4,844,000
8	Aquatic Lands Enhancement Account--State	
9	Appropriation . . . . .	\$4,363,000
10	Parks Renewal and Stewardship Account--State	
11	Appropriation . . . . .	\$106,505,000
12	Parks Renewal and Stewardship Account--Private/Local	
13	Appropriation . . . . .	\$300,000
14	TOTAL APPROPRIATION . . . . .	(( <del>\$141,234,000</del> ))
15		<u>\$141,509,000</u>

16       The appropriations in this section are subject to the following  
17 conditions and limitations:

18       (1) \$8,876,000 of the general fund--state appropriation for fiscal  
19 year 2012, \$8,300,000 of the general fund--state appropriation for  
20 fiscal year 2013, and \$4,000,000 of the aquatic lands enhancement  
21 account--state appropriation are provided solely to operate and  
22 maintain state parks as the commission implements a new fee structure.  
23 The goal of this structure is to make the parks system self-supporting.  
24 By August 1, 2012, state parks must submit a report to the office of  
25 financial management detailing its progress toward this goal and  
26 outlining any additional statutory changes needed for successful  
27 implementation.

28       (2) \$79,000 of the general fund--state appropriation for fiscal  
29 year 2012 and \$79,000 of the general fund--state appropriation for  
30 fiscal year 2013 are provided solely for a grant for the operation of  
31 the Northwest avalanche center.

32       (3) \$44,528,000 of the parks renewal and stewardship account--state  
33 appropriation is provided solely for implementation of Second  
34 Substitute Senate Bill No. 5622 (state land recreation access). If the  
35 bill is not enacted by June 30, 2011, the amount provided in this  
36 subsection shall lapse.

37       (4) Prior to closing any state park, the commission must notify all  
38 affected local governments and relevant nonprofit organizations of the

1 intended closure and provide an opportunity for the notified local  
2 governments and nonprofit organizations to elect to acquire, or enter  
3 into, a maintenance and operating contract with the commission that  
4 would allow the park to remain open.

5 (5) The state parks and recreation commission, in cooperation with  
6 the Fort Worden lifelong learning center public development authority  
7 authorized under RCW 35.21.730 shall provide a report to the governor  
8 and appropriate committees of the legislature no later than October 15,  
9 2012, to create a lifelong learning center at Fort Worden state park.  
10 This plan shall support and be based upon the Fort Worden state park  
11 long-range plan adopted by the state parks and recreation commission in  
12 September 2008. The report shall include a business and governance  
13 plan and supporting materials that provide options and recommendations  
14 on the long-term governance of Fort Worden state park, including  
15 building maintenance and restoration. While the commission may  
16 transfer full or partial operations to the public development authority  
17 the state shall retain title to the property. The state parks and  
18 recreation commission and the public development authority will agree  
19 on the scope and content of the report including the business and  
20 governance plan. In preparing this report the state parks and  
21 recreation commission and the public development authority shall  
22 provide ample opportunity for the public and stakeholders to  
23 participate in the development of the business and governance plan.  
24 The state parks and recreation commission shall review the report and  
25 if it is consistent with the 2008 Fort Worden state park long-range  
26 plan shall take action on a long-term governance and business plan no  
27 later than December 31, 2012.

28 (6) Within the appropriations contained in this section, the  
29 commission shall review the removal of trees from Brooks memorial state  
30 park that have been killed or damaged by fire in order to determine the  
31 recovery value from the sale of any timber that is surplus to the needs  
32 of the park. The commission shall remove such trees, if the commission  
33 determines that the recovery value from the sale of any timber is at  
34 least cost neutral and the removal is in a manner consistent with RCW  
35 79A.05.035.

36 **Sec. 1303.** 2012 2nd sp.s. c 7 s 307 (uncodified) is amended to  
37 read as follows:

1	<b>FOR THE DEPARTMENT OF FISH AND WILDLIFE</b>	
2	General Fund--State Appropriation (FY 2012) . . . . .	\$34,098,000
3	General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$23,618,000 ))</del>
4		<u>\$26,051,000</u>
5	General Fund--Federal Appropriation . . . . .	<del>(( \$105,481,000 ))</del>
6		<u>\$105,725,000</u>
7	General Fund--Private/Local Appropriation . . . . .	<del>(( \$56,923,000 ))</del>
8		<u>\$57,107,000</u>
9	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
10	Aquatic Lands Enhancement Account--State	
11	Appropriation . . . . .	<del>(( \$12,113,000 ))</del>
12		<u>\$12,125,000</u>
13	Recreational Fisheries Enhancement--State	
14	Appropriation . . . . .	<del>(( \$2,794,000 ))</del>
15		<u>\$2,809,000</u>
16	Warm Water Game Fish Account--State Appropriation . . .	<del>(( \$2,841,000 ))</del>
17		<u>\$2,842,000</u>
18	Eastern Washington Pheasant Enhancement Account--State	
19	Appropriation . . . . .	\$849,000
20	Aquatic Invasive Species Enforcement Account--State	
21	Appropriation . . . . .	\$204,000
22	Aquatic Invasive Species Prevention Account--State	
23	Appropriation . . . . .	\$848,000
24	State Wildlife Account--State Appropriation . . . . .	<del>(( \$100,742,000 ))</del>
25		<u>\$95,241,000</u>
26	Special Wildlife Account--State Appropriation . . . . .	\$2,382,000
27	Special Wildlife Account--Federal Appropriation . . . . .	\$500,000
28	Special Wildlife Account--Private/Local Appropriation . . .	\$3,415,000
29	Wildlife Rehabilitation Account--State Appropriation . . . . .	\$259,000
30	Regional Fisheries Enhancement Salmonid Recovery	
31	Account--Federal Appropriation . . . . .	\$5,001,000
32	Oil Spill Prevention Account--State Appropriation . . . . .	\$883,000
33	Oyster Reserve Land Account--State Appropriation . . . . .	\$919,000
34	Recreation Resources Account--State Appropriation . . . . .	\$3,300,000
35	Hydraulic Project Approval Account--State Appropriation . . .	\$337,000
36	TOTAL APPROPRIATION . . . . .	<del>(( \$357,900,000 ))</del>
37		<u>\$355,286,000</u>

1       The appropriations in this section are subject to the following  
2 conditions and limitations:

3       (1) \$294,000 of the aquatic lands enhancement account--state  
4 appropriation is provided solely for the implementation of hatchery  
5 reform recommendations defined by the hatchery scientific review group.

6       (2) \$355,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$355,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for the department to continue a  
9 pilot project with the Confederated Tribes of the Colville Reservation  
10 to develop expanded recreational fishing opportunities on Lake Rufus  
11 Woods and its northern shoreline and to conduct joint enforcement of  
12 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to  
13 state and tribal intergovernmental agreements developed under the  
14 Columbia River water supply program. For the purposes of the pilot  
15 project:

16       (a) A fishing permit issued to a nontribal member by the Colville  
17 Tribes shall satisfy the license requirement of RCW 77.32.010 on the  
18 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

19       (b) The Colville Tribes have agreed to provide to holders of its  
20 nontribal member fishing permits a means to demonstrate that fish in  
21 their possession were lawfully taken in Lake Rufus Woods;

22       (c) A Colville tribal member identification card shall satisfy the  
23 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

24       (d) The department and the Colville Tribes shall jointly designate  
25 fishing areas on the north shore of Lake Rufus Woods for the purposes  
26 of enhancing access to the recreational fisheries on the lake; and

27       (e) The Colville Tribes have agreed to recognize a fishing license  
28 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal  
29 member fishing permit requirements of Colville tribal law on the  
30 reservation portion of the waters of Lake Rufus Woods and at designated  
31 fishing areas on the north shore of Lake Rufus Woods;

32       (3) Prior to submitting its 2013-2015 biennial operating and  
33 capital budget request related to state fish hatcheries to the office  
34 of financial management, the department shall contract with the  
35 hatchery scientific review group (HSRG) to review this request. This  
36 review shall: (a) Determine if the proposed requests are consistent  
37 with HSRG recommendations; (b) prioritize the components of the  
38 requests based on their contributions to protecting wild salmonid

1 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
2 whether the proposed requests are being made in the most cost effective  
3 manner. The department shall provide a copy of the HSRG review to the  
4 office of financial management with their agency budget proposal.

5 (4) \$400,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$400,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for a state match to support the  
8 Puget Sound nearshore partnership between the department and the U.S.  
9 army corps of engineers.

10 (5) \$50,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$50,000 of the general fund--state appropriation for  
12 fiscal year 2013 are provided solely for removal of derelict gear in  
13 Washington waters.

14 (6) \$100,000 of the eastern Washington pheasant enhancement  
15 account--state appropriation is provided solely for the department to  
16 support efforts to enhance permanent and temporary pheasant habitat on  
17 public and private lands in Grant, Franklin, and Adams counties. The  
18 department may support efforts by entities including conservation  
19 districts, nonprofit organizations, and landowners, and must require  
20 such entities to provide significant nonstate matching resources, which  
21 may be in the form of funds, material, or labor.

22 (7) Within the amounts appropriated in this section, the department  
23 shall identify additional opportunities for partnerships in order to  
24 keep fish hatcheries operational. Such partnerships shall aim to  
25 maintain fish production and salmon recovery with less reliance on  
26 state operating funds.

27 (8) By September 1, 2011, the department shall update its  
28 interagency agreement dated September 30, 2010, with the department of  
29 natural resources concerning land management services on the department  
30 of fish and wildlife's wildlife conservation and recreation lands. The  
31 update shall include rates and terms for services.

32 (9) Prior to opening game management unit 490 to public hunting,  
33 the department shall complete an environmental impact statement that  
34 includes an assessment of how public hunting activities will impact the  
35 ongoing protection of the public water supply.

36 (10) \$18,514,000 of the state wildlife account--state appropriation  
37 is provided solely for the implementation of Second Substitute Senate



Bill No. 5385 (state wildlife account). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(11) (~~(\$9,418,000)~~) \$3,764,000 of the state wildlife account--state appropriation is provided solely for the implementation of Second Substitute Senate Bill No. 5622 (state land recreation access). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(12) \$50,000 of the state wildlife account--state appropriation is provided solely for mitigation, claims, and assessment costs for injury or loss of livestock caused by wolves, black bears, and cougars.

(13) \$552,000 of the aquatic lands enhancement account--state appropriation is provided solely for increased law enforcement capacity to reduce the occurrence of geoduck poaching and illegal harvest activities. With these additional funds, the department shall deploy two new fish and wildlife officers and one detective within Puget Sound to address on-the-water and marketplace geoduck harvest compliance.

(14) \$337,000 of the hydraulic project approval--state appropriation is provided solely for the implementation of Second Engrossed Substitute Senate Bill No. 6406 (state natural resources). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 1304.** 2012 2nd sp.s. c 7 s 308 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund--State Appropriation (FY 2012) . . . . . \$30,907,000

General Fund--State Appropriation (FY 2013) . . . . . (~~(\$35,791,000)~~)

\$67,782,000

General Fund--Federal Appropriation . . . . . \$27,873,000

General Fund--Private/Local Appropriation . . . . . \$2,372,000

Forest Development Account--State Appropriation . . . . . (~~(\$46,254,000)~~)

\$44,116,000

ORV and Nonhighway Vehicle Account--State

Appropriation . . . . . \$4,373,000

Surveys and Maps Account--State Appropriation . . . . . \$2,118,000

Aquatic Lands Enhancement Account--State

Appropriation . . . . . \$69,000

Resources Management Cost Account--State

1	Appropriation . . . . .	\$90,131,000
2	Surface Mining Reclamation Account--State	
3	Appropriation . . . . .	\$3,467,000
4	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
5	Forest and Fish Support Account--State Appropriation . . . .	\$9,784,000
6	Aquatic Land Dredged Material Disposal Site	
7	Account--State Appropriation . . . . .	\$838,000
8	Natural Resources Conservation Areas Stewardship	
9	Account--State Appropriation . . . . .	\$34,000
10	State Toxics Control Account--State Appropriation . . . . .	\$80,000
11	Air Pollution Control Account--State Appropriation . . . . .	\$540,000
12	NOVA Program Account--State Appropriation . . . . .	\$635,000
13	Derelict Vessel Removal Account--State Appropriation . . . .	\$1,761,000
14	Agricultural College Trust Management Account--State	
15	Appropriation . . . . .	\$1,848,000
16	Forest Practices Application Account--State Appropriation . .	\$780,000
17	Marine Resources Stewardship Trust Account--State	
18	Appropriation . . . . .	\$2,100,000
19	TOTAL APPROPRIATION . . . . .	(( <del>\$262,782,000</del> ))
20		<u>\$296,608,000</u>

21 The appropriations in this section are subject to the following  
22 conditions and limitations:

23 (1) \$710,000 of the general fund--state appropriation for fiscal  
24 year 2012 and \$915,000 of the general fund--state appropriation for  
25 fiscal year 2013 are provided solely for deposit into the agricultural  
26 college trust management account and are provided solely to manage  
27 approximately 70,700 acres of Washington State University's  
28 agricultural college trust lands.

29 (2) \$8,030,000 of the general fund--state appropriation for fiscal  
30 year 2012, ((~~\$10,037,000~~)) \$43,737,000 of the general fund--state  
31 appropriation for fiscal year 2013, and \$5,000,000 of the disaster  
32 response account--state appropriation are provided solely for emergency  
33 fire suppression. None of the general fund and disaster response  
34 account amounts provided in this subsection may be used to fund agency  
35 indirect and administrative expenses. Agency indirect and  
36 administrative costs shall be allocated among the agency's remaining  
37 accounts and appropriations. The department of natural resources shall  
38 submit a quarterly report to the office of financial management and the

1 legislative fiscal committees detailing information on current and  
2 planned expenditures from the disaster response account. This work  
3 shall be done in coordination with the military department.

4 (3) \$4,500,000 of the forest and fish support account--state  
5 appropriation is provided solely for outcome-based, performance  
6 contracts with tribes to participate in the implementation of the  
7 forest practices program. Contracts awarded in fiscal year 2013 may  
8 only contain indirect costs set at or below the rate in the contracting  
9 tribe's indirect cost agreement with the federal government. If  
10 federal funding for this purpose is reinstated, the amount provided in  
11 this subsection shall lapse.

12 (4) \$518,000 of the forest and fish support account--state  
13 appropriation is provided solely for outcome-based performance  
14 contracts with nongovernmental organizations to participate in the  
15 implementation of the forest practices program. Contracts awarded in  
16 fiscal year 2013 may only contain indirect cost set at or below a rate  
17 of eighteen percent.

18 (5) During the 2011-2013 fiscal biennium, \$717,000 of the forest  
19 and fish support account--state appropriation is provided solely to  
20 fund interagency agreements with the department of ecology and the  
21 department of fish and wildlife as part of the adaptive management  
22 process.

23 (6) \$1,000,000 of the general fund--federal appropriation and  
24 \$1,000,000 of the forest and fish support account--state appropriation  
25 are provided solely for continuing scientific studies already underway  
26 as part of the adaptive management process. Funds may not be used to  
27 initiate new studies unless the department secures new federal funding  
28 for the adaptive management process.

29 (7) The department is authorized to increase the silviculture  
30 burning permit fee in the 2011-2013 biennium by up to eighty dollars  
31 plus fifty cents per ton for each ton of material burned in excess of  
32 one hundred tons.

33 (8) \$440,000 of the state general fund--state appropriation for  
34 fiscal year 2012 and \$440,000 of the state general fund--state  
35 appropriation for fiscal year 2013 are provided solely for forest work  
36 crews that support correctional camps and are contingent upon  
37 continuing operations of Naselle youth camp.

1 (9) By September 1, 2011, the department shall update its  
2 interagency agreement dated September 30, 2010, with the department of  
3 fish and wildlife concerning land management services on the department  
4 of fish and wildlife's wildlife conservation and recreation lands. The  
5 update shall include rates and terms for services.

6 (10) In partnership with the department of ecology, the departments  
7 shall deliver a report to the governor, the appropriate committees of  
8 the legislature, and the forest practices board by September 1, 2012,  
9 documenting forest practices adaptive management program reforms  
10 implemented, or recommended, that streamline existing processes to  
11 increase program efficiencies and effectiveness. The departments shall  
12 collaborate with interested adaptive management program participants in  
13 the development of the report.

14 (11)(a) \$2,100,000 of the marine resources stewardship account--  
15 state appropriation is provided solely for the implementation of  
16 chapter 252, Laws of 2012 (marine management planning) and 43.372 RCW.  
17 The department will work with the marine interagency team, tribes, and  
18 the Washington state marine resource committee to develop a spending  
19 plan consistent with the priorities in chapter 252, Laws of 2012, for  
20 conducting ecosystem assessments and mapping activities related to  
21 marine resources use and potential economic development, developing  
22 marine management plans for the state's coastal waters, and otherwise  
23 aiding in the implementation of marine planning in the state. As  
24 appropriate, the team shall develop a competitive process for projects  
25 to be funded by the department in fiscal year 2013.

26 (b) The department, in consultation with the marine interagency  
27 team, shall submit to the office of financial management and the  
28 appropriate legislative committees by September 1, 2012, a prioritized  
29 list of projects and activities for funding consideration through the  
30 marine resources stewardship account in the 2013-2015 fiscal biennium.

31 ~~((+13+))~~ (12) \$780,000 of the forest practices application  
32 account--state appropriation, \$18,000 of the forest development  
33 account--state appropriation, \$23,000 of the resources management cost  
34 account--state appropriation, and \$2,000 of the surface mining  
35 reclamation account--state appropriation are provided solely for the  
36 implementation of Second Engrossed Substitute Senate Bill No. 6406  
37 (state natural resources). If the bill is not enacted by June 30,  
38 2012, the amounts provided in this subsection shall lapse.

1       **Sec. 1305.** 2012 2nd sp.s. c 7 s 311 (uncodified) is amended to  
2 read as follows:

3       **FOR THE PUGET SOUND PARTNERSHIP**

4	General Fund--State Appropriation (FY 2012) . . . . .	\$2,273,000
5	General Fund--State Appropriation (FY 2013) . . . . .	\$2,253,000
6	General Fund--Federal Appropriation . . . . .	\$12,428,000
7	General Fund--Private/Local Appropriation . . . . .	\$25,000
8	Aquatic Lands Enhancement Account--State	
9	Appropriation . . . . .	\$493,000
10	State Toxics Control Account--State Appropriation . . . . .	\$658,000
11	TOTAL APPROPRIATION . . . . .	\$18,130,000

12       The appropriations in this section are subject to the following  
13 conditions and limitations:

14       (1) (~~(\$665,000)~~) \$658,000 of the state toxics control account--  
15 state appropriation is provided solely for activities that contribute  
16 to Puget Sound protection and recovery, including provision of  
17 independent advice and assessment of the state's oil spill prevention,  
18 preparedness, and response programs, including review of existing  
19 activities and recommendations for any necessary improvements. The  
20 partnership may carry out this function through an existing committee,  
21 such as the ecosystem coordination board or the leadership council, or  
22 may appoint a special advisory council. Because this is a unique  
23 statewide program, the partnership may invite participation from  
24 outside the Puget Sound region.

25       (2) Within the amounts appropriated in this section, the Puget  
26 Sound partnership shall facilitate an ongoing monitoring consortium to  
27 integrate monitoring efforts for storm water, water quality, watershed  
28 health, and other indicators to enhance monitoring efforts in Puget  
29 Sound.

(End of part)

**PART XIV**  
**TRANSPORTATION**

**Sec. 1401.** 2012 2nd sp.s. c 7 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2012) . . . . .	\$35,395,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$32,323,000</del> ))
	<u>\$42,175,000</u>
General Fund--Federal Appropriation . . . . .	\$16,081,000
General Fund--Private/Local Appropriation . . . . .	\$3,021,000
Death Investigations Account--State Appropriation . . . . .	\$5,537,000
County Criminal Justice Assistance Account--State	
Appropriation . . . . .	\$3,207,000
Municipal Criminal Justice Assistance Account--State	
Appropriation . . . . .	\$1,286,000
Fire Service Trust Account--State Appropriation . . . . .	\$131,000
Disaster Response Account--State Appropriation . . . . .	\$8,002,000
Fire Service Training Account--State Appropriation . . . . .	\$9,386,000
Aquatic Invasive Species Enforcement Account--State	
Appropriation . . . . .	\$54,000
State Toxics Control Account--State Appropriation . . . . .	\$505,000
Fingerprint Identification Account--State	
Appropriation . . . . .	\$10,067,000
Vehicle License Fraud Account--State Appropriation . . . . .	\$437,000
TOTAL APPROPRIATION . . . . .	(( <del>\$125,432,000</del> ))
	<u>\$135,284,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

1       (2)   \$8,000,000   of   the   disaster   response   account--state  
2   appropriation is provided solely for Washington state fire service  
3   resource mobilization costs incurred in response to an emergency or  
4   disaster authorized under RCW 43.43.960 and 43.43.964. The state  
5   patrol shall submit a report quarterly to the office of financial  
6   management and the legislative fiscal committees detailing information  
7   on current and planned expenditures from this account. This work shall  
8   be done in coordination with the military department.

9       (3)   \$400,000   of   the   fire   service   training   account--state  
10   appropriation is provided solely for the firefighter apprenticeship  
11   training program.

12       (4) In accordance with RCW 43.43.742 the state patrol is authorized  
13   to increase the following fees in fiscal year ((2012)) 2013 as  
14   necessary to meet the actual costs of conducting business and the  
15   appropriation levels in this section: Notary service fee.

16       (5)   \$59,000   of   the   fingerprint   identification   account--state  
17   appropriation is provided solely for implementation of Engrossed Second  
18   Substitute House Bill No. 1776 (child care center licensing). If the  
19   bill is not enacted by June 30, 2011, the amount provided in this  
20   subsection shall lapse.

21       (6)   \$6,000   of   the   fingerprint   identification   account--state  
22   appropriation is provided solely for implementation of Engrossed  
23   Substitute House Bill No. 1494 (vulnerable adult referrals). If the  
24   bill is not enacted by June 30, 2011, the amount provided in this  
25   subsection shall lapse.

26       (7)   \$1,000   of   the   fingerprint   identification   account--state  
27   appropriation is provided solely for implementation of Engrossed Senate  
28   Bill No. 6296 (background checks). If the bill is not enacted by June  
29   30, 2012, the amount provided in this subsection shall lapse.

30       (8) \$9,896,000 of the general fund--state appropriation for fiscal  
31   year 2013 is provided solely for fire mobilization costs.

(End of part)

**PART XV**  
**EDUCATION**

**Sec. 1501.** 2012 2nd sp.s. c 7 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2012) . . . . .	\$25,322,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$27,133,000</del> ))
	<u>\$27,543,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$77,011,000</del> ))
	<u>\$82,011,000</u>
General Fund--Private/Local Appropriation . . . . .	\$4,000,000
TOTAL APPROPRIATION . . . . .	(( <del>\$133,466,000</del> ))
	<u>\$138,876,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) A maximum of \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$14,875,000~~)) \$15,276,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$8,169,000~~)) \$8,160,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

(iii) Within the amounts provided, and in consultation with the public school employees of Washington and the Washington school



counselors' association, the office of the superintendent of public instruction shall develop a model policy that further defines the recommended roles and responsibilities of graduation coaches and identifies best practices for how graduation coaches work in coordination with school counselors and in the context of a comprehensive school guidance and counseling program.

(iv) The office of the superintendent of public instruction shall, no later than August 1, 2011, establish a standard statewide definition of unexcused absence. The definition shall be reported to the ways and means committees of the senate and house of representatives for legislative review in the 2012 legislative session. Beginning no later than January 1, 2012, districts shall report to the office of the superintendent of public instruction, daily student unexcused absence data by school.

(b) \$1,964,000 of the general fund--state appropriation for fiscal year 2012 and \$1,017,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for activities associated with the implementation of new school finance systems required by chapter 236, Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009 (state's education system), including technical staff, systems reprogramming, and workgroup deliberations, including the quality education council and the data governance working group.

(c) \$851,000 of the general fund--state appropriation for fiscal year 2012 and (~~(\$851,000)~~) \$1,022,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Of these amounts, \$171,000 of the general fund--state appropriation for fiscal year 2013 is provided for implementation of Initiative Measure No. 1240 (charter schools).

(d) \$1,744,000 of the general fund--state appropriation for fiscal year 2012 and \$1,387,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to the professional educator standards board for the following:

(i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year 2013 are for the operation and expenses of the Washington professional educator standards board; and

(ii) \$694,000 of the general fund--state appropriation for fiscal year 2012 and \$312,000 of the general fund--state appropriation for

1 fiscal year 2013 are for conditional scholarship loans and mentor  
2 stipends provided through the alternative routes to certification  
3 program administered by the professional educator standards board,  
4 including the pipeline for paraeducators program and the retooling to  
5 teach conditional loan programs. Funding within this subsection  
6 (1)(d)(ii) is also provided for the recruiting Washington teachers  
7 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-  
8 2013 fiscal biennium are intended to be one-time; and

9 (iii) \$25,000 of the general fund--state appropriation for fiscal  
10 year 2013 is provided solely for the professional educator standards  
11 board to develop educator interpreter standards and identify  
12 interpreter assessments that are available to school districts.  
13 Interpreter assessments should meet the following criteria: (A)  
14 Include both written assessment and performance assessment; (B) be  
15 offered by a national organization of professional sign language  
16 interpreters and transliterators; and (C) be designed to assess  
17 performance in more than one sign system or sign language. The board  
18 shall establish a performance standard, defining what constitutes a  
19 minimum assessment result, for each educational interpreter assessment  
20 identified. The board shall publicize the standards and assessments  
21 for school district use.

22 (e) \$133,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$133,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for the implementation of chapter  
25 240, Laws of 2010, including staffing the office of equity and civil  
26 rights.

27 (f) \$50,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$50,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for the ongoing work of the  
30 education opportunity gap oversight and accountability committee.

31 (g) \$45,000 of the general fund--state appropriation for fiscal  
32 year 2012 and \$45,000 of the general fund--state appropriation for  
33 fiscal year 2013 are provided solely for the implementation of chapter  
34 380, Laws of 2009 (enacting the interstate compact on educational  
35 opportunity for military children).

36 (h) \$159,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$93,000 of the general fund--state appropriation for  
38 fiscal year 2013 are provided solely for the implementation of chapter

1 185, Laws of 2011 (bullying prevention), which requires the office of  
2 the superintendent of public instruction to convene an ongoing  
3 workgroup on school bullying and harassment prevention. Within the  
4 amounts provided, \$140,000 is for youth suicide prevention activities.

5 (i) \$1,227,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$1,227,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for implementing a comprehensive  
8 data system to include financial, student, and educator data, including  
9 development and maintenance of the comprehensive education data and  
10 research system (CEDARS).

11 (j) \$25,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$25,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely for project citizen, a program  
14 sponsored by the national conference of state legislatures and the  
15 center for civic education to promote participation in government by  
16 middle school students.

17 (k) \$166,000 of the general fund--state appropriation for fiscal  
18 year 2012 is provided solely for the implementation of chapter 192,  
19 Laws of 2011 (school district insolvency). Funding is provided to  
20 develop a clear legal framework and process for dissolution of a school  
21 district.

22 (l) \$1,500,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely for implementation of House Bill No. 2799  
24 (collaborative schools). If such legislation is not enacted by June  
25 30, 2012, the amount provided in this subsection shall lapse.

26 (m) \$128,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely pursuant to Substitute House Bill No. 2254  
28 (foster care outcomes). The office of the superintendent of public  
29 instruction shall report on the implementation of the state's plan of  
30 cross-system collaboration to promote educational stability and improve  
31 education outcomes of foster youth. The first report is due December  
32 1, 2012, and annually thereafter through 2015. If the bill is not  
33 enacted by June 30, 2012, the amount provided in this subsection shall  
34 lapse.

35 (n) \$250,000 of the general fund--state appropriation for fiscal  
36 year 2013 is provided solely for implementation of House Bill No. 2337  
37 (open K-12 education resources). If the bill is not enacted by June  
38 30, 2012, the amount provided in this subsection shall lapse.

1       (o) \$239,000 of the general fund--state appropriation for fiscal  
2 year 2013 is provided solely for implementation of Initiative Measure  
3 No. 1240 (charter schools).

4       (2) \$9,267,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$12,267,000 of the general fund--state appropriation for  
6 fiscal year 2013 are for statewide programs.

7       (a) HEALTH AND SAFETY

8       (i) \$2,541,000 of the general fund--state appropriation for fiscal  
9 year 2012 and \$2,541,000 of the general fund--state appropriation for  
10 fiscal year 2013 are provided solely for a corps of nurses located at  
11 educational service districts, as determined by the superintendent of  
12 public instruction, to be dispatched to the most needy schools to  
13 provide direct care to students, health education, and training for  
14 school staff.

15       (ii) \$50,000 of the general fund--state appropriation for fiscal  
16 year 2012 and \$50,000 of the general fund--state appropriation for  
17 fiscal year 2013 are provided solely for a nonviolence and leadership  
18 training program provided by the institute for community leadership.

19       (b) TECHNOLOGY

20       \$1,221,000 of the general fund--state appropriation for fiscal year  
21 2012 and \$1,221,000 of the general fund--state appropriation for fiscal  
22 year 2013 are provided solely for K-20 telecommunications network  
23 technical support in the K-12 sector to prevent system failures and  
24 avoid interruptions in school utilization of the data processing and  
25 video-conferencing capabilities of the network. These funds may be  
26 used to purchase engineering and advanced technical support for the  
27 network.

28       (c) GRANTS AND ALLOCATIONS

29       (i) \$675,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$675,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for the Washington state achievers  
32 scholarship program. The funds shall be used to support community  
33 involvement officers that recruit, train, and match community volunteer  
34 mentors with students selected as achievers scholars.

35       (ii) \$1,000,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$1,000,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for contracting with a college

1 scholarship organization with expertise in conducting outreach to  
2 students concerning eligibility for the Washington college bound  
3 scholarship consistent with chapter 405, Laws of 2007.

4 (iii) \$2,808,000 of the general fund--state appropriation for  
5 fiscal year 2012 and \$2,808,000 of the general fund--state  
6 appropriation for fiscal year 2013 are provided solely for the  
7 dissemination of the navigation 101 curriculum to all districts. The  
8 funding shall support electronic student planning tools and software  
9 for analyzing the impact of navigation 101 on student performance, as  
10 well as grants to a maximum of one hundred school districts each year,  
11 based on progress and need for the implementation of the navigation 101  
12 program. The implementation grants shall be awarded to a cross-section  
13 of school districts reflecting a balance of geographic and demographic  
14 characteristics. Within the amounts provided, the office of the  
15 superintendent of public instruction will create a navigation 101  
16 accountability model to analyze the impact of the program.

17 (iv) \$337,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$337,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for implementation of the building  
20 bridges statewide program for comprehensive dropout prevention,  
21 intervention, and reengagement strategies.

22 (v) \$135,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$135,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for dropout prevention programs at  
25 the office of the superintendent of public instruction, including the  
26 jobs for America's graduates (JAG) program.

27 (vi) \$500,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$1,400,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for the implementation of chapter  
30 340, Laws of 2011 (assessment of students in state-funded full-day  
31 kindergarten classrooms), including the development and implementation  
32 of the Washington kindergarten inventory of developing skills (WaKIDS).  
33 Of the amounts in this subsection, \$1,000,000 of the fiscal year 2013  
34 appropriation is for the implementation of House Bill No. 2586  
35 (kindergarten inventory). If the bill is not enacted by June 30, 2012,  
36 this amount shall lapse.

37 (vii) \$2,000,000 of the general fund--state appropriation for

1   fiscal year 2013 is provided solely for an urban school turnaround  
2   initiative as follows:

3       (A) The office of the superintendent of public instruction shall  
4   select two schools in the largest urban school district in the state.  
5   The selected schools shall be among the state's lowest-performing  
6   schools; be located within the same community and form a continuum of  
7   education for the students in that community; have significant  
8   educational achievement gaps; and include a mix of elementary, middle,  
9   or high schools.

10       (B) The office shall allocate the funds under this subsection (vii)  
11   to the school district to be used exclusively in the selected schools.  
12   The district may not charge an overhead or indirect fee for the  
13   allocated funds or supplant other state, federal, or local funds in the  
14   selected schools. The school district shall use the funds for  
15   intensive supplemental instruction, services, and materials in the  
16   selected schools in the 2012-13 school year, including but not limited  
17   to professional development for school staff; updated curriculum,  
18   materials, and technology; extended learning opportunities for  
19   students; reduced class size; summer enrichment activities;  
20   school-based health clinics; and other research-based initiatives to  
21   dramatically turn around the performance and close the achievement gap  
22   in the schools. Priorities for the expenditure of the funds shall be  
23   determined by the leadership and staff of each school.

24       (C) The office shall monitor the activities in the selected schools  
25   and the expenditure of funds to ensure the intent of this subsection  
26   (vii) is met, and submit a report to the legislature by December 1,  
27   2013, including outcomes resulting from the urban school turnaround  
28   initiative. The report submitted to the legislature must include a  
29   comparison of student learning achievement in the selected schools with  
30   schools of comparable demographics that have not participated in the  
31   grant program.

32       (D) Funding provided in this subsection (vii) is intended to be  
33   one-time.

34       (viii) \$100,000 of the general fund--state appropriation for fiscal  
35   year 2013 is provided solely to subsidize advanced placement exam fees  
36   and international baccalaureate class fees and exam fees for low-income  
37   students. To be eligible for the subsidy, a student must be either  
38   enrolled or eligible to participate in the federal free or reduced

price lunch program, and the student must have maximized the allowable federal contribution. The office of the superintendent of public instruction shall set the subsidy in an amount so that the advanced placement exam fee does not exceed \$15.00 and the combined class and exam fee for the international baccalaureate does not exceed \$14.50.

**Sec. 1502.** 2012 2nd sp.s. c 7 s 502 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**

General Fund--State Appropriation (FY 2012) . . . . .	\$5,241,233,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$5,170,854,000</del> ))
	<u>\$5,139,496,000</u>
General Fund--Federal Appropriation . . . . .	\$22,327,000
TOTAL APPROPRIATION . . . . .	(( <del>\$10,434,414,000</del> ))
	<u>\$10,403,056,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) For the 2011-12 and 2012-13 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary schedules in sections 502 and 503 of this act, excluding (c) of this subsection.

(c) From July 1, 2011 to August 31, 2011, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 504, chapter 564, Laws of 2009, as amended through sections 1402 and 1403 of this act.

(d) The appropriations in this section include federal funds provided through section 101 of P.L. No. 111-226 (education jobs fund), which shall be used to support general apportionment program funding. In distributing general apportionment allocations under this section for the 2011-12 school year, the superintendent shall include the additional amount of \$3,327,000 allocated by the United States department of education on September 16, 2011, provided through 101 of P.L. No. 111-226 (education jobs fund) as part of each district's general apportionment allocation.

(e) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2011-12 and 2012-13 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

---

General education class size:		
Grade		RCW 28A.150.260
Grades K-3	.....	25.23
Grade 4	.....	27.00
Grades 5-6	.....	27.00
Grades 7-8	.....	28.53
Grades 9-12	.....	28.74

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The superintendent shall base allocations for career and technical education (CTE) and skill center programs average class size as provided in RCW 28A.150.260.

(ii) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

General education class size in high poverty school:

Grades K-3	24.10
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

(iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

(iv) Laboratory science, advanced placement, and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 students:

Career and Technical Education

students . . . . .	2.02 per 1000 student FTE's
Skill Center students . . . . .	2.36 per 1000 student FTE's

1 (3) ADMINISTRATIVE STAFF ALLOCATIONS

2 (a) Allocations for school building-level certificated  
3 administrative staff salaries for the 2011-12 and 2012-13 school years  
4 for general education students are determined using the formula-  
5 generated staff units provided in RCW 28A.150.260, and adjusted based  
6 on a district's annual average full-time equivalent student enrollment  
7 in each grade.

8 (b) Students in approved career and technical education and skill  
9 center programs generate certificated school building-level  
10 administrator staff units at per student rates that exceed the general  
11 education rate in (a) of this subsection by the following percentages:

12 Career and Technical Education students . . . . . 2.5 percent  
13 Skill Center students . . . . . 19.75 percent

14 (4) CLASSIFIED STAFF ALLOCATIONS

15 Allocations for classified staff units providing school building-  
16 level and district-wide support services for the 2011-12 and 2012-13  
17 school years are determined using the formula-generated staff units  
18 provided in RCW 28A.150.260, and adjusted based on each district's  
19 annual average full-time equivalent student enrollment in each grade.

20  
21 (5) CENTRAL OFFICE ALLOCATIONS

22 In addition to classified and administrative staff units allocated  
23 in subsections (3) and (4) of this section, classified and  
24 administrative staff units are provided for the 2011-12 and 2012-13  
25 school year for the central office administrative costs of operating a  
26 school district, at the following rates:

27 (a) The total central office staff units provided in this  
28 subsection (5) are calculated by first multiplying the total number of  
29 eligible certificated instructional, certificated administrative, and  
30 classified staff units providing school-based or district-wide support  
31 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

32 (b) Of the central office staff units calculated in (a) of this  
33 subsection, 74.53 percent are allocated as classified staff units, as  
34 generated in subsection (4) of this section, and 25.47 percent shall be  
35 allocated as administrative staff units, as generated in subsection (3)  
36 of this section.

37 (c) Staff units generated as enhancements outside the program of  
38 basic education to the minimum requirements of RCW 28A.150.260, and

1 staff units generated by skill center and career-technical students,  
2 are excluded from the total central office staff units calculation in  
3 (a) of this subsection.

4 (d) For students in approved career-technical and skill center  
5 programs, central office classified units are allocated at the same  
6 staff unit per student rate as those generated for general education  
7 students of the same grade in this subsection (5), and central office  
8 administrative staff units are allocated at staff unit per student  
9 rates that exceed the general education rate established for students  
10 in the same grade in this subsection (5) by 3.69 percent for career and  
11 technical education students, and 21.92 percent for skill center  
12 students.

13 (6) FRINGE BENEFIT ALLOCATIONS

14 Fringe benefit allocations shall be calculated at a rate of 16.33  
15 percent in the 2011-12 school year and 16.34 percent in the 2012-13  
16 school year for certificated salary allocations provided under  
17 subsections (2), (3), and (5) of this section, and a rate of 18.73  
18 percent in the 2011-12 school year and 18.73 percent in the 2012-13  
19 school year for classified salary allocations provided under  
20 subsections (4) and (5) of this section.

21  
22 (7) INSURANCE BENEFIT ALLOCATIONS

23 Insurance benefit allocations shall be calculated at the  
24 maintenance rate specified in section 504 of this act, based on the  
25 number of benefit units determined as follows:

26 (a) The number of certificated staff units determined in  
27 subsections (2), (3), and (5) of this section; and

28 (b) The number of classified staff units determined in subsections  
29 (4) and (5) of this section multiplied by 1.152. This factor is  
30 intended to adjust allocations so that, for the purposes of  
31 distributing insurance benefits, full-time equivalent classified  
32 employees may be calculated on the basis of 1440 hours of work per  
33 year, with no individual employee counted as more than one full-time  
34 equivalent.

35 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

36 Funding is allocated per annual average full-time equivalent  
37 student for the materials, supplies, and operating costs (MSOC)

incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2011-12 SCHOOL YEAR	2012-13 SCHOOL YEAR
Technology	\$57.42	\$58.28
Utilities and Insurance	\$156.03	\$158.37
Curriculum and Textbooks	\$61.65	\$62.58
Other Supplies and Library Materials	\$130.89	\$132.85
Instructional Professional Development for Certificated and Classified Staff	\$9.53	\$9.68
Facilities Maintenance	\$77.30	\$78.46
Security and Central Office	\$53.55	\$54.35
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	\$554.57

(b) Students in approved skill center programs generate per student FTE MSOC allocations which equal the rate for general education students calculated in (a) of this subsection, multiplied by a factor of 2.171.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation that is equal to the rate for general education students calculated in (a) of this subsection, multiplied by a factor of 2.442.

(d) Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2011-12 and 2012-13 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

1 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

2 (a) Amounts provided in this section are adjusted to reflect  
3 provisions of House Bill No. 2065 (allocation of funding for funding  
4 for students enrolled in alternative learning experiences).

5 (b) The superintendent of public instruction shall require all  
6 districts receiving general apportionment funding for alternative  
7 learning experience (ALE) programs as defined in WAC 392-121-182 to  
8 provide separate financial accounting of expenditures for the ALE  
9 programs offered in district or with a provider, including but not  
10 limited to private companies and multidistrict cooperatives, as well as  
11 accurate, monthly headcount and FTE enrollment claimed for basic  
12 education, including separate counts of resident and nonresident  
13 students.

14 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

15 Funding in this section is sufficient to fund voluntary full day  
16 kindergarten programs in qualifying high poverty schools, pursuant to  
17 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls  
18 for the voluntary full-day program in a qualifying school shall count  
19 as one-half of one full-time equivalent student for purpose of making  
20 allocations under this section. Funding in this section provides full-  
21 day kindergarten programs for 21 percent of kindergarten enrollment in  
22 the 2011-12 school year, and 22 percent in the 2012-13 school year.  
23 Funding priority shall be given to schools with the highest poverty  
24 levels, as measured by prior year free and reduced price lunch  
25 eligibility rates in each school. Funding in this section is  
26 sufficient to fund voluntary full day kindergarten programs for July  
27 and August of the 2010-11 school year.

28 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND  
29 NECESSARY PLANTS

30 For small school districts and remote and necessary school plants  
31 within any district which have been judged to be remote and necessary  
32 by the superintendent of public instruction, additional staff units are  
33 provided to ensure a minimum level of staffing support. Additional  
34 administrative and certificated instructional staff units provided to  
35 districts in this subsection shall be reduced by the general education  
36 staff units, excluding career and technical education and skills center

enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the superintendent of public instruction and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(b) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the superintendent of public instruction:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(c) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools, except as noted in this subsection:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated

1 instructional staff units and one-quarter of a certificated  
2 administrative staff unit;

3 (ii) For all other small high schools under this subsection, nine  
4 certificated instructional staff units and one-half of a certificated  
5 administrative staff unit for the first sixty average annual full-time  
6 equivalent students, and additional staff units based on a ratio of  
7 0.8732 certificated instructional staff units and 0.1268 certificated  
8 administrative staff units per each additional forty-three and one-half  
9 average annual full-time equivalent students;

10 (iii) Districts receiving staff units under this subsection shall  
11 add students enrolled in a district alternative high school and any  
12 grades nine through twelve alternative learning experience programs  
13 with the small high school enrollment for calculations under this  
14 subsection;

15 (d) For each nonhigh school district having an enrollment of more  
16 than seventy annual average full-time equivalent students and less than  
17 one hundred eighty students, operating a grades K-8 program or a grades  
18 1-8 program, an additional one-half of a certificated instructional  
19 staff unit;

20 (e) For each nonhigh school district having an enrollment of more  
21 than fifty annual average full-time equivalent students and less than  
22 one hundred eighty students, operating a grades K-6 program or a grades  
23 1-6 program, an additional one-half of a certificated instructional  
24 staff unit;

25 (f)(i) For enrollments generating certificated staff unit  
26 allocations under (a) through (e) of this subsection, one classified  
27 staff unit for each 2.94 certificated staff units allocated under such  
28 subsections;

29 (ii) For each nonhigh school district with an enrollment of more  
30 than fifty annual average full-time equivalent students and less than  
31 one hundred eighty students, an additional one-half of a classified  
32 staff unit; and

33 (g) School districts receiving additional staff units to support  
34 small student enrollments and remote and necessary plants under  
35 subsection (12) of this section shall generate additional MSOC  
36 allocations consistent with the nonemployee related costs (NERC)  
37 allocation formula in place for the 2010-11 school year as provided

1 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental  
2 budget), adjusted annually for inflation.

3 (13) Any school district board of directors may petition the  
4 superintendent of public instruction by submission of a resolution  
5 adopted in a public meeting to reduce or delay any portion of its basic  
6 education allocation for any school year. The superintendent of public  
7 instruction shall approve such reduction or delay if it does not impair  
8 the district's financial condition. Any delay shall not be for more  
9 than two school years. Any reduction or delay shall have no impact on  
10 levy authority pursuant to RCW 84.52.0531 and local effort assistance  
11 pursuant to chapter 28A.500 RCW.

12 (14) The superintendent may distribute funding for the following  
13 programs outside the basic education formula during fiscal years 2012  
14 and 2013 as follows:

15 (a) \$589,000 of the general fund--state appropriation for fiscal  
16 year 2012 and \$598,000 of the general fund--state appropriation for  
17 fiscal year 2013 are provided solely for fire protection for school  
18 districts located in a fire protection district as now or hereafter  
19 established pursuant to chapter 52.04 RCW.

20 (b) \$436,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$436,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for programs providing skills  
23 training for secondary students who are enrolled in extended day  
24 school-to-work programs, as approved by the superintendent of public  
25 instruction. The funds shall be allocated at a rate not to exceed \$500  
26 per full-time equivalent student enrolled in those programs.

27 (c) Funding in this section is sufficient to fund adjustments to  
28 school districts' allocations resulting from the implementation of the  
29 prototypical school funding formula, pursuant to chapter 236, Laws of  
30 2010 (K-12 education funding). The funding in this section is intended  
31 to hold school districts harmless in total for funding changes  
32 resulting from conversion to the prototypical school formula in the  
33 general apportionment program, the learning assistance program, the  
34 transitional bilingual program, and the highly capable program, after  
35 adjustment for changes in enrollment and other caseload adjustments.

36 (15) \$208,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$211,000 of the general fund--state appropriation for  
38 fiscal year 2013 are provided solely for school district emergencies as



1 certified by the superintendent of public instruction. At the close of  
2 the fiscal year the superintendent of public instruction shall report  
3 to the office of financial management and the appropriate fiscal  
4 committees of the legislature on the allocations provided to districts  
5 and the nature of the emergency.

6 (16) Funding in this section is sufficient to fund a maximum of  
7 1.6 FTE enrollment for skills center students pursuant to chapter 463,  
8 Laws of 2007.

9 (17) Beginning in the 2011-12 school year, students participating  
10 in running start programs may be funded up to a combined maximum  
11 enrollment of 1.2 FTE including school district and institution of  
12 higher education enrollment. In calculating the combined 1.2 FTE, the  
13 office of the superintendent of public instruction may average the  
14 participating student's September through June enrollment to account  
15 for differences in the start and end dates for courses provided by the  
16 high school and higher education institution. Additionally, the office  
17 of the superintendent of public instruction, in consultation with the  
18 state board for community and technical colleges, the higher education  
19 coordinating board, and the education data center, shall annually track  
20 and report to the fiscal committees of the legislature on the combined  
21 FTE experience of students participating in the running start program,  
22 including course load analyses at both the high school and community  
23 and technical college system.

24 (18) If two or more school districts consolidate and each district  
25 was receiving additional basic education formula staff units pursuant  
26 to subsection (12) of this section, the following apply:

27 (a) For three school years following consolidation, the number of  
28 basic education formula staff units shall not be less than the number  
29 of basic education formula staff units received by the districts in the  
30 school year prior to the consolidation; and

31 (b) For the fourth through eighth school years following  
32 consolidation, the difference between the basic education formula staff  
33 units received by the districts for the school year prior to  
34 consolidation and the basic education formula staff units after  
35 consolidation pursuant to subsection (12) of this section shall be  
36 reduced in increments of twenty percent per year.

37 (19)(a) Indirect cost charges by a school district to approved  
38 career and technical education middle and secondary programs shall not

1 exceed 15 percent of the combined basic education and career and  
2 technical education program enhancement allocations of state funds.  
3 Middle and secondary career and technical education programs are  
4 considered separate programs for funding and financial reporting  
5 purposes under this section.

6 (b) Career and technical education program full-time equivalent  
7 enrollment shall be reported on the same monthly basis as the  
8 enrollment for students eligible for basic support, and payments shall  
9 be adjusted for reported career and technical education program  
10 enrollments on the same monthly basis as those adjustments for  
11 enrollment for students eligible for basic support.

12 **Sec. 1503.** 2012 2nd sp.s. c 7 s 503 (uncodified) is amended to  
13 read as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**  
15 **COMPENSATION**

16 (1) The following calculations determine the salaries used in the  
17 state allocations for certificated instructional, certificated  
18 administrative, and classified staff units as provided in RCW  
19 28A.150.280 and under section 503 of this act:

20 (a) Salary allocations for certificated instructional staff units  
21 are determined for each district by multiplying the district's  
22 certificated instructional total base salary shown on LEAP Document 2  
23 by the district's average staff mix factor for certificated  
24 instructional staff in that school year, computed using LEAP document  
25 1; and

26 (b) Salary allocations for certificated administrative staff units  
27 and classified staff units for each district are determined based on  
28 the district's certificated administrative and classified salary  
29 allocation amounts shown on LEAP Document 2.

30 (2) For the purposes of this section:

31 (a) "LEAP Document 1" means the staff mix factors for certificated  
32 instructional staff according to education and years of experience, as  
33 developed by the legislative evaluation and accountability program  
34 committee on May 23, 2011, at 16:10 hours; and

35 (b) "LEAP Document 2" means the school year salary allocations for  
36 certificated administrative staff and classified staff and derived and

total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on May 23, 2011, at 16:10 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 15.69 percent for school year 2011-12 and 15.70 percent for school year 2012-13 for certificated instructional and certificated administrative staff and 15.23 percent for school year 2011-12 and 15.23 percent for the 2012-13 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12

\*\*\*Education Experience\*\*\*

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
11				45,883	49,169	51,558	49,295	52,581	54,969
12				47,332	50,777	53,238	50,850	54,188	56,650
13					52,425	54,959	52,460	55,836	58,370
14					54,081	56,745	54,117	57,600	60,157
15					55,488	58,221	55,523	59,098	61,721
16 or more					56,597	59,385	56,634	60,279	62,955

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13

\*\*\*Education Experience\*\*\*

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
11				45,883	49,169	51,558	49,295	52,581	54,969
12				47,332	50,777	53,238	50,850	54,188	56,650
13					52,425	54,959	52,460	55,836	58,370
14					54,081	56,745	54,117	57,600	60,157
15					55,488	58,221	55,523	59,098	61,721
16 or more					56,597	59,385	56,634	60,279	62,955

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

- (i) Credits earned since receiving the masters degree; and
- (ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

(d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this part V, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

**Sec. 1504.** 2012 2nd sp.s. c 7 s 504 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

General Fund--Federal Appropriation . . . . . \$2,000

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) Additional salary adjustments as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 504(2)(b) of this act. Allocations for these salary adjustments shall be provided to all districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule.

(b) Additional salary adjustments to certain districts as necessary

1 to fund the per full-time-equivalent salary allocations for  
2 certificated administrative staff as listed for each district in LEAP  
3 Document 2, defined in section 504(2)(b) of this act.

4 (c) Additional salary adjustments to certain districts as necessary  
5 to fund the per full-time-equivalent salary allocations for classified  
6 staff as listed for each district in LEAP Document 2, defined in  
7 section 504(2)(b) of this act.

8 (d) The appropriations in this subsection (1) include associated  
9 incremental fringe benefit allocations at 15.69 percent for the 2011-12  
10 school year and 15.70 percent for the 2012-13 school year for  
11 certificated instructional and certificated administrative staff and  
12 15.23 percent for the 2011-12 school year and 15.23 percent for the  
13 2012-13 school year for classified staff.

14 (e) The appropriations in this section include the increased or  
15 decreased portion of salaries and incremental fringe benefits for all  
16 relevant state-funded school programs in part V of this act. Changes  
17 for general apportionment (basic education) are based on the salary  
18 allocation schedules and methodology in sections 503 and 504 of this  
19 act. Changes for special education result from changes in each  
20 district's basic education allocation per student. Changes for  
21 educational service districts and institutional education programs are  
22 determined by the superintendent of public instruction using the  
23 methodology for general apportionment salaries and benefits in sections  
24 503 and 504 of this act.

25 (f) The appropriations in this section include no salary  
26 adjustments for substitute teachers.

27 (2) The maintenance rate for insurance benefit allocations is  
28 \$768.00 per month for the 2011-12 and 2012-13 school years. The  
29 appropriations in this section reflect the incremental change in cost  
30 of allocating rates of \$768.00 per month for the 2011-12 school year  
31 and \$768.00 per month for the 2012-13 school year.

32 (3) The rates specified in this section are subject to revision  
33 each year by the legislature.

34 **Sec. 1505.** 2012 2nd sp.s. c 7 s 505 (uncodified) is amended to  
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**  
37 General Fund--State Appropriation (FY 2012) . . . . . \$322,243,000

General Fund--State Appropriation (FY 2013) . . . . . (~~(\$273,642,000)~~)  
\$273,893,000  
TOTAL APPROPRIATION . . . . . (~~(\$595,885,000)~~)  
\$596,136,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school district programs for the transportation of students as provided in RCW 28A.160.192.

(b) From July 1, 2011 to August 31, 2011, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 564, Laws of 2009, as amended through section 1404 of this act.

(3) Any amounts appropriated for maintenance level funding for pupil transportation that exceed actual maintenance level expenditures as calculated under the funding formula that takes effect September 1, 2011, shall be distributed to districts according to RCW 28A.160.192(2)(b).

(4) A maximum of \$892,000 of this fiscal year 2012 appropriation and a maximum of \$892,000 of the fiscal year 2013 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(5) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(6) The superintendent of public instruction shall base depreciation payments for school district buses on the pre-sales tax five-year average of lowest bids in the appropriate category of bus.

1 In the final year on the depreciation schedule, the depreciation  
2 payment shall be based on the lowest bid in the appropriate bus  
3 category for that school year.

4 (7) Funding levels in this section reflect waivers granted by the  
5 state board of education for four-day school weeks as allowed under RCW  
6 28A.305.141.

7 (8) Starting with the 2012-13 school year, the office of the  
8 superintendent of public instruction shall disburse payments for bus  
9 depreciation in August.

10 **Sec. 1506.** 2011 2nd sp.s. c 9 s 506 (uncodified) is amended to  
11 read as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**  
13 **PROGRAMS**

14	General Fund--State Appropriation (FY 2012) . . . . .	\$7,111,000
15	General Fund--State Appropriation (FY 2013) . . . . .	\$7,111,000
16	General Fund--Federal Appropriation . . . . .	(( <del>\$436,400,000</del> ))
17		<u>\$506,000,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$450,622,000</del> ))
19		<u>\$520,222,000</u>

20 The appropriations in this section are subject to the following  
21 conditions and limitations:

22 (1) \$7,111,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$7,111,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for state matching money for  
25 federal child nutrition programs, and may support the meals for kids  
26 program through the following allowable uses:

27 (a) Elimination of breakfast copays for eligible public school  
28 students and lunch copays for eligible public school students in grades  
29 kindergarten through third grade who are eligible for reduced price  
30 lunch;

31 (b) Assistance to school districts and authorized public and  
32 private nonprofit organizations for supporting summer food service  
33 programs, and initiating new summer food service programs in low-income  
34 areas;

35 (c) Reimbursements to school districts for school breakfasts served  
36 to students eligible for free and reduced price lunch, pursuant to  
37 chapter 287, Laws of 2005; and



(d) Assistance to school districts in initiating and expanding school breakfast programs.

The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in (a), (b), and (c) of this subsection.

**Sec. 1507.** 2012 2nd sp.s. c 7 s 506 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2012)	. . . . .	\$648,369,000
General Fund--State Appropriation (FY 2013)	. . . . .	(( <del>\$679,832,000</del> ))
		<u>\$659,919,000</u>
General Fund--Federal Appropriation	. . . . .	(( <del>\$486,922,000</del> ))
		<u>\$499,922,000</u>
Education Legacy Trust Account--State Appropriation	. . . . .	\$756,000
TOTAL APPROPRIATION	. . . . .	(( <del>\$1,815,879,000</del> ))
		<u>\$1,808,966,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall ensure that:

(i) Special education students are basic education students first;

(ii) As a class, special education students are entitled to the full basic education allocation; and

(iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall continue to implement the full cost method of excess cost accounting, as designed

1 by the committee and recommended by the superintendent, pursuant to  
2 section 501(1)(k), chapter 372, Laws of 2006.

3 (c) Beginning with the 2010-11 school year award cycle, the office  
4 of the superintendent of public instruction shall make award  
5 determinations for state safety net funding in August of each school  
6 year. Determinations on school district eligibility for state safety  
7 net awards shall be based on analysis of actual expenditure data from  
8 the current school year.

9 (3) Each fiscal year appropriation includes such funds as are  
10 necessary to complete the school year ending in the fiscal year and for  
11 prior fiscal year adjustments.

12 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent  
13 shall allocate funding to school district programs for special  
14 education students as provided in RCW 28A.150.390.

15 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
16 allocate funding to school district programs for special education  
17 students as provided in section 507, chapter 564, Laws of 2009, as  
18 amended through section 1406 of this act.

19 (5) The following applies throughout this section: The definitions  
20 for enrollment and enrollment percent are as specified in RCW  
21 28A.150.390(3). Each district's general fund--state funded special  
22 education enrollment shall be the lesser of the district's actual  
23 enrollment percent or 12.7 percent.

24 (6) At the request of any interdistrict cooperative of at least 15  
25 districts in which all excess cost services for special education  
26 students of the districts are provided by the cooperative, the maximum  
27 enrollment percent shall be calculated in accordance with RCW  
28 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
29 rather than individual district units. For purposes of this  
30 subsection, the average basic education allocation per full-time  
31 equivalent student shall be calculated in the aggregate rather than  
32 individual district units.

33 (7) \$8,914,000 of the general fund--state appropriation for fiscal  
34 year 2012, (~~(\$34,200,000))~~ \$9,469,000 of the general fund--state  
35 appropriation for fiscal year 2013, and (~~(\$29,574,000))~~ \$32,574,000 of  
36 the general fund--federal appropriation are provided solely for safety  
37 net awards for districts with demonstrated needs for special education  
38 funding beyond the amounts provided in subsection (4) of this section.

1 If the federal safety net awards based on the federal eligibility  
2 threshold exceed the federal appropriation in this subsection (7) in  
3 any fiscal year, the superintendent shall expend all available federal  
4 discretionary funds necessary to meet this need. At the conclusion of  
5 each school year, the superintendent shall recover safety net funds  
6 that were distributed prospectively but for which districts were not  
7 subsequently eligible.

8 (a) For the 2011-12 and 2012-13 school years, safety net funds  
9 shall be awarded by the state safety net oversight committee as  
10 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

11 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
12 operate the safety net oversight committee and shall award safety net  
13 funds as provided in section 507, chapter 564, Laws of 2009, as amended  
14 through section 1406 of this act.

15 (8) A maximum of \$678,000 may be expended from the general fund--  
16 state appropriations to fund 5.43 full-time equivalent teachers and 2.1  
17 full-time equivalent aides at children's orthopedic hospital and  
18 medical center. This amount is in lieu of money provided through the  
19 home and hospital allocation and the special education program.

20 (9) The superintendent shall maintain the percentage of federal  
21 flow-through to school districts at 85 percent. In addition to other  
22 purposes, school districts may use increased federal funds for high-  
23 cost students, for purchasing regional special education services from  
24 educational service districts, and for staff development activities  
25 particularly relating to inclusion issues.

26 (10) A school district may carry over from one year to the next  
27 year up to 10 percent of the general fund--state funds allocated under  
28 this program; however, carryover funds shall be expended in the special  
29 education program.

30 (11) \$251,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$251,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for two additional full-time  
33 equivalent staff to support the work of the safety net committee and to  
34 provide training and support to districts applying for safety net  
35 awards.

36 (12) \$50,000 of the general fund--state appropriation for fiscal  
37 year 2012, \$50,000 of the general fund--state appropriation for fiscal

1 year 2013, and \$100,000 of the general fund--federal appropriation  
2 shall be expended to support a special education ombudsman program  
3 within the office of superintendent of public instruction.

4 **Sec. 1508.** 2012 2nd sp.s. c 7 s 507 (uncodified) is amended to  
5 read as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**  
7 **DISTRICTS**

8 General Fund--State Appropriation (FY 2012) . . . . . \$7,894,000

9 General Fund--State Appropriation (FY 2013) . . . . . (~~(\$7,912,000)~~)

10 \$7,895,000

11 TOTAL APPROPRIATION . . . . . (~~(\$15,806,000)~~)

12 \$15,789,000

13 The appropriations in this section are subject to the following  
14 conditions and limitations:

15 (1) The educational service districts shall continue to furnish  
16 financial services required by the superintendent of public instruction  
17 and RCW 28A.310.190 (3) and (4).

18 (2) Funding within this section is provided for regional  
19 professional development related to mathematics and science curriculum  
20 and instructional strategies. Funding shall be distributed among the  
21 educational service districts in the same proportion as distributions  
22 in the 2007-2009 biennium. Each educational service district shall use  
23 this funding solely for salary and benefits for a certificated  
24 instructional staff with expertise in the appropriate subject matter  
25 and in professional development delivery, and for travel, materials,  
26 and other expenditures related to providing regional professional  
27 development support.

28 (3) The educational service districts, at the request of the state  
29 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may  
30 receive and screen applications for school accreditation, conduct  
31 school accreditation site visits pursuant to state board of education  
32 rules, and submit to the state board of education post-site visit  
33 recommendations for school accreditation. The educational service  
34 districts may assess a cooperative service fee to recover actual plus  
35 reasonable indirect costs for the purposes of this subsection.

1       **Sec. 1509.** 2012 2nd sp.s. c 7 s 508 (uncodified) is amended to  
2 read as follows:

3       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**  
4       **ASSISTANCE**

5	General Fund--State Appropriation (FY 2012) . . . . .	\$300,768,000
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$298,166,000</del> ))
7		<u>\$299,537,000</u>
8	General Fund--Federal Appropriation . . . . .	\$4,400,000
9	TOTAL APPROPRIATION . . . . .	(( <del>\$603,334,000</del> ))
10		<u>\$604,705,000</u>

11       The appropriations in this section are subject to the following  
12 conditions and limitations: For purposes of RCW 84.52.0531, the  
13 increase per full-time equivalent student is 3 percent from the 2010-11  
14 school year to the 2011-12 school year and 5 percent from the 2011-12  
15 school year to the 2012-13 school year.

16       **Sec. 1510.** 2012 2nd sp.s. c 7 s 509 (uncodified) is amended to  
17 read as follows:

18       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**  
19       **EDUCATION PROGRAMS**

20	General Fund--State Appropriation (FY 2012) . . . . .	\$16,694,000
21	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$15,867,000</del> ))
22		<u>\$14,547,000</u>
23	TOTAL APPROPRIATION . . . . .	(( <del>\$32,561,000</del> ))
24		<u>\$31,241,000</u>

25       The appropriations in this section are subject to the following  
26 conditions and limitations:

27       (1) Each general fund--state fiscal year appropriation includes  
28 such funds as are necessary to complete the school year ending in the  
29 fiscal year and for prior fiscal year adjustments.

30       (2) State funding provided under this section is based on salaries  
31 and other expenditures for a 220-day school year. The superintendent  
32 of public instruction shall monitor school district expenditure plans  
33 for institutional education programs to ensure that districts plan for  
34 a full-time summer program.

35       (3) State funding for each institutional education program shall be  
36 based on the institution's annual average full-time equivalent student

enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$586,000 of the general fund--state appropriation for fiscal year 2012 and \$549,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

**Sec. 1511.** 2012 2nd sp.s. c 7 s 510 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund--State Appropriation (FY 2012) . . . . .	\$8,745,000
General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$8,788,000 ))</del>
	<u>\$9,159,000</u>
TOTAL APPROPRIATION . . . . .	<del>(( \$17,533,000 ))</del>
	<u>\$17,904,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c). In calculating the allocations, the superintendent shall assume the following: (i)

Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2011, to August 31, 2011, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 564, Laws of 2009, as amended through section 1409 of this act.

(3) \$85,000 of the general fund--state appropriation for fiscal year 2012 and \$85,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the centrum program at Fort Worden state park.

**Sec. 1512.** 2012 2nd sp.s. c 7 s 511 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

General Fund--State Appropriation (FY 2012) . . . . .	\$58,078,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$103,655,000</del> ))
	<u>\$103,455,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$219,147,000</del> ))
	<u>\$221,147,000</u>
General Fund--Private/Local Appropriation . . . . .	\$4,000,000
Education Legacy Trust Account--State Appropriation . . . . .	\$1,596,000
TOTAL APPROPRIATION . . . . .	(( <del>\$386,476,000</del> ))
	<u>\$388,276,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$40,822,000 of the general fund--state appropriation for fiscal year 2012, \$41,614,000 of the general fund--state appropriation for fiscal year 2013, \$1,350,000 of the education legacy trust account--state appropriation, and \$15,868,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington state assessment system, including:

(a) Development and implementation of retake assessments for high school students who are not successful in one or more content areas and

1 (b) development and implementation of alternative assessments or  
2 appeals procedures to implement the certificate of academic  
3 achievement. The superintendent of public instruction shall report  
4 quarterly on the progress on development and implementation of  
5 alternative assessments or appeals procedures. Within these amounts,  
6 the superintendent of public instruction shall contract for the early  
7 return of 10th grade student assessment results, on or around June 10th  
8 of each year. State funding shall be limited to one collection of  
9 evidence payment per student, per content-area assessment.

10 (2) \$356,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$356,000 of the general fund--state appropriation for  
12 fiscal year 2013 are provided solely for the Washington state  
13 leadership and assistance for science education reform (LASER) regional  
14 partnership activities coordinated at the Pacific science center,  
15 including instructional material purchases, teacher and principal  
16 professional development, and school and community engagement events.

17 (3) \$980,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$980,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for improving technology  
20 infrastructure, monitoring and reporting on school district technology  
21 development, promoting standards for school district technology,  
22 promoting statewide coordination and planning for technology  
23 development, and providing regional educational technology support  
24 centers, including state support activities, under chapter 28A.650 RCW.

25 (4) \$3,852,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$2,624,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for continued implementation of  
28 chapter 235, Laws of 2010 (education reform) including development of  
29 new performance-based evaluation systems for certificated educators.

30 (5)(a) \$39,296,000 of the general fund--state appropriation for  
31 fiscal year 2013 is provided solely for the following bonuses for  
32 teachers who hold valid, unexpired certification from the national  
33 board for professional teaching standards and who are teaching in a  
34 Washington public school, subject to the following conditions and  
35 limitations:

36 (i) For national board certified teachers, a bonus of \$5,090 per  
37 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation



1 in each school year in which Initiative 732 cost of living adjustments  
2 are provided;

3 (ii) An additional \$5,000 annual bonus shall be paid to national  
4 board certified teachers who teach in either: (A) High schools where  
5 at least 50 percent of student headcount enrollment is eligible for  
6 federal free or reduced price lunch, (B) middle schools where at least  
7 60 percent of student headcount enrollment is eligible for federal free  
8 or reduced price lunch, or (C) elementary schools where at least 70  
9 percent of student headcount enrollment is eligible for federal free or  
10 reduced price lunch;

11 (iii) The superintendent of public instruction shall adopt rules to  
12 ensure that national board certified teachers meet the qualifications  
13 for bonuses under (a)(ii) of this subsection for less than one full  
14 school year receive bonuses in a pro-rated manner. Beginning in the  
15 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection  
16 will be paid in July of each school year. Bonuses in (a)(i) and (ii)  
17 of this subsection shall be reduced by a factor of 40 percent for first  
18 year NBPTS certified teachers, to reflect the portion of the  
19 instructional school year they are certified; and

20 (iv) During the 2011-12 and 2012-13 school years, and within  
21 available funds, certificated instructional staff who have met the  
22 eligibility requirements and have applied for certification from the  
23 national board for professional teaching standards may receive a  
24 conditional loan of two thousand dollars or the amount set by the  
25 office of the superintendent of public instruction to contribute toward  
26 the current assessment fee, not including the initial up-front  
27 candidacy payment. The fee shall be an advance on the first annual  
28 bonus under RCW 28A.405.415. The conditional loan is provided in  
29 addition to compensation received under a district's salary schedule  
30 and shall not be included in calculations of a district's average  
31 salary and associated salary limitation under RCW 28A.400.200.  
32 Recipients who fail to receive certification after three years are  
33 required to repay the conditional loan. The office of the  
34 superintendent of public instruction shall adopt rules to define the  
35 terms for initial grant of the assessment fee and repayment, including  
36 applicable fees. To the extent necessary, the superintendent may use  
37 revenues from the repayment of conditional loan scholarships to ensure

1 payment of all national board bonus payments required by this section  
2 in each school year.

3 (6) \$477,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$477,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for the leadership internship  
6 program for superintendents, principals, and program administrators.

7 (7) \$950,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$950,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for the Washington reading corps.  
10 The superintendent shall allocate reading corps members to low-  
11 performing schools and school districts that are implementing  
12 comprehensive, proven, research-based reading programs. Two or more  
13 schools may combine their Washington reading corps programs.

14 (8) \$810,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$810,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for the development of a  
17 leadership academy for school principals and administrators. The  
18 superintendent of public instruction shall contract with an independent  
19 organization to design, field test, and implement a state-of-the-art  
20 education leadership academy that will be accessible throughout the  
21 state. Initial development of the content of the academy activities  
22 shall be supported by private funds. Semiannually the independent  
23 organization shall report on amounts committed by foundations and  
24 others to support the development and implementation of this program.  
25 Leadership academy partners shall include the state level organizations  
26 for school administrators and principals, the superintendent of public  
27 instruction, the professional educator standards board, and others as  
28 the independent organization shall identify.

29 (9) \$3,234,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$3,234,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for grants to school districts to  
32 provide a continuum of care for children and families to help children  
33 become ready to learn. Grant proposals from school districts shall  
34 contain local plans designed collaboratively with community service  
35 providers. If a continuum of care program exists in the area in which  
36 the school district is located, the local plan shall provide for  
37 coordination with existing programs to the greatest extent possible.

1 (10) \$1,500,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$1,500,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the implementation of chapter  
4 288, Laws of 2011 (actual student success program), including  
5 allocations to the opportunity internship program, the jobs for  
6 America's graduates program, the building bridges program, services  
7 provided by a college scholarship organization. Funding shall not be  
8 used in the 2011-2013 fiscal biennium to provide awards for schools and  
9 school districts.

10 (11) \$859,000 of the general fund--state appropriation for fiscal  
11 year 2012, \$808,000 of the general fund--state appropriation for fiscal  
12 year 2013, and \$248,000 of the education legacy trust account--state  
13 appropriation are for administrative support of education reform  
14 programs.

15 (12) \$2,000,000 of the general fund--state appropriation for fiscal  
16 year 2012 and \$2,000,000 of the general fund--state appropriation for  
17 fiscal year 2013 are provided solely for a statewide information  
18 technology (IT) academy program. This public-private partnership will  
19 provide educational software, as well as IT certification and software  
20 training opportunities for students and staff in public schools.

21 (13) \$977,000 of the general fund--state appropriation for fiscal  
22 year 2012 and \$1,077,000 of the general fund--state appropriation for  
23 fiscal year 2013 are provided solely for secondary career and technical  
24 education grants pursuant to chapter 170, Laws of 2008. If equally  
25 matched by private donations, \$300,000 of the 2012 appropriation and  
26 \$300,000 of the 2013 appropriation shall be used to support FIRST  
27 robotics programs. Of the amounts in this subsection, \$100,000 of the  
28 fiscal year 2013 appropriation is provided solely for the purpose of  
29 statewide supervision activities for career and technical education  
30 student leadership organizations.

31 (14) \$125,000 of the general fund--state appropriation for fiscal  
32 year 2012 and \$125,000 of the general fund--state appropriation for  
33 fiscal year 2013 are provided solely for (a) staff at the office of the  
34 superintendent of public instruction to coordinate and promote efforts  
35 to develop integrated math, science, technology, and engineering  
36 programs in schools and districts across the state; and (b) grants of  
37 \$2,500 to provide twenty middle and high school teachers each year with

1 professional development training for implementing integrated math,  
2 science, technology, and engineering programs in their schools.

3 (15) \$135,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$135,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for science, technology,  
6 engineering and mathematics lighthouse projects, consistent with  
7 chapter 238, Laws of 2010.

8 (16) \$1,000,000 of the general fund--state appropriation for fiscal  
9 year 2012 and \$1,000,000 of the general fund--state appropriation for  
10 fiscal year 2013 are provided solely for a beginning educator support  
11 program. School districts and/or regional consortia may apply for  
12 grant funding. The superintendent shall implement this program in 5 to  
13 15 school districts and/or regional consortia. The program provided by  
14 a district and/or regional consortia shall include: A paid  
15 orientation; assignment of a qualified mentor; development of a  
16 professional growth plan for each beginning teacher aligned with  
17 professional certification; release time for mentors and new teachers  
18 to work together; and teacher observation time with accomplished peers.  
19 \$250,000 may be used to provide statewide professional development  
20 opportunities for mentors and beginning educators.

21 (17) \$5,767,000 of the general fund--state appropriation for fiscal  
22 year 2013 is provided solely pursuant to Engrossed Substitute Senate  
23 Bill No. 5895 (certificated employee evaluations). If the bill is not  
24 enacted by June 30, 2012, the amount provided in this subsection shall  
25 lapse.

26 ((+19+)) (18) \$250,000 of the general fund--state appropriation for  
27 fiscal year 2013 is provided solely for advanced project lead the way  
28 courses at ten high schools. To be eligible for funding, a high school  
29 must have offered a foundational project lead the way course during the  
30 2011-12 school year. The funding must be used for one-time start-up  
31 course costs for an advanced project lead the way course, to be offered  
32 to students beginning in the 2012-13 school year. The office of the  
33 superintendent of public instruction and the education research and  
34 data center at the office of financial management shall track student  
35 participation and long-term outcome data.

36 ((+20+)) (19) \$150,000 of the general fund--state appropriation for  
37 fiscal year 2013 is provided solely for aerospace and manufacturing  
38 technical programs housed at two skill centers. The one-time funding

1 is provided for start-up equipment and curriculum purchases. To be  
2 eligible for funding, the skill center must agree to provide regional  
3 high schools with access to a technology laboratory, expand  
4 manufacturing certificate and course offerings at the skill center, and  
5 provide a laboratory space for local high school teachers to engage in  
6 professional development in the instruction of courses leading to  
7 student employment certification in the aerospace and manufacturing  
8 industries. The office of the superintendent of public instruction  
9 shall administer the grants in consultation with the center for  
10 excellence for aerospace and advanced materials manufacturing.

11 ~~((+21+))~~ (20) \$300,000 of the general fund--state appropriation for  
12 fiscal year 2013 is provided solely for start-up grants to twelve high  
13 schools to implement the aerospace assembler program. Participating  
14 high schools must agree to offer the aerospace assembler training  
15 program to students by spring semester of school year 2012-13. The  
16 office of the superintendent of public instruction and the education  
17 research and data center at the office of financial management shall  
18 track student participation and long-term outcome data.

19 **Sec. 1513.** 2012 2nd sp.s. c 7 s 512 (uncodified) is amended to  
20 read as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
22 **BILINGUAL PROGRAMS**

23	General Fund--State Appropriation (FY 2012) . . . . .	\$79,575,000
24	General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$80,666,000 ))</del>
25		<u>\$83,896,000</u>
26	General Fund--Federal Appropriation . . . . .	\$71,001,000
27	TOTAL APPROPRIATION . . . . .	<del>(( \$231,242,000 ))</del>
28		<u>\$234,472,000</u>

29  
30 The appropriations in this section are subject to the following  
31 conditions and limitations:

32 (1) Each general fund fiscal year appropriation includes such funds  
33 as are necessary to complete the school year ending in the fiscal year  
34 and for prior fiscal year adjustments.

35 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
36 shall allocate funding to school districts for transitional bilingual  
37 programs as provided in RCW 28A.150.260(10)(b). In calculating the  
38 allocations, the superintendent shall assume the following averages:

1 (i) Additional instruction of 4.7780 hours per week per transitional  
2 bilingual program student; (ii) fifteen transitional bilingual program  
3 students per teacher; (iii) 36 instructional weeks per year; (iv) 900  
4 instructional hours per teacher; and (v) the district's average staff  
5 mix and compensation rates as provided in sections 503 and 504 of this  
6 act.

7 (b) From July 1, 2011, to August 31, 2011, the superintendent shall  
8 allocate funding to school districts for transitional bilingual  
9 instruction programs as provided in section 514, chapter 564, Laws of  
10 2009, as amended through section 1411 of this act.

11 (c) The allocations in this section reflect the implementation of  
12 a new funding formula for the transitional bilingual instructional  
13 program, effective September 1, 2011, as specified in RCW  
14 28A.150.260(10)(b).

15 (3) The superintendent may withhold allocations to school districts  
16 in subsection (2) of this section solely for the central provision of  
17 assessments as provided in RCW 28A.180.090 (1) and (2) up to the  
18 following amounts: 2.79 percent for school year 2011-12 and 2.11  
19 percent for school year 2012-13.

20 (4) The general fund--federal appropriation in this section is for  
21 migrant education under Title I Part C and English language  
22 acquisition, and language enhancement grants under Title III of the  
23 elementary and secondary education act.

24 (5) In preparing its 2013-15 biennial budget request, the office of  
25 the superintendent of public instruction shall ~~((prepare--for~~  
26 ~~implementation--of))~~ propose a funding model for the transitional  
27 bilingual program, beginning in school year 2013-14, that is scaled to  
28 provide more support to students requiring most intensive intervention,  
29 (students with beginning levels of English language proficiency) and  
30 less support to students requiring less intervention. The ~~((funding~~  
31 ~~model--))~~ proposal shall also provide up to two years of bonus funding  
32 upon successful exit from the bilingual program to facilitate  
33 successful transition to a standard program of education.

34 \$35,000 of the general fund--state appropriation for fiscal year  
35 2012 and \$35,000 of the general fund--state appropriation for fiscal  
36 year 2013 are provided solely to track current and former transitional  
37 bilingual program students.

1       **Sec. 1514.** 2012 2nd sp.s. c 7 s 513 (uncodified) is amended to  
2 read as follows:

3       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
4       **ASSISTANCE PROGRAM**

5	General Fund--State Appropriation (FY 2012) . . . . .	\$102,619,000
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$128,779,000</del> ))
7		<u>\$127,422,000</u>
8	General Fund--Federal Appropriation . . . . .	(( <del>\$492,207,000</del> ))
9		<u>\$506,207,000</u>
10	Education Legacy Trust Account--State	
11	Appropriation . . . . .	\$23,990,000
12	TOTAL APPROPRIATION . . . . .	(( <del>\$747,595,000</del> ))
13		<u>\$760,238,000</u>

14       The appropriations in this section are subject to the following  
15 conditions and limitations:

16       (1) The general fund--state appropriations in this section are  
17 subject to the following conditions and limitations:

18       (a) The appropriations include such funds as are necessary to  
19 complete the school year ending in the fiscal year and for prior fiscal  
20 year adjustments.

21       (b)(i) For the 2011-12 and 2012-13 school years, the superintendent  
22 shall allocate funding to school districts for learning assistance  
23 programs as provided in RCW 28A.150.260(10)(a). In calculating the  
24 allocations, the superintendent shall assume the following averages:  
25 (A) Additional instruction of 1.51560 hours per week per funded  
26 learning assistance program student; (B) fifteen learning assistance  
27 program students per teacher; (C) 36 instructional weeks per year; (D)  
28 900 instructional hours per teacher; and (E) the district's average  
29 staff mix and compensation rates as provided in sections 503 and 504 of  
30 this act.

31       (ii) From July 1, 2011, to August 31, 2011, the superintendent  
32 shall allocate funding to school districts for learning assistance  
33 programs as provided in section 515, chapter 564, Laws of 2009, as  
34 amended through section 1412 of this act.

35       (c) A school district's funded students for the learning assistance  
36 program shall be the sum of the district's full-time equivalent  
37 enrollment in grades K-12 for the prior school year multiplied by the

1 district's percentage of October headcount enrollment in grades K-12  
2 eligible for free or reduced price lunch in the prior school year.

3 (2) Allocations made pursuant to subsection (1) of this section  
4 shall be adjusted to reflect ineligible applications identified through  
5 the annual income verification process required by the national school  
6 lunch program, as recommended in the report of the state auditor on the  
7 learning assistance program dated February, 2010.

8 (3) The general fund--federal appropriation in this section is  
9 provided for Title I Part A allocations of the no child left behind act  
10 of 2001.

11 (4) A school district may carry over from one year to the next up  
12 to 10 percent of the general fund-state or education legacy trust funds  
13 allocated under this program; however, carryover funds shall be  
14 expended for the learning assistance program.

15 (5) The office of the superintendent of public instruction shall  
16 research and recommend options for an adjustment factor for middle  
17 school and high school free and reduced price lunch eligibility  
18 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report  
19 to the fiscal committees of the legislature by June 1, 2012. For the  
20 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

21 **Sec. 1515.** 2012 2nd sp.s. c 7 s 514 (uncodified) is amended to  
22 read as follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

24 (1) Amounts distributed to districts by the superintendent through  
25 part V of this act are for allocations purposes only and do not entitle  
26 a particular district, district employee, or student to a specific  
27 service, beyond what has been expressly provided in statute. Part V of  
28 this act restates the requirements of various sections of Title 28A  
29 RCW. If any conflict exists, the provisions of Title 28A RCW control  
30 unless this act explicitly states that it is providing an enhancement.

31 Any amounts provided in part V of this act in excess of the amounts  
32 required by Title 28A RCW provided in statute, are not within the  
33 program of basic education.

34 (2) To the maximum extent practicable, when adopting new or revised  
35 rules or policies relating to the administration of allocations in part  
36 V of this act that result in fiscal impact, the office of the



1 superintendent of public instruction shall attempt to seek legislative  
2 approval through the budget request process.

3 (3) Appropriations made in this act to the office of the  
4 superintendent of public instruction shall initially be allotted as  
5 required by this act. Subsequent allotment modifications shall not  
6 include transfers of moneys between sections of this act except as  
7 expressly provided in subsection (4) of this section.

8 (4) The appropriations to the office of the superintendent of  
9 public instruction in this act shall be expended for the programs and  
10 amounts specified in this act. However, after May 1, ((2012)) 2013,  
11 unless specifically prohibited by this act and after approval by the  
12 director of financial management, the superintendent of public  
13 instruction may transfer state general fund appropriations for fiscal  
14 year ((2012)) 2013 among the following programs to meet the  
15 apportionment schedule for a specified formula in another of these  
16 programs: General apportionment; employee compensation adjustments;  
17 pupil transportation; special education programs; institutional  
18 education programs; transitional bilingual programs; highly capable;  
19 and learning assistance programs.

20 (5) The director of financial management shall notify the  
21 appropriate legislative fiscal committees in writing prior to approving  
22 any allotment modifications or transfers under this section.

(End of part)

PART XVI  
HIGHER EDUCATION

**Sec. 1601.** 2012 2nd sp.s. c 7 s 602 (uncodified) is amended to read as follows:

**FOR THE UNIVERSITY OF WASHINGTON**

General Fund--State Appropriation (FY 2012) . . . . .	\$201,226,000
General Fund--State Appropriation (FY 2013) . . . . .	\$201,612,000
Education Legacy Trust Account--State Appropriation . . . .	\$18,579,000
Economic Development Strategic Reserve Account--	
State Appropriation . . . . .	\$1,500,000
Biotoxin Account--State Appropriation . . . . .	<del>(\$450,000)</del>
	<u>\$350,000</u>
Accident Account--State Appropriation . . . . .	\$6,681,000
Medical Aid Account--State Appropriation . . . . .	\$6,488,000
TOTAL APPROPRIATION . . . . .	<del>(\$436,536,000)</del>
	<u>\$436,436,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) \$150,000 of the general fund--state appropriation for fiscal year 2012 and \$150,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the development of integrated medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to Washington State University for WWAMI program expansion in Spokane and eastern Washington.

(3) \$52,000 of the general fund--state appropriation for fiscal year 2012 and \$52,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the center for international trade in forest products in the college of forest resources.

(4) \$88,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for implementation of Engrossed Second

1 Substitute Senate Bill No. 5485 (state's natural resources). If the  
2 bill is not enacted by June 30, 2011, the amount provided in this  
3 subsection shall lapse.

4 (5) \$143,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$144,000 of the general fund--state appropriation for  
6 fiscal year 2013 are provided solely for the ongoing management of the  
7 Washington park arboretum.

8 (6) \$3,800,000 of the general fund--state appropriation for fiscal  
9 year 2013 is provided solely for an expansion in engineering  
10 enrollments, including enrollments in the field of computer science.  
11 Amounts provided in this subsection may be used only to cover direct  
12 costs of instruction associated with this enrollment expansion. By  
13 June 30, 2012, the university shall provide a report to the legislature  
14 that provides specific detail on how these amounts will be spent. Each  
15 September 1st thereafter, the university shall provide an updated  
16 report that provides specific detail on how these amounts were spent in  
17 the preceding twelve months.

18 (7) Amounts appropriated in this section are sufficient for the  
19 university to conduct a comprehensive review of its tuition waiver  
20 policies. The resulting report shall include an overview of tuition  
21 waiver uses and costs (forgone revenue) and outcomes and any  
22 recommendations for changes to tuition waiver policy and shall be  
23 provided to the legislature no later than December 1, 2012.

24 (8) \$610,000 of the general fund--state appropriation for fiscal  
25 year 2012 is provided solely to expand health sciences capacity at the  
26 University of Washington for Washington, Wyoming, Alaska, Montana,  
27 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for  
28 fiscal year 2012 is provided solely to expand health sciences capacity  
29 at the University of Washington for Regional Initiatives in Dental  
30 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full  
31 ramp-up of first-year medical students and dental students each year of  
32 the four-year programs.

33 (9) The University of Washington shall not use funds appropriated  
34 in this section to support intercollegiate athletics programs.

35 (10) Amounts appropriated in this section are sufficient to cover  
36 the costs associated with the implementation of Engrossed Substitute  
37 Senate Bill No. 6486 (collective bargaining for post-doctoral  
38 researchers).

1       **Sec. 1602.** 2012 2nd sp.s. c 7 s 613 (uncodified) is amended to  
2 read as follows:

3       **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**  
4       **ASSISTANCE**

5	General Fund--State Appropriation (FY 2013) . . . . .	\$247,034,000
6	General Fund--Federal Appropriation . . . . .	\$5,812,000
7	Washington Opportunity Pathways Account--State	
8	Appropriation . . . . .	\$73,500,000
9	<u>Aerospace Training Student Loan Account--State</u>	
10	<u>Appropriation . . . . .</u>	<u>\$12,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <del>\$326,346,000</del> ))
12		<u>\$326,358,000</u>

13       The appropriations in this section are subject to the following  
14 conditions and limitations:

15       (1) \$237,018,000 of the general fund--state appropriation for  
16 fiscal year 2013, and \$73,500,000 of the opportunity pathways account--  
17 state appropriation are provided solely for student financial aid  
18 payments under the state need grant and the state work study programs  
19 including up to a four percent administrative allowance for the state  
20 work study program.

21       (2) Within the funds appropriated in this section, eligibility for  
22 the state need grant shall include students with family incomes at or  
23 below 70 percent of the state median family income (MFI), adjusted for  
24 family size, and shall include students enrolled in three to five  
25 credit-bearing quarter credits, or the equivalent semester credits.  
26 The higher education coordinating board shall report to the legislature  
27 by December 1, 2013, regarding the number of students enrolled in three  
28 to five credit-bearing quarter credits, or the equivalent semester  
29 credits, and their academic progress including degree completion.  
30 Awards for all students shall be adjusted by the estimated amount by  
31 which Pell grant increases exceed projected increases in the  
32 noninstructional costs of attendance. Awards for students with incomes  
33 between 51 and 70 percent of the state median shall be prorated at the  
34 following percentages of the award amount granted to those with incomes  
35 below 51 percent of the MFI: 70 percent for students with family  
36 incomes between 51 and 55 percent MFI; 65 percent for students with  
37 family incomes between 56 and 60 percent MFI; 60 percent for students

1 with family incomes between 61 and 65 percent MFI; and 50 percent for  
2 students with family incomes between 66 and 70 percent MFI.

3 (3) \$1,250,000 of the general fund--state appropriation for fiscal  
4 year 2013 is provided solely for implementation of the aerospace  
5 training scholarship and student loan program as specified in Engrossed  
6 Substitute House Bill No. 1846 (aerospace student loans). If the bill  
7 is not enacted by June 30, 2012, the amount provided in this subsection  
8 shall lapse.

9 (4) For fiscal year 2013, the board shall defer loan or conditional  
10 scholarship repayments to the future teachers conditional scholarship  
11 and loan repayment program for up to one year for each participant if  
12 the participant has shown evidence of efforts to find a teaching job  
13 but has been unable to secure a teaching job per the requirements of  
14 the program.

15 (5) \$1,000,000 of the education legacy trust account--state  
16 appropriation is provided solely for the gaining early awareness and  
17 readiness for undergraduate programs project.

18 (6) \$1,500,000 of the general fund--state appropriation for fiscal  
19 year 2013 is provided solely for the leadership 1000 program.

20 (7) \$2,436,000 of the general fund--state appropriation for fiscal  
21 year 2013 is provided solely for the passport to college program. The  
22 maximum scholarship award shall be \$5,000. The board shall contract  
23 with a nonprofit organization to provide support services to increase  
24 student completion in their postsecondary program and shall, under this  
25 contract, provide a minimum of \$500,000 in fiscal year 2013 for this  
26 purpose.

27 (8) In addition to the entities listed in RCW 28B.122.010, the  
28 aerospace student loan program may provide loans to students attending  
29 an aerospace training program at Renton technical college.

30 (9) The office of student financial assistance and the department  
31 of health shall prioritize a portion of any nonfederal balances in the  
32 health professional loan repayment and scholarship fund for conditional  
33 loan repayment contracts with psychiatrists and with advanced  
34 registered nurse practitioners for work at one of the state-operated  
35 psychiatric hospitals. The office and department shall designate the  
36 state hospitals as health professional shortage areas if necessary for  
37 this purpose. The office of student financial assistance shall  
38 coordinate with the department of social and health services to

effectively incorporate these conditional loan repayments into the department's advanced psychiatric professional recruitment and retention strategies.

(10) \$50,000 of the amount provided in this section shall be used to convene the higher education loan program work group. The work group shall develop methods for funding the loan program in the future, as well as recommendations regarding the best loan program structure for providing financial aid to underserved populations. The work group shall seek out technical advice from the housing finance commission. At a minimum, the recommendations regarding the proposed loan program must take into account the following: Whether students could benefit from the creation of a new student loan program; the relationship between the student loan program and the state need grant program and the state need grant qualified student population; mechanisms to achieve interest rates that are below those offered in federally guaranteed and private bank student loans; sources of initial and on-going funding for loans and program operation; and default risks, reserve requirements, and other conditions required for the student loan program. The work group shall provide a report to the legislature no later than December 1, 2012.

**Sec. 1603.** 2012 2nd sp.s. c 7 s 615 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund--State Appropriation (FY 2012) . . . . .	\$25,497,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$27,190,000</del> ))
	<u>\$27,379,000</u>
General Fund--Federal Appropriation . . . . .	\$280,619,000
Opportunity Pathways Account--State Appropriation . . . . .	\$78,000,000
Home Visiting Services Account--Federal Appropriation . . . . .	\$300,000
<u>Children's Trust Account--State Appropriation . . . . .</u>	<u>\$142,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$411,606,000</del> ))
	<u>\$411,937,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$16,028,000 of the general fund--state appropriation for fiscal year 2012, \$18,028,000 of the general fund--state appropriation of fiscal year 2013, \$78,000,000 of the opportunity pathways account

1 appropriation, and \$2,256,000 of the general fund--federal  
2 appropriation are provided solely for the early childhood education  
3 assistance program services. Of these amounts, \$10,284,000 is a  
4 portion of the biennial amount of state maintenance of effort dollars  
5 required to receive federal child care and development fund grant  
6 dollars.

7 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the  
8 department is authorized to increase child care center and child care  
9 family home licensure fees in fiscal years 2012 and 2013 for costs to  
10 the department for the licensure activity, including costs of necessary  
11 inspection. These increases are necessary to support expenditures  
12 authorized in this section.

13 (3) \$64,000 of the general fund--state appropriation for fiscal  
14 year 2012, \$638,000 of the general fund--state appropriation for fiscal  
15 year 2013, and \$574,000 of the general fund--federal appropriation are  
16 provided solely for child care resource and referral network services.

17 (4) \$200,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$200,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely to develop and provide culturally  
20 relevant supports for parents, family, and other caregivers.

21 (5) The department is the lead agency for and recipient of the  
22 federal child care and development fund grant. Amounts within this  
23 grant shall be used to fund child care licensing, quality initiatives,  
24 agency administration, and other costs associated with child care  
25 subsidies. The department shall transfer a portion of this grant to  
26 the department of social and health services to fund the child care  
27 subsidies paid by the department of social and health services on  
28 behalf of the department of early learning.

29 (6) The appropriations in this section reflect reductions in the  
30 appropriations for the department's administrative expenses. It is the  
31 intent of the legislature that these reductions shall be achieved, to  
32 the greatest extent possible, by reducing those administrative costs  
33 that do not affect direct client services or direct service delivery or  
34 program.

35 (7) \$934,000 of the general fund--state appropriation for fiscal  
36 year 2012, \$934,000 of the general fund--state appropriation for fiscal  
37 year 2013, and \$2,400,000 of the general fund--federal appropriation

1 are provided solely for expenditure into the home visiting services  
2 account. This funding is intended to meet federal maintenance of  
3 effort requirements and to secure private matching funds.

4 (a) All federal funds received by the department for home visiting  
5 activities must be deposited into the home visiting services account.

6 (b) The department must consult with stakeholders during the  
7 development of the Washington home visiting plan and any future  
8 proposals for federal funding.

9 (c) No more than \$300,000 of the home visiting services account--  
10 federal appropriation may be expended for program administration for  
11 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be  
12 expended for that purpose.

13 (8)(a) \$153,558,000 of the general fund--federal appropriation is  
14 provided solely for the working connections child care program under  
15 RCW 43.215.135.

16 (b) In addition to groups that were given prioritized access to the  
17 working connections child care program effective March 1, 2011, the  
18 department shall also give prioritized access into the program to  
19 families in which a parent of a child in care is a minor who is not  
20 living with a parent or guardian and who is a full-time student in a  
21 high school that has a school-sponsored on-site child care center.

22 (9)(a) \$50,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$1,050,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for implementation and  
25 administration of an electronic benefit transfer system. The system  
26 shall include electronic time keeping, integrated with an eligibility  
27 information technology system, and an electronic payment system. The  
28 department shall coordinate implementation of this system with the  
29 department of social and health services.

30 (b) \$100,000 of the general fund--state appropriation in this  
31 subsection is provided solely for the department to contract for an  
32 independent consultant to evaluate and recommend the optimum system for  
33 the eligibility determination process. The evaluation must include an  
34 analysis of lean management processes that, if adopted, could improve  
35 the cost effectiveness and delivery of eligibility determination. The  
36 department shall coordinate with the department of social and health  
37 services for this evaluation. The department must report to the office



1 of financial management and the appropriate fiscal and policy  
2 committees of the legislature by December 1, 2012.

3 (10) Within available amounts, the department in consultation with  
4 the office of financial management and the department of social and  
5 health services shall report quarterly enrollments and active caseload  
6 for the working connections child care program to the legislative  
7 fiscal committees and the legislative-executive WorkFirst oversight  
8 task force. The report shall also identify the number of cases  
9 participating in both temporary assistance for needy families and  
10 working connections child care.

11 (11) \$1,025,000 of the general fund--state appropriation for fiscal  
12 year 2013 and \$6,712,000 of the general fund--federal appropriation are  
13 provided solely for the seasonal child care program in fiscal year  
14 2013.

15 (12) \$2,522,000 of the general fund--state appropriation for fiscal  
16 year 2012, \$2,522,000 of the general fund--state appropriation for  
17 fiscal year 2013, and \$4,304,000 of the general fund--federal  
18 appropriation are provided solely for the medicaid treatment child care  
19 (MTCC) program. The department shall contract for MTCC services to  
20 provide therapeutic child care and other specialized treatment services  
21 to abused, neglected, at-risk, and/or drug-affected children. Priority  
22 for services shall be given to children referred from the department of  
23 social and health services children's administration. In addition to  
24 referrals made by children's administration, the department shall  
25 authorize services for children referred to the MTCC program, as long  
26 as the children meet the eligibility requirements as outlined in the  
27 Washington state plan for the MTCC program. Of the amounts  
28 appropriated in this subsection, \$60,000 per fiscal year may be used by  
29 the department for administering the MTCC program, if needed.

30 (13)(a) The department shall establish a birth-to-three  
31 subcommittee of the early learning advisory council. The subcommittee  
32 will be cochaired by the department and nongovernmental private-public  
33 partnership created in RCW 43.215.070. The subcommittee shall include  
34 at least one representative from each of the following:

- 35 (i) The early learning advisory council;
- 36 (ii) The office of the superintendent of public instruction;
- 37 (iii) The department of social and health services;
- 38 (iv) The department of early learning;

(v) The nongovernmental private-public partnership created in RCW 43.215.070;

(vi) The early learning action alliance; and

(vii) Additional stakeholders with expertise in birth-to-three policy and programs and quality child care, as designated by the early learning advisory council.

(b) The subcommittee may convene advisory subgroups on specific topics as necessary to assure participation and input from a broad array of diverse stakeholders.

(c) The subcommittee shall be monitored and overseen by the early learning advisory council created in RCW 43.215.090.

(d) The subcommittee shall develop a birth-to-three implementation proposal, which shall include further development of the Washington state birth-to-three plan.

(e) The subcommittee must include recommendations on the following in its birth-to-three proposal:

(i) Eligibility criteria for providers and programs;

(ii) The level of funding necessary to implement birth-to-three programs, including an option which makes available funding equivalent to thirty percent of the funding provided for the program of early learning established in RCW 43.215.141;

(iii) Options for funding sources for birth-to-three programs;

(iv) Governance responsibilities for the department of early learning; and

(v) A timeline for implementation that is concurrent with the expansion to the early learning program outlined in RCW 43.215.142.

The subcommittee must present its recommendations to the early learning advisory council and the appropriate committees of the legislature by December 1, 2012.

(14) \$300,000 of the general fund--federal appropriation is provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

**Sec. 1604.** 2012 2nd sp.s. c 7 s 616 (uncodified) is amended to read as follows:

**FOR THE STATE SCHOOL FOR THE BLIND**

General Fund--State Appropriation (FY 2012) . . . . . \$5,776,000

1 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$5,671,000~~))  
2 \$5,691,000  
3 TOTAL APPROPRIATION . . . . . ((~~\$11,447,000~~))  
4 \$11,467,000

5 **Sec. 1605.** 2012 2nd sp.s. c 7 s 617 (uncodified) is amended to  
6 read as follows:

7 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**  
8 **LOSS**

9 General Fund--State Appropriation (FY 2012) . . . . . \$8,439,000  
10 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$8,335,000~~))  
11 \$8,431,000  
12 TOTAL APPROPRIATION . . . . . ((~~\$16,774,000~~))  
13 \$16,870,000

(End of part)

PART XVII  
SPECIAL APPROPRIATIONS

**Sec. 1701.** 2012 2nd sp.s. c 7 s 701 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2012) . . . . .	\$911,643,000
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$949,349,000</del> ))
	<u>\$936,965,000</u>
State Building Construction Account--State	
Appropriation . . . . .	(( <del>\$3,866,000</del> ))
	<u>\$5,016,000</u>
Columbia River Basin Water Supply Development	
Account--State Appropriation . . . . .	(( <del>\$121,000</del> ))
	<u>\$220,000</u>
Hood Canal Aquatic Rehabilitation Bond Account--State	
Appropriation . . . . .	(( <del>\$4,000</del> ))
	<u>\$5,000</u>
State Taxable Building Construction Account--State	
Appropriation . . . . .	(( <del>\$90,000</del> ))
	<u>\$71,000</u>
Gardner-Evans Higher Education Construction	
Account--State Appropriation . . . . .	(( <del>\$13,000</del> ))
	<u>\$23,000</u>
Debt-Limit Reimbursable Bond Retire Account--State	
Appropriation . . . . .	(( <del>\$2,300,000</del> ))
	<u>\$2,299,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$1,867,386,000</del> ))
	<u>\$1,856,242,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

1       **Sec. 1702.** 2012 2nd sp.s. c 7 s 702 (uncodified) is amended to  
2 read as follows:

3       **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**  
4       **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**  
5       **BE REIMBURSED AS PRESCRIBED BY STATUTE**

6	General Fund--State Appropriation (FY 2012) . . . . .	\$27,400,000
7	General Fund--State Appropriation (FY 2013) . . . . .	\$30,572,000
8	Nondebt-Limit Reimbursable Bond Retirement	
9	Account--State Appropriation . . . . .	(( <del>\$140,128,000</del> ))
10		<u>\$137,290,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <del>\$198,100,000</del> ))
12		<u>\$195,262,000</u>

13       The appropriations in this section are subject to the following  
14 conditions and limitations: The general fund appropriation is for  
15 expenditure into the nondebt-limit general fund bond retirement  
16 account. The entire general fund--state appropriation for fiscal year  
17 2012 shall be expended into the nondebt-limit general fund bond  
18 retirement account by June 30, 2012.

19       **Sec. 1703.** 2011 2nd sp.s. c 9 s 703 (uncodified) is amended to  
20 read as follows:

21       **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**  
22       **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

23	General Fund--State Appropriation (FY 2012) . . . . .	\$1,357,000
24	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,357,000</del> ))
25		<u>\$616,000</u>
26	State Building Construction Account--State	
27	Appropriation . . . . .	(( <del>\$356,000</del> ))
28		<u>\$697,000</u>
29	Columbia River Basin Water Supply Development	
30	Account--State Appropriation . . . . .	\$21,000
31	Hood Canal Aquatic Rehabilitation Bond Account--State	
32	Appropriation . . . . .	\$1,000
33	State Taxable Building Construction Account--State	
34	Appropriation . . . . .	(( <del>\$25,000</del> ))
35		<u>\$31,000</u>
36	Gardner-Evans Higher Education Construction	
37	Account--State Appropriation . . . . .	(( <del>\$2,000</del> ))

1 \$3,000  
2 TOTAL APPROPRIATION . . . . . ((~~\$3,119,000~~))  
3 \$2,726,000

4 **Sec. 1704.** 2012 2nd sp.s. c 7 s 707 (uncodified) is amended to  
5 read as follows:

6 **FOR SUNDRY CLAIMS**

7 The following sums, or so much thereof as may be necessary, are  
8 appropriated from the general fund for fiscal year 2012, unless  
9 otherwise indicated, for relief of various individuals, firms, and  
10 corporations for sundry claims. These appropriations are to be  
11 disbursed on vouchers approved by the director of financial management,  
12 except as otherwise provided, for reimbursement of criminal defendants  
13 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as  
14 follows:

15 (1) Clint L. Powell, Jr., claim number 99970048 . . . . . \$58,155.10  
16 (2) Chance L. Hawkins, claim number 99970049 . . . . . \$28,838.95  
17 (3) Edgar L. Hawkins, claim number 99970050 . . . . . \$25,507.00  
18 (4) James Abbott, claim number 99970051 . . . . . \$9,880.00  
19 (5) Richard Frisk, claim number 99970052 . . . . . \$32,788.50  
20 (6) Brian Barnd-Spjut, claim number 99970053 . . . . . \$122,821.79  
21 (7) Dwijen Buckendorf, claim number 99970059 . . . . . \$2,100.00  
22 (8) Todd Chism, claim number 99970061 . . . . . \$56,183.26  
23 (9) James Glasco, claim number 99970062 . . . . . \$18,800.00  
24 (10) David Holtzclaw, claim number 99970057 . . . . . \$15,154.52  
25 (11) Gary Richey, claim number 99970063 . . . . . \$9,020.00  
26 (12) Shelly Porter, claim number 99970054 . . . . . \$12,525.72  
27 (13) Yakov Topik, claim number 99970047 . . . . . \$28,500.00  
28 (14) Luther Wallace, claim number 99970060 . . . . . \$76,256.93  
29 (15) Mark Fenton, claim number 99970064 . . . . . \$27,637.50  
30 (16) Reid Woods, claim number 99970065 . . . . . \$7,296.38  
31 (17) Thurman Young, claim number 99970066 . . . . . \$62,399.42  
32 (18) James Daniel Emmett, claim number 99970067 . . . . . \$9,000.00

33 NEW SECTION. **Sec. 1705.** A new section is added to 2011 1st sp.s.  
34 c 50 (uncodified) to read as follows:

35 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**

1   **COSTS**

2   General Fund--State Appropriation (FY 2013) . . . . . \$728,000

3       The appropriation in this section is subject to the following  
4   conditions and limitations: The director of financial management shall  
5   distribute \$545,000 to Grant County and \$183,000 to Yakima County for  
6   extraordinary criminal justice costs.

(End of part)

PART XVIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1801. 2012 2nd sp.s. c 7 s 801 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance	
premium distributions . . . . .	(( <del>\$8,289,000</del> ))
	<u>\$7,773,000</u>
General Fund Appropriation for public utility	
district excise tax distributions . . . . .	(( <del>\$44,078,000</del> ))
	<u>\$49,883,000</u>
General Fund Appropriation for prosecuting	
attorney distributions . . . . .	(( <del>\$6,281,000</del> ))
	<u>\$5,805,000</u>
General Fund Appropriation for boating safety	
and education distributions . . . . .	\$4,000,000
General Fund Appropriation for other tax	
distributions . . . . .	(( <del>\$58,000</del> ))
	<u>\$63,000</u>
General Fund Appropriation for habitat conservation	
program distributions . . . . .	\$3,000,000
Death Investigations Account Appropriation for	
distribution to counties for publicly funded	
autopsies . . . . .	\$2,960,000
Aquatic Lands Enhancement Account Appropriation for	
harbor improvement revenue distribution . . . . .	\$160,000
Timber Tax Distribution Account Appropriation for	
distribution to "timber" counties . . . . .	(( <del>\$58,229,000</del> ))
	<u>\$61,983,000</u>
County Criminal Justice Assistance Appropriation . . .	(( <del>\$69,566,000</del> ))
	<u>\$69,532,000</u>
Municipal Criminal Justice Assistance	
Appropriation . . . . .	(( <del>\$26,843,000</del> ))
	<u>\$26,833,000</u>
City-County Assistance Account Appropriation for local	
government financial assistance distribution . . .	(( <del>\$12,159,000</del> ))



1		<u>\$14,922,000</u>
2	Liquor Excise Tax Account Appropriation for liquor	
3	excise tax distribution . . . . .	(( <del>\$25,617,000</del> ))
4		<u>\$25,889,000</u>
5	Streamlined Sales and Use Tax Mitigation Account	
6	Appropriation for distribution to local taxing	
7	jurisdictions to mitigate the unintended revenue	
8	redistribution effect of the sourcing law	
9	changes . . . . .	\$49,309,000
10	Columbia River Water Delivery Account Appropriation for	
11	the Confederated Tribes of the Colville	
12	Reservation . . . . .	(( <del>\$7,478,000</del> ))
13		<u>\$7,481,000</u>
14	Columbia River Water Delivery Account Appropriation for	
15	the Spokane Tribe of Indians . . . . .	(( <del>\$4,794,000</del> ))
16		<u>\$4,795,000</u>
17	Liquor Revolving Account Appropriation for liquor	
18	profits distribution . . . . .	(( <del>\$85,132,000</del> ))
19		<u>\$96,456,000</u>
20	TOTAL APPROPRIATION . . . . .	(( <del>\$407,953,000</del> ))
21		<u>\$430,844,000</u>

22 The total expenditures from the state treasury under the  
23 appropriations in this section shall not exceed the funds available  
24 under statutory distributions for the stated purposes.

25 **Sec. 1802.** 2012 2nd sp.s. c 7 s 802 (uncodified) is amended to  
26 read as follows:

27 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**  
28 **ACCOUNT**

29	Impaired Driver Safety Account Appropriation . . . . .	(( <del>\$2,439,000</del> ))
30		<u>\$2,422,000</u>

31 The appropriation in this section is subject to the following  
32 conditions and limitations: The amount appropriated in this section  
33 shall be distributed quarterly during the 2011-2013 fiscal biennium in  
34 accordance with RCW 82.14.310. This funding is provided to counties  
35 for the costs of implementing criminal justice legislation including,  
36 but not limited to: Chapter 206, Laws of 1998 (drunk driving  
37 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,

Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**Sec. 1803.** 2012 2nd sp.s. c 7 s 803 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**  
Impaired Driver Safety Account Appropriation . . . . . (~~(\$1,626,000)~~)  
\$1,615,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2011-2013 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**Sec. 1804.** 2011 1st sp.s. c 50 s 804 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**  
General Fund Appropriation for federal flood control  
funds distribution . . . . . (~~(\$74,000)~~)  
\$52,000  
General Fund Appropriation for federal grazing fees



1 to the state general fund for fiscal year 2012, an amount  
 2 not to exceed the actual cash balance of the fund . . . . \$1,996,000  
 3 Data Processing Revolving Account: For transfer  
 4 to the state general fund, \$5,960,000 for fiscal  
 5 year 2012 . . . . . \$5,960,000  
 6 Drinking Water Assistance Account: For transfer to  
 7 the drinking water assistance repayment account . . . . \$38,000,000  
 8 Economic Development Strategic Reserve Account: For  
 9 transfer to the state general fund, \$2,100,000  
 10 for fiscal year 2012 and \$2,100,000 for fiscal  
 11 year 2013 . . . . . \$4,200,000  
 12 General Fund: For transfer to the streamlined sales  
 13 and use tax account, \$24,520,000  
 14 for fiscal year 2012 and ((~~\$24,789,000~~)) \$24,480,000  
 15 for fiscal year 2013 . . . . . ((~~\$49,309,000~~))  
 16 \$49,000,000  
 17 Public Works Assistance Account: For transfer to the  
 18 water pollution control revolving account,  
 19 \$7,750,000 for fiscal year 2012 and \$7,750,000 for  
 20 fiscal year 2013 . . . . . \$15,500,000  
 21 The Charitable, Educational, Penal, and Reformatory  
 22 Institutions Account: For transfer to the state  
 23 general fund, \$4,500,000 for fiscal year 2012 and  
 24 \$4,500,000 for fiscal year 2013 . . . . . \$9,000,000  
 25 Thurston County Capital Facilities Account: For  
 26 transfer to the state general fund, \$4,000,000  
 27 for fiscal year 2012 and \$4,000,000 for fiscal  
 28 year 2013 . . . . . \$8,000,000  
 29 Public Works Assistance Account: For transfer to the  
 30 drinking water assistance account, \$10,000,000 for  
 31 fiscal year 2012 and \$5,000,000 for fiscal year  
 32 2013 . . . . . \$15,000,000  
 33 Liquor Control Board Construction and Maintenance  
 34 Account: For transfer to the state general fund,  
 35 \$500,000 for fiscal year 2012 . . . . . \$500,000  
 36 Education Savings Account: For transfer to the state  
 37 general fund, ((~~\$54,431,000 for fiscal~~  
 38 ~~year 2012~~)) an amount not to exceed the actual

1        cash balance of the fund . . . . . \$54,431,000  
 2    Department of Retirement Systems Expense Account:  
 3        For transfer to the state general fund,  
 4        \$2,330,000 for fiscal year 2012 and  
 5        \$4,330,000 for fiscal year 2013 . . . . . \$6,660,000  
 6    Education Construction Account: For transfer to the  
 7        state general fund, \$102,000,000 for fiscal year  
 8        2012 and \$102,000,000 for fiscal year 2013 . . . . . \$204,000,000  
 9    Public Works Assistance Account: For transfer to the  
 10       state general fund, \$40,000,000  
 11       for fiscal year 2012 and \$40,000,000  
 12       for fiscal year 2013 . . . . . \$80,000,000  
 13    Foster Care Endowed Scholarship Trust Fund: For transfer  
 14       to the state general fund, \$200,000 for fiscal year  
 15       2012 and \$200,000 for fiscal year 2013 . . . . . \$400,000  
 16    Affordable Housing For All Account: For transfer to  
 17       the home security fund, \$1,000,000 for fiscal year  
 18       2012 and \$1,000,000 for fiscal year 2013 . . . . . \$2,000,000  
 19    Tobacco Settlement Account: For transfer to the state  
 20       general fund, in an amount not to exceed the actual  
 21       amount of the annual base payment to the tobacco  
 22       settlement account . . . . . \$158,205,000  
 23    Tobacco Settlement Account: For transfer to the basic  
 24       health plan stabilization account from the amounts  
 25       deposited in the account that are attributable to the  
 26       annual strategic contribution payment received in  
 27       fiscal year 2012 . . . . . \$22,000,000  
 28    Tobacco Settlement Account: For transfer to the basic  
 29       health plan stabilization account from the amounts  
 30       deposited in the account that are attributable to the  
 31       annual strategic contribution payment received in  
 32       fiscal year 2013 . . . . . \$22,000,000  
 33    Tobacco Settlement Account: For transfer to the life  
 34       sciences discovery fund, in an amount not to exceed  
 35       the actual remaining amount of the annual strategic  
 36       contribution payment to the tobacco settlement account  
 37       for fiscal year 2012 . . . . . \$6,000,000  
 38    Tobacco Settlement Account: For transfer to the life

1        sciences discovery fund, in an amount not to exceed  
 2        the actual remaining amount of the annual strategic  
 3        contribution payment to the tobacco settlement account  
 4        for fiscal year 2013 . . . . . \$6,000,000  
 5        The transfer to the life sciences discovery fund is subject to the  
 6        following conditions: All new grants awarded during the 2011-2013  
 7        fiscal biennium shall support and accelerate the commercialization of  
 8        an identifiable product.  
 9        Financial Services Regulation Fund: For transfer to  
 10       the state general fund, \$4,000,000 for fiscal  
 11       year 2012 . . . . . \$4,000,000  
 12       State Nursery Revolving Account: For transfer to the  
 13       state general fund, \$250,000 for fiscal year 2012 and  
 14       \$250,000 for fiscal year 2013 . . . . . \$500,000  
 15       Washington State Heritage Center Account: For transfer  
 16       to the state general fund, \$2,000,000 for fiscal  
 17       year 2013 . . . . . \$2,000,000  
 18       Local Toxics Control Account: For transfer to the state  
 19       toxics control account, \$15,000,000 for fiscal  
 20       year 2012 and \$16,000,000 for fiscal year 2013 . . . . . \$31,000,000  
 21       Coastal Protection Account: For transfer to the state  
 22       general fund, \$500,000 for fiscal year 2012 and  
 23       \$500,000 for fiscal year 2013 . . . . . \$1,000,000  
 24       ~~((Multimodal Transportation Account—State: For transfer~~  
 25       ~~to the Public Transportation Grant Program Account~~  
 26       ~~for the purposes of distributions of \$3,000,000 on~~  
 27       ~~each of the last working days of December, March,~~  
 28       ~~and June in fiscal year 2013 . . . . . \$9,000,000))~~  
 29       Aquatic Lands Enhancement Account: For transfer to  
 30       the marine resources stewardship trust account,  
 31       \$2,100,000 for fiscal year 2013 . . . . . \$2,100,000

1                                   **PART XIX**  
2                                   **MISCELLANEOUS**

3           **Sec. 1901.** 2011 1st sp.s. c 41 s 3 (uncodified) is amended to read  
4 as follows:

5           Upon implementation of the expansion directed in RCW 74.09.659, the  
6 office of financial management shall reduce general fund--state  
7 allotments for the medical assistance program by one million five  
8 hundred thousand dollars for fiscal year 2012 (~~and by two million~~  
9 ~~three hundred fifty thousand dollars for fiscal year 2013~~). The  
10 amounts reduced from allotments shall be placed in reserve status and  
11 remain unexpended.

12           NEW SECTION.   **Sec. 1902.** 2011 c 41 s 3 (uncodified) is repealed.

13           NEW SECTION.   **Sec. 1903.** If any provision of this act or its  
14 application to any person or circumstance is held invalid, the  
15 remainder of the act or the application of the provision to other  
16 persons or circumstances is not affected.

17           NEW SECTION.   **Sec. 1904.** This act is necessary for the immediate  
18 preservation of the public peace, health, or safety, or support of the  
19 state government and its existing public institutions, and takes effect  
20 immediately except for sections 964, 971, and 981 of this act which  
21 take effect July 28, 2013.

22           NEW SECTION.   **Sec. 1905.** Section 972 of this act expires June 30,  
23 2016.

(End of bill)

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