

FIFTY EIGHTH DAY

MORNING SESSION

Senate Chamber, Olympia, Tuesday, March 12, 2013

The Senate was called to order at 9:00 a.m. by President Owen. The Secretary called the roll and announced to the President that all Senators were present.

The Sergeant at Arms Color Guard consisting of Pages Olivia Banks and Brooklyn Lynch, presented the Colors. Senator Pearson offered the prayer.

MOTION

On motion of Senator Fain, the reading of the Journal of the previous day was dispensed with and it was approved.

MOTION

On motion of Senator Fain, the Senate advanced to the fourth order of business.

MESSAGE FROM THE HOUSE

March 11, 2013

MR. PRESIDENT:

The House has passed:

HOUSE BILL NO. 1108,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1114,
 HOUSE BILL NO. 1182,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1383,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1399,
 SUBSTITUTE HOUSE BILL NO. 1422,
 SUBSTITUTE HOUSE BILL NO. 1435,
 HOUSE BILL NO. 1471,
 SUBSTITUTE HOUSE BILL NO. 1499,
 SECOND SUBSTITUTE HOUSE BILL NO. 1518,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1522,
 SUBSTITUTE HOUSE BILL NO. 1527,
 HOUSE BILL NO. 1531,
 HOUSE BILL NO. 1534,
 HOUSE BILL NO. 1565,
 SUBSTITUTE HOUSE BILL NO. 1613,
 SECOND SUBSTITUTE HOUSE BILL NO. 1627,
 SUBSTITUTE HOUSE BILL NO. 1737,
 SECOND SUBSTITUTE HOUSE BILL NO. 1777,
 HOUSE BILL NO. 1795,
 HOUSE BILL NO. 1800,
 and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

MOTION

On motion of Senator Fain, the Senate advanced to the fifth order of business.

INTRODUCTION AND FIRST READING

SB 5868 by Senator Fraser

AN ACT Relating to increasing nonhighway fuel tax refunds; amending RCW 46.10.530 and 79A.25.070; reenacting and amending RCW 46.09.520; and creating a new section.

Referred to Committee on Transportation.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

ESHB 1007 by House Committee on Transportation (originally sponsored by Representatives Kagi, Clibborn, Stanford, Ryu, Moscoso, Hudgins, Reykdal, Fitzgibbon, Appleton, Maxwell, Green and Fey)

AN ACT Relating to covering loads on public highways; amending RCW 46.61.655; and providing an effective date.

Referred to Committee on Transportation.

HB 1008 by Representatives Hunt, Appleton, Hurst, McCoy, Condotta, Fitzgibbon, Tharinger, Upthegrove, Reykdal and Magendanz

AN ACT Relating to allowing sales of growlers of cider; and adding a new section to chapter 66.28 RCW.

Referred to Committee on Commerce & Labor.

EHB 1013 by Representatives Appleton, Seaquist, Ryu and Hansen

AN ACT Relating to authorizing regular meetings of county legislative authorities to be held at alternate locations within the county; and amending RCW 36.32.080.

Referred to Committee on Governmental Operations.

HB 1028 by Representatives Dahlquist, Hurst and Clibborn

AN ACT Relating to the scenic and recreational highway on state route number 410; and amending RCW 47.39.020.

Referred to Committee on Transportation.

SHB 1068 by House Committee on Finance (originally sponsored by Representatives Manweller and Warnick)

AN ACT Relating to the television reception improvement district excise tax; and amending RCW 36.95.100, 36.95.130, 36.95.160, and 36.95.180.

Referred to Committee on Governmental Operations.

ESHB 1090 by House Committee on Local Government (originally sponsored by Representatives Shea, Reykdal, Crouse, Holy, Springer and Dahlquist)

AN ACT Relating to increasing the dollar amount for construction of a dock that does not qualify as a substantial development under the shoreline management act; and reenacting and amending RCW 90.58.030.

Referred to Committee on Natural Resources & Parks.

ESHB 1117 by House Committee on Judiciary (originally sponsored by Representatives Hansen, Rodne and Pedersen)

AN ACT Relating to the transfer of real property by deed taking effect at the grantor's death; amending RCW 11.07.010, 11.11.010, 11.18.200, 11.86.011, 11.94.050, 82.45.010, 82.45.197, 82.45.150, and 84.33.140; reenacting and amending RCW 11.02.005 and 84.34.108; adding a new chapter to Title 64 RCW; and providing a contingent effective date.

Referred to Committee on Law & Justice.

HB 1124 by Representatives Hurst and Condotta

AN ACT Relating to recommendations for streamlining reporting requirements for taxes and fees on spirits; adding a new section to chapter 66.08 RCW; and creating a new section.

Referred to Committee on Commerce & Labor.

E2SHB 1134 by House Committee on Appropriations (originally sponsored by Representatives McCoy, Santos, Appleton, Lytton, Ryu, Stanford, Roberts, Jinkins, Haigh, Freeman and Hunt)

AN ACT Relating to state-tribal education compact schools; amending RCW 49.60.400 and 84.52.0531; adding a new section to chapter 28A.642 RCW; adding a new chapter to Title 28A RCW; and providing an expiration date.

Referred to Committee on Ways & Means.

2SHB 1158 by House Committee on Appropriations Subcommittee on General Government (originally sponsored by Representatives Kirby, Green, O'Ban, Sawyer, Ryu and Morrell)

AN ACT Relating to the annexation of property owned by the state for military purposes; and amending RCW 43.41.100, 35.13.125, 35.13.130, and 35A.14.120.

Referred to Committee on Governmental Operations.

HB 1159 by Representatives Lytton, Buys, Morris and Ryu

AN ACT Relating to increasing the number of superior court judges in Whatcom county; amending RCW 2.08.063; and creating a new section.

Referred to Committee on Law & Justice.

ESHB 1247 by House Committee on Labor & Workforce Development (originally sponsored by Representatives Hansen, Warnick, Smith, Zeiger, Fey, Springer, Tharinger and Santos)

AN ACT Relating to the job skills program; and amending RCW 28C.04.420.

Referred to Committee on Higher Education.

ESHB 1252 by House Committee on Appropriations (originally sponsored by Representatives Stonier, Carlyle, Sullivan, Lytton, Hunt, Maxwell, Harris, Takko, Fitzgibbon,

Morrell, Tarleton, Jinkins, Hawkins, Haigh, Bergquist, Dahlquist, Tharinger, Freeman and Roberts)

AN ACT Relating to K-12 professional development for teachers and principals; adding a new section to chapter 28B.20 RCW; adding a new section to chapter 28A.415 RCW; and creating new sections.

Referred to Committee on Ways & Means.

HB 1269 by Representatives Smith, Takko and Upthegrove

AN ACT Relating to legal entities casting votes in diking districts; and amending RCW 85.38.010, 85.38.105, and 85.38.110.

Referred to Committee on Governmental Operations.

EHB 1276 by Representatives Reykdal, Hunt, Tharinger, Wylie, Pollet, Jinkins, Ryu, Roberts, Morrell and Bergquist

AN ACT Relating to dropout prevention through engaging youth in farming; adding a new section to chapter 28A.630 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Early Learning & K-12 Education.

SHB 1283 by House Committee on Education (originally sponsored by Representatives Maxwell, Stonier, Johnson, Hunt, Reykdal, Bergquist, Sawyer, Pollet, Cody, Kagi, Roberts, Orwall, Lytton, Jinkins and Ryu)

AN ACT Relating to changing compulsory school attendance requirements for children six and seven years of age; amending RCW 28A.225.010, 28A.225.020, 28A.225.025, 28A.225.030, 28A.225.035, 28A.225.090, and 28A.200.010; and repealing RCW 28A.225.015.

Referred to Committee on Early Learning & K-12 Education.

ESHB 1290 by House Committee on Government Operations & Elections (originally sponsored by Representatives Orwall, Hunt, Bergquist, Fitzgibbon, Maxwell, Lytton, McCoy, Ryu, Riccelli, Hudgins, Pollet, Zeiger, Farrell and Ormsby)

AN ACT Relating to placement of ballot drop boxes; adding new sections to chapter 29A.40 RCW; and prescribing penalties.

Referred to Committee on Governmental Operations.

E2SHB 1301 by House Committee on Finance (originally sponsored by Representatives Morris, Ryu, McCoy, Hudgins, Morrell and Pollet)

AN ACT Relating to creating clean energy jobs in Washington state through renewable energy incentives; amending RCW 82.16.120 and 82.16.130; adding new sections to chapter 82.16 RCW; adding a new section to chapter 80.28 RCW; creating a new section; providing an effective date; providing an expiration date; and declaring an emergency.

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Referred to Committee on Energy, Environment & Telecommunications.

E2SHB 1302 by House Committee on Appropriations (originally sponsored by Representatives Roberts, Walsh, Kagi, Goodman, Carlyle, Freeman, Stonier, Reykdal, Lytton, Jinkins, Ryu, Maxwell, Tharinger, Santos and Pollet)

AN ACT Relating to extended foster care services; amending RCW 13.34.145, 13.34.267, 74.13.020, and 74.13.031; reenacting and amending RCW 13.34.030, 74.13.020, and 74.13.031; creating new sections; providing an effective date; and providing an expiration date.

Referred to Committee on Ways & Means.

E2SHB 1306 by House Committee on Finance (originally sponsored by Representatives Wylie, Moeller, Harris, Pike, Johnson, Chandler, Sells, Pollet, Upthegrove and Moscoso)

AN ACT Relating to extending the expiration dates of the local infrastructure financing tool program; amending RCW 82.14.475, 39.102.150, and 39.102.020; reenacting and amending RCW 39.102.140; adding a new section to chapter 39.102 RCW; repealing RCW 39.102.904; and providing expiration dates.

Referred to Committee on Ways & Means.

SHB 1314 by House Committee on Environment (originally sponsored by Representatives Green, O'Ban, Zeiger, Fey, Upthegrove and Jinkins)

AN ACT Relating to municipally produced class A biosolids; reenacting and amending RCW 15.54.270; and providing an effective date.

Referred to Committee on Energy, Environment & Telecommunications.

ESHB 1341 by House Committee on Judiciary (originally sponsored by Representatives Orwall, Goodman, Pollet, Jinkins, Carlyle, Roberts, Appleton, Hunt, Upthegrove, Green, Kagi, Seaquist, Moeller, Kirby, Santos, Ryu, Pedersen and Moscoso)

AN ACT Relating to creating a claim for compensation for wrongful conviction and imprisonment; amending RCW 4.92.130; adding a new section to chapter 28B.15 RCW; adding a new section to chapter 72.09 RCW; and adding a new chapter to Title 4 RCW.

Referred to Committee on Ways & Means.

HB 1348 by Representatives Reykdal, Hope, Stanford, Pollet, Hunt, Ryu, Seaquist, Goodman, Haigh, Wylie, Fitzgibbon, Santos, Pettigrew, Lytton, Blake, Moscoso, Sells, Orwall, Liias, Roberts, Carlyle, Sullivan, Upthegrove, Dunshee, Maxwell, Green, Riccelli, Ormsby, Springer, Appleton, McCoy, Van De Wege, Bergquist, Tarleton, Fey and Hudgins

AN ACT Relating to modifying collective bargaining law related to providing additional compensation for academic employees at community and technical colleges; amending RCW 28B.52.035 and 28B.50.140; and creating a new section.

Referred to Committee on Commerce & Labor.

E2SHB 1374 by House Committee on Appropriations (originally sponsored by Representatives Morris and Fey)

AN ACT Relating to the energy facility site evaluation council; amending RCW 80.50.010, 80.50.040, 80.50.045, 80.50.060, 80.50.071, 80.50.075, 80.50.085, 80.50.100, 80.50.105, 80.50.110, and 80.50.120; reenacting and amending RCW 80.50.020 and 80.50.030; adding new sections to chapter 80.50 RCW; adding a new section to chapter 43.21C RCW; and repealing RCW 80.50.080, 80.50.090, and 80.50.320.

Referred to Committee on Energy, Environment & Telecommunications.

EHB 1395 by Representatives Sells, Manweller, Reykdal, Wylie, Chandler, Condotta, Hunt, Van De Wege, Green, Warnick, Appleton and Morrell

AN ACT Relating to implementing the unemployment insurance integrity provisions of the federal trade adjustment assistance extension act of 2011; amending RCW 50.16.010, 50.20.070, and 50.29.021; creating a new section; and providing an effective date.

Referred to Committee on Commerce & Labor.

EHB 1396 by Representatives Manweller, Sells, Chandler, Reykdal, Condotta, Hunt, Wylie, Van De Wege, Green, Appleton and Morrell

AN ACT Relating to changing the unemployment insurance shared work program by adopting short-time compensation provisions in the federal middle class tax relief and job creation act of 2012; amending RCW 50.60.030, 50.60.090, and 50.60.110; reenacting and amending RCW 50.60.020; and creating a new section.

Referred to Committee on Commerce & Labor.

ESHB 1401 by House Committee on Local Government (originally sponsored by Representatives Fitzgibbon, Dahlquist, Takko, Fey, Wilcox, Kochmar, Magendanz, O'Ban, Morrell and Jinkins)

AN ACT Relating to the timing of penalties under the growth management act; and amending RCW 36.70A.300, 43.17.250, 43.155.070, 70.146.070, and 36.70A.200.

Referred to Committee on Governmental Operations.

ESHB 1403 by House Committee on Technology & Economic Development (originally sponsored by Representatives Smith, Morris, Short, Ryu, Magendanz, Blake, Walsh, Hansen, Dahlquist and Maxwell)

AN ACT Relating to promoting economic development by providing information to businesses; amending RCW 19.02.050 and 19.02.030; and adding a new section to chapter 19.02 RCW.

Referred to Committee on Trade & Economic Development.

2SHB 1416 by House Committee on Finance (originally sponsored by Representatives Warnick, Manweller, Takko, Fagan and Schmick)

AN ACT Relating to the financing of irrigation district improvements; amending RCW 84.34.310, 87.03.480, 87.03.485, 87.03.490, 87.03.495, 87.03.510, 87.03.515, 87.03.527, 87.06.020, 87.28.103, 87.28.200, and 89.12.050; and adding a new section to chapter 87.03 RCW.

Referred to Committee on Governmental Operations.

SHB 1420 by House Committee on Finance (originally sponsored by Representatives Liias, Orcutt, Clibborn and Fey)

AN ACT Relating to public contracts for transportation improvement projects; amending RCW 60.28.011, 39.08.030, 39.08.030, 39.12.040, 47.04.082, and 47.28.140; reenacting and amending RCW 39.08.010; adding a new section to chapter 47.28 RCW; providing an effective date; and providing an expiration date.

Referred to Committee on Ways & Means.

2SHB 1424 by House Committee on Appropriations (originally sponsored by Representatives Haigh, Santos, Sullivan, Maxwell, Ryu, Freeman, Stonier, Seaquist, McCoy, Fey, Roberts, Morrell, Kagi, Bergquist and Jinkins)

AN ACT Relating to enhancing the statewide K-12 dropout prevention, intervention, and reengagement system; amending RCW 28A.175.025, 28A.175.035, 28A.175.045, 28A.175.055, 28A.175.074, 28A.175.075, 28A.150.260, 28A.310.350, 28A.230.125, and 28A.175.145; adding new sections to chapter 28A.175 RCW; adding new sections to chapter 28A.310 RCW; creating new sections; and repealing RCW 28A.175.150.

Referred to Committee on Ways & Means.

SHB 1459 by House Committee on Government Accountability & Oversight (originally sponsored by Representatives Haler, Springer, Walsh, Wylie, Seaquist, Wilcox, Johnson, Condotta, Fagan, Maxwell and Pollet)

AN ACT Relating to authorizing students under the age of twenty-one to taste wine in viticulture and enology programs; amending RCW 66.20.010 and 66.44.270; and adding a new section to chapter 66.20 RCW.

Referred to Committee on Commerce & Labor.

SHB 1466 by House Committee on Capital Budget (originally sponsored by Representatives Haigh, Warnick, Dunshee, Fey, Kristiansen and Reykdal)

AN ACT Relating to revisions to alternative public works contracting procedures; amending RCW 39.10.220, 39.10.230, 39.10.240, 39.10.250, 39.10.260, 39.10.270, 39.10.280, 39.10.300, 39.10.320, 39.10.330, 39.10.340, 39.10.360, 39.10.380, 39.10.385, 39.10.390, 39.10.400, 39.10.420, 39.10.440, 39.10.490, 43.131.407, and 43.131.408; reenacting and amending RCW 39.10.210; adding a new section to chapter 43.131 RCW; repealing RCW 39.10.500 and 39.10.510; providing an effective date;

providing a contingent effective date; providing an expiration date; and declaring an emergency.

Referred to Committee on Ways & Means.

ESHB 1467 by House Committee on Labor & Workforce Development (originally sponsored by Representatives Green, Sells, Reykdal, Ormsby, McCoy, Van De Wege, Appleton and Bergquist)

AN ACT Relating to the collection of unpaid wages; amending RCW 49.48.086 and 82.32.235.

Referred to Committee on Ways & Means.

HB 1468 by Representatives Sells, Reykdal, Manweller, Condotta, Ormsby, Van De Wege, Fagan and Green

AN ACT Relating to payment methods on certain claimants' benefits; and amending RCW 7.68.031, 7.68.033, 7.68.034, 51.04.080, 51.28.060, 51.32.040, 51.32.045, and 51.44.110.

Referred to Committee on Commerce & Labor.

SHB 1472 by House Committee on Education (originally sponsored by Representatives Hansen, Habib, Freeman and Magendanz)

AN ACT Relating to initiatives to improve and expand access to computer science education; amending RCW 28A.230.097; and creating a new section.

Referred to Committee on Ways & Means.

EHB 1473 by Representatives Sells, McCoy, Morrell, Roberts, Takko, Lytton, Green, Ormsby, Bergquist, Freeman, Pollet and Tarleton

AN ACT Relating to reporting payments for construction services; amending RCW 39.12.055 and 39.12.080; adding a new section to chapter 51.04 RCW; adding a new section to chapter 42.56 RCW; and prescribing penalties.

Referred to Committee on Commerce & Labor.

HB 1486 by Representatives Fitzgibbon, Stanford, Bergquist, Roberts, Van De Wege, Ryu and Santos

AN ACT Relating to voter-approved benefit charges for regional fire protection service authorities; and amending RCW 52.26.220, 52.26.230, and 84.55.092.

Referred to Committee on Governmental Operations.

SHB 1501 by House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Lytton, Kretz and Ryu)

AN ACT Relating to building upon the existing wildlife interaction program to establish the mechanisms behind an uncapped funding source for implementing the provisions of the Washington wolf conservation and management plan adopted by the fish and wildlife commission in 2011 in a way that does not change the management provisions of the plan; amending RCW 77.36.100, 77.36.130, 46.18.200, 46.17.220, 46.68.425, and 46.18.060; adding new sections to chapter

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77.36 RCW; and adding a new section to chapter 46.04 RCW.

Referred to Committee on Natural Resources & Parks.

E2SHB 1526 by House Committee on Appropriations Subcommittee on Education (originally sponsored by Representatives Orwall, Reykdal, Santos, Goodman, Upthegrove, Maxwell, Seaquist, Freeman, Bergquist, Lytton, Ryu, Kagi, Tarleton, Jinkins, Fey and Pollet)

AN ACT Relating to increasing enrollment of underrepresented students in running start through a middle school, high school, and running start college partnership pilot project; adding a new section to chapter 28A.630 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Ways & Means.

HB 1544 by Representatives Lytton, Seaquist, Johnson, Smith, Sells, Ryu, Morrell, Roberts, Bergquist, Springer, Pollet and Santos

AN ACT Relating to educational specialist degrees at regional universities; and amending RCW 28B.35.202.

Referred to Committee on Higher Education.

ESHB 1552 by House Committee on Public Safety (originally sponsored by Representatives Goodman, Klippert, Freeman, Kirby, Morrell, Seaquist, Sullivan, Appleton, Ryu, Hunt, Stanford, Kochmar, Maxwell, Takko, Bergquist, Warnick, Manweller, Green and Fey)

AN ACT Relating to the reduction of metal theft; amending RCW 9A.48.100, 9A.56.030, 9A.56.040, 19.290.010, 19.290.020, 19.290.030, 19.290.040, 19.290.050, 19.290.060, 19.290.070, 19.290.090, 18.235.020, and 43.24.150; reenacting and amending RCW 9.94A.515; adding new sections to chapter 19.290 RCW; adding a new section to chapter 36.28A RCW; adding new sections to chapter 43.43 RCW; creating new sections; prescribing penalties; and providing an effective date.

Referred to Committee on Law & Justice.

SHB 1556 by House Committee on Education (originally sponsored by Representatives Van De Wege, Dahlquist, Morrell, Hayes, Cody, Pettigrew, Habib, McCoy, Ryu, Angel, Hunt, Goodman, Pollet, Fitzgibbon, Stonier, Dunshee and Fey)

AN ACT Relating to initiatives in high schools to save lives in the event of cardiac arrest; adding a new section to chapter 28A.300 RCW; adding a new section to chapter 28A.230 RCW; and creating a new section.

Referred to Committee on Early Learning & K-12 Education.

SHB 1558 by House Committee on Finance (originally sponsored by Representatives Warnick, Manweller, Taylor and Morrell)

AN ACT Relating to the taxation of honey beekeepers; amending RCW 82.04.629, 82.04.630, 82.08.0204, and 82.12.0204; adding a new section to chapter 82.08 RCW;

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adding a new section to chapter 82.12 RCW; adding a new section to chapter 43.136 RCW; creating new sections; repealing 2008 c 314 s 7 (uncodified); providing an effective date; providing expiration dates; and declaring an emergency.

Referred to Committee on Ways & Means.

2SHB 1566 by House Committee on Appropriations (originally sponsored by Representatives Carlyle, Kagi, Ryu, Roberts, Moscoso and Pollet)

AN ACT Relating to educational outcomes of youth in out-of-home care; amending RCW 13.34.069, 28B.117.030, and 28A.225.330; reenacting and amending RCW 13.34.030; adding new sections to chapter 13.34 RCW; adding new sections to chapter 74.13 RCW; adding a new section to chapter 28A.225 RCW; and providing an expiration date.

Referred to Committee on Ways & Means.

SHB 1568 by House Committee on Finance (originally sponsored by Representatives Carlyle, Nealey and Ryu)

AN ACT Relating to the business licensing service program administered by the department of revenue; amending RCW 15.13.250, 15.13.250, 15.13.280, 15.13.290, 15.49.011, 15.49.380, 15.49.390, 15.54.275, 15.58.180, 15.58.235, 18.44.031, 18.64.044, 19.02.010, 19.02.030, 19.02.035, 19.02.070, 19.02.075, 19.02.080, 19.02.085, 19.02.090, 19.02.100, 19.02.110, 19.02.115, 19.02.210, 19.02.310, 19.02.800, 19.02.890, 19.80.010, 19.80.075, 19.94.2582, 35.21.392, 35A.21.340, 36.110.130, 43.22.035, 46.72A.020, 50.12.290, 59.30.050, 59.30.090, 69.25.050, 69.25.060, 70.290.030, 76.48.121, 82.24.510, 82.24.520, 82.26.150, 90.76.010, and 90.76.020; reenacting and amending RCW 15.58.030, 18.64.011, 19.02.020, 19.94.015, and 69.25.020; adding a new section to chapter 19.80 RCW; adding a new section to chapter 70.290 RCW; creating a new section; repealing RCW 19.02.220, 19.02.810, 19.80.065, and 43.24.160; prescribing penalties; providing an effective date; and providing an expiration date.

Referred to Committee on Ways & Means.

HB 1587 by Representatives Cody, Van De Wege, Morrell, Jinkins, Ryu and Holy

AN ACT Relating to public employee benefits; amending RCW 41.05.009, 41.05.011, 41.05.065, 41.05.066, 41.05.095, and 41.05.195; and reenacting and amending RCW 41.05.080.

Referred to Committee on Health Care.

HB 1608 by Representatives Appleton, Angel, Sells, Fitzgibbon, Seaquist, Ryu, Stanford and Hansen

AN ACT Relating to the marine employees' commission; amending RCW 47.64.280 and 41.58.065; amending 2011 1st sp.s. c 16 s 28 (uncodified); and declaring an emergency.

Referred to Committee on Transportation.

ESHB 1625 by House Committee on Transportation (originally sponsored by Representatives Pollet, Clibborn, Kagi,

Pedersen, Hunt, Riccelli, Appleton, Hudgins, Moscoso, Fitzgibbon, Morrell, Sells and Bergquist)

AN ACT Relating to consumer protection for tow truck services; adding a new section to chapter 46.55 RCW; and creating a new section.

Referred to Committee on Transportation.

ESHB 1633 by House Committee on Capital Budget (originally sponsored by Representatives Magendanz, Haigh, Dahlquist, Santos, Pollet, Smith, Wylie, Takko, Angel, Clibborn, Condotta and Scott)

AN ACT Relating to modifying school district bidding requirements for improvement and repair projects; and amending RCW 28A.335.190.

Referred to Committee on Early Learning & K-12 Education.

SHB 1638 by House Committee on Business & Financial Services (originally sponsored by Representatives Ryu, Kirby, Cody and Morrell)

AN ACT Relating to insurance; amending RCW 48.02.060, 48.02.120, 48.15.050, 48.16.030, 48.20.435, 48.21.157, 48.43.700, 48.43.705, 48.46.040, 48.140.040, 48.140.050, 48.155.010, 48.175.005, and 48.175.020; and repealing RCW 48.140.070.

Referred to Committee on Financial Institutions, Housing & Insurance.

2SHB 1642 by House Committee on Appropriations (originally sponsored by Representatives Pettigrew, Springer, Habib, Holy, Ryu and Magendanz)

AN ACT Relating to establishing policies to support academic acceleration for high school students; adding new sections to chapter 28A.320 RCW; adding a new section to chapter 28A.300 RCW; and creating new sections.

Referred to Committee on Ways & Means.

HB 1644 by Representatives Fey, Klippert, Ryu, Clibborn, Rodne, Hargrove, Moscoso and Pollet

AN ACT Relating to transportation planning objectives and performance measures for local and regional agencies; and amending RCW 47.04.280.

Referred to Committee on Transportation.

E2SHB 1648 by House Committee on Capital Budget (originally sponsored by Representatives Appleton, Johnson, McCoy, Pike, Ryu, Moscoso and Hansen)

AN ACT Relating to community economic revitalization in incorporated areas; and adding a new section to chapter 43.160 RCW.

Referred to Committee on Trade & Economic Development.

SHB 1654 by House Committee on Local Government (originally sponsored by Representatives Riccelli, Ormsby, Fitzgibbon, Tarleton, Van De Wege and Ryu)

AN ACT Relating to establishing a regional fire protection service authority within the boundaries of a single city; amending RCW 52.26.010, 52.26.030, 52.26.040, and 52.26.060; and reenacting and amending RCW 52.26.020.

Referred to Committee on Governmental Operations.

SHB 1674 by House Committee on Technology & Economic Development (originally sponsored by Representatives Santos, Morris and Maxwell)

AN ACT Relating to increasing the regulatory oversight and accountability of the office of minority and women's business enterprises; amending RCW 39.19.020, 39.19.060, 39.19.080, 39.19.090, 39.19.200, and 39.19.250; and prescribing penalties.

Referred to Committee on Ways & Means.

2SHB 1680 by House Committee on Appropriations (originally sponsored by Representatives Santos, Upthegrove, Maxwell, Ryu and Bergquist)

AN ACT Relating to implementing strategies to close the educational opportunity gap, based on the recommendations of the educational opportunity gap oversight and accountability committee; amending RCW 28A.600.015, 28A.600.020, 28A.600.460, 43.41.400, 28A.405.106, 28A.405.120, 28A.660.045, 28A.660.050, and 28A.180.040; adding a new section to chapter 28A.600 RCW; adding a new section to chapter 28A.415 RCW; adding a new section to chapter 28A.657 RCW; adding a new section to chapter 28A.410 RCW; adding a new section to chapter 28B.50 RCW; creating new sections; and providing expiration dates.

Referred to Committee on Early Learning & K-12 Education.

SHB 1686 by House Committee on Higher Education (originally sponsored by Representatives Seaquist, Haler, Roberts, Zeiger, Reykdal, Springer, Pettigrew, Pollet, Dahlquist, McCoy, Maxwell, Fagan, Morrell and Ryu)

AN ACT Relating to high school equivalency certificates; amending RCW 18.55.040, 28A.150.305, 28A.175.105, 28A.205.040, 28A.305.190, 28B.50.536, 28B.116.010, 28B.117.005, 28B.119.010, 28B.145.010, 28B.145.060, 28C.10.050, 35.21.333, 36.110.140, 41.04.015, 43.215.510, 70.128.120, 72.09.410, 72.09.460, 72.09.670, 74.04.535, 74.08A.250, 74.08A.380, 74.12.035, 74.13.540, and 74.15.230; amending 2011 c 330 s 1 (uncodified); amending 2010 c 20 s 1 (uncodified); and reenacting and amending RCW 28A.205.030, 28C.18.010, and 72.09.015.

Referred to Committee on Higher Education.

HB 1710 by Representatives Springer, Walsh, Sells, Chandler, Morris and Kagi

AN ACT Relating to the taxation of commuter air carriers; amending RCW 84.12.200, 82.48.010, and 82.48.030; adding a new section to chapter 84.36 RCW; and providing an effective date.

Referred to Committee on Ways & Means.

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ESHB 1717 by House Committee on Local Government (originally sponsored by Representatives Fitzgibbon, Jinkins, Lias, Maxwell, Roberts, Pollet, Upthegrove, Morrell and Springer)

AN ACT Relating to incentivizing up-front environmental planning, review, and infrastructure construction actions; amending RCW 82.02.020; reenacting and amending RCW 35.91.020; adding a new section to chapter 43.21C RCW; adding a new section to chapter 35.91 RCW; and providing an effective date.

Referred to Committee on Governmental Operations.

HB 1768 by Representatives Moscoso, Lias, Ryu, Moeller, Johnson, Kochmar and McCoy

AN ACT Relating to use of the job order contracting procedure by the department of transportation; and amending RCW 39.10.420 and 43.131.408.

Referred to Committee on Transportation.

ESHB 1769 by House Committee on Capital Budget (originally sponsored by Representatives Stonier, Zeiger, Stanford, Warnick, Seaquist, Haler, Ryu, Springer, Morrell, Fey, Pollet, Riccelli and Fagan)

AN ACT Relating to creating efficiencies for institutions of higher education; and amending RCW 43.88.110.

Referred to Committee on Ways & Means.

SHB 1779 by House Committee on Business & Financial Services (originally sponsored by Representatives Kirby and Ryu)

AN ACT Relating to esthetics; and amending RCW 18.16.020, 18.16.030, 18.16.050, 18.16.060, 18.16.130, 18.16.170, 18.16.175, 18.16.180, 18.16.190, 18.16.200, 18.16.260, and 18.16.290.

Referred to Committee on Commerce & Labor.

HB 1790 by Representatives Parker, Ormsby, Riccelli and Ryu

AN ACT Relating to the use of traffic school fees; and amending RCW 46.83.070.

Referred to Committee on Transportation.

HB 1797 by Representatives Haler and Hunt

AN ACT Relating to tax collection by the county treasurer; and amending RCW 84.56.020 and 84.56.070.

Referred to Committee on Governmental Operations.

EHB 1808 by Representatives Nealey and Hurst

AN ACT Relating to the proper disposal of legal amounts of marijuana inadvertently left at retail stores holding a pharmacy license; and adding a new section to chapter 69.50 RCW.

Referred to Committee on Health Care.

HB 1818 by Representatives Smith, Maxwell, Magendanz, Morris, Hargrove, Sells, Angel, Ryu, Hayes, Zeiger, Vick, O'Ban, Morrell, Bergquist, Stonier and Fey

AN ACT Relating to promoting economic development through business and government streamlining projects; adding a new section to chapter 43.330 RCW; and creating a new section.

Referred to Committee on Ways & Means.

ESHB 1819 by House Committee on Technology & Economic Development (originally sponsored by Representatives Tarleton, Habib, Maxwell, Orwall, Morris, Farrell, Sells, Fitzgibbon and Tharinger)

AN ACT Relating to creating and using digital infrastructure maps to inform economic development decisions; amending RCW 43.330.010; and adding new sections to chapter 43.330 RCW.

Referred to Committee on Trade & Economic Development.

SHB 1822 by House Committee on Judiciary (originally sponsored by Representative Stanford)

AN ACT Relating to debt collection practices; amending RCW 19.16.100, 19.16.250, and 19.16.260; and providing an effective date.

Referred to Committee on Financial Institutions, Housing & Insurance.

EHB 1826 by Representative Morris

AN ACT Relating to updating integrated resource plan requirements to address changing energy markets; and amending RCW 19.280.010, 19.280.020, 19.280.030, and 19.280.060.

Referred to Committee on Energy, Environment & Telecommunications.

SHB 1841 by House Committee on Capital Budget (originally sponsored by Representatives Stonier, Warnick, Dunshee, Morrell, Ryu and Freeman)

AN ACT Relating to electronic competitive bidding for state public works contracting; and adding a new section to chapter 39.04 RCW.

Referred to Committee on Governmental Operations.

SHB 1843 by House Committee on Higher Education (originally sponsored by Representatives Pollet, Seaquist, Tarleton, Ryu and Tharinger)

AN ACT Relating to evaluating compliance and performance for participation in financial aid programs; and amending RCW 28B.92.050.

Referred to Committee on Higher Education.

SHB 1866 by House Committee on Appropriations (originally sponsored by Representatives Morris, Smith, Liias, Maxwell, Morrell, Habib, Ryu, Sells, Hansen and Hudgins)

AN ACT Relating to the joint center for aerospace technology innovation; and amending RCW 43.330.250, 43.131.417, and 43.131.418.

Referred to Committee on Ways & Means.

E2SHB 1872 by House Committee on Appropriations (originally sponsored by Representatives Maxwell, Dahlquist, Lytton, Sullivan, McCoy, Upthegrove, Bergquist, Seaquist, Morrell, Wylie, Goodman, Ryu, Tarleton, Tharinger, Springer, Stonier, Jinkins, Orwall, Pollet, Fey, Hansen, Liias and Freeman)

AN ACT Relating to establishing a comprehensive initiative to increase learning opportunities and improve educational outcomes in science, technology, engineering, and mathematics through multiple strategies and statewide partnerships; amending RCW 28B.77.020 and 28A.290.010; adding a new chapter to Title 28A RCW; and recodifying RCW 28A.300.515, 28A.630.065, 28A.630.066, 28A.700.120, 28A.625.200, 28A.625.210, 28A.625.220, 28A.625.230, and 28A.625.240.

Referred to Committee on Ways & Means.

SHB 1884 by House Committee on Labor & Workforce Development (originally sponsored by Representatives Sells, Hope, Dunshee, Rodne, Riccelli and Ryu)

AN ACT Relating to the rate of compensation for occupational diseases; and amending RCW 51.32.180.

Referred to Committee on Commerce & Labor.

EHB 1891 by Representatives Reykdal, Ormsby, Sells, Moeller, Ryu, Green and Freeman

AN ACT Relating to increasing protections for employees under the Washington industrial safety and health act of 1973; amending RCW 49.17.160; adding new sections to chapter 49.17 RCW; and creating a new section.

Referred to Committee on Commerce & Labor.

HB 1892 by Representatives Reykdal, Hunt, Liias, Ryu and Fey

AN ACT Relating to modifying certain provisions regarding transportation benefit districts; and amending RCW 36.73.065, 82.80.140, and 36.73.015.

Referred to Committee on Transportation.

EHB 1900 by Representatives Stonier, Magendanz, Hunter, Ryu, Maxwell and Pollet

AN ACT Relating to caseload forecasts of common school students; amending RCW 43.88C.010; and creating new sections.

Referred to Committee on Ways & Means.

HB 1903 by Representatives Fitzgibbon and Ryu

AN ACT Relating to unemployment insurance benefit charging relief for part-time employers who continue to employ a claimant on a part-time basis and the claimant qualified for two consecutive claims with wages attributable to at least one employer who employed the claimant in both base years; amending RCW 50.29.021; creating a new section; and providing an effective date.

Referred to Committee on Commerce & Labor.

ESHB 1922 by House Committee on Transportation (originally sponsored by Representatives Moscoso, Angel, Sells, Ryu, Upthegrove, Fitzgibbon, Zeiger, Freeman, Bergquist, Farrell, Takko, Tarleton, Kochmar, Riccelli, Moeller, Fey, Santos and Pollet)

AN ACT Relating to highway construction workforce development; and amending RCW 47.01.435.

Referred to Committee on Transportation.

EHB 1923 by Representatives Ormsby, Sullivan, Hayes, Pollet, Blake, Hope, Orcutt, Alexander, Moscoso, Bergquist, Santos and Freeman

AN ACT Relating to membership in the Washington public safety employees' retirement system for employees at city and county corrections departments, public corrections entities, the department of corrections, and the department of social and health services who provide direct care to, or ensure the custody and safety of, offender and patient populations; amending RCW 41.37.010; adding a new section to chapter 41.37 RCW; and creating a new section.

Referred to Committee on Ways & Means.

SHB 1941 by House Committee on Transportation (originally sponsored by Representatives Habib, Clibborn and Springer)

AN ACT Relating to the adjudication of tolls and accompanying civil penalties; and amending RCW 46.63.160.

Referred to Committee on Transportation.

ESHB 1944 by House Committee on Transportation (originally sponsored by Representative Haler)

AN ACT Relating to vehicle license plate and registration fraud; reenacting and amending RCW 46.63.020; adding a new section to chapter 46.37 RCW; and prescribing penalties.

Referred to Committee on Transportation.

SHB 1946 by House Committee on Transportation (originally sponsored by Representatives Hunt and Reykdal)

AN ACT Relating to special parking privileges for persons with disabilities; amending RCW 46.19.030, 46.19.050, and 46.19.020; creating a new section; and prescribing penalties.

Referred to Committee on Transportation.

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HCR 4403 by Representatives Sells, Seaquist, Manweller, Haler, Moscoso, Hansen, Reykdal, Wylie, Santos, Hayes, Fagan, Condotta, Smith, Pollet, Maxwell, Ormsby, Ryu, Morrell, Parker and Riccelli

Concerning the workforce training and education coordinating board's high skills high wages plan.

Referred to Committee on Higher Education.

MOTION

On motion of Senator Fain, all measures listed on the Introduction and First Reading report were referred to the committees as designated.

MOTION

On motion of Senator Fain, the Senate advanced to the eighth order of business.

MOTION

Senator Padden moved adoption of the following resolution:

SENATE RESOLUTION
8626

By Senators Padden, Frockt, Brown, Braun, Holmquist Newbry, Dammeier, Eide, Bailey, Rivers, King, Fraser, Carrell, Schlicher, Roach, Parlette, Conway, Pearson, Fain, Chase, Honeyford, Mullet, Sheldon, Nelson, Cleveland, Darneille, Billig, Smith, Baumgartner, Hewitt, and Hargrove

WHEREAS, The Special Olympics is an organization of excellent repute dedicated to promoting competitive sports for all citizens of the United States; and

WHEREAS, In 2013, the United States delegation to the Special Olympics in Pyeongchang, South Korea was comprised of 200 athletes, coaches, and trainers; and

WHEREAS, Six of these dedicated and determined athletes who traveled halfway around the world to uphold the honor of our illustrious nation were from Washington state; and

WHEREAS, Zachary Nelson, representing the great city of Pasco, competed in Alpine Skiing and flew to victory with a bronze medal in the Advanced Super G event; and

WHEREAS, Ben Green, representing the beautiful city of Seattle, competed in Cross Country Skiing and completed the incredible accomplishment of achieving one gold and one bronze medal for the glory of his state and nation; and

WHEREAS, Michelle Jay, representing the exceptional city of Sammamish, competed in Cross Country Skiing and achieved the estimable accomplishment of a silver medal in the 4x1 kilometer relay race; and

WHEREAS, David Bishop, representing the illustrious city of Seattle, competed in Cross Country Skiing and beat back the competition to achieve three silver medals; and

WHEREAS, Heather Comer, representing the admirable city of Spokane Valley, competed in Alpine Skiing and surmounted all odds to rise through the ranks of competitors who were determined to prevent her from attaining her goal of winning the gold medal for the honor of her country, state, and city; and

WHEREAS, Heather Comer achieved lasting greatness, following in the footsteps of storied Olympic skiers who have won a gold and silver medal in Alpine Skiing; and

WHEREAS, Michelle Stedman, representing the close neighbor of Washington state, the abundant state of Idaho, competed in Cross Country Skiing and achieved a silver medal that brought honor and glory to her state;

NOW, THEREFORE, BE IT RESOLVED, That it is with great respect that the Washington State Senate honor the accomplishments and excellence exemplified by Zachary Nelson, Ben Green, Michelle Jay, Heather Comer, David Bishop, and Michelle Stedman; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Secretary of the Senate to Zachary Nelson, Ben Green, Michelle Jay, Heather Comer, David Bishop, Michelle Stedman, Beth Wojick, President and CEO of the Special Olympics, and John Borgognoni, Vice President of Sports and Programing for the Special Olympics.

Senator Padden spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8626.

The motion by Senator Padden carried and the resolution was adopted by voice vote.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced representatives from the Special Olympics: Roger Schramm, Program Coordinator for the Spokane Powderhounds; Norm Smith, Board member Special Olympics Washington; athletes, David Bishop; Michelle Jay; Michele Stedman, and friends and family Mike Jay; Theresa Kare; Mary Godett and Emanuele Portolese who were seated in the gallery.

MOTION

At 9:21 a.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 10:56 a.m. by President Owen.

MOTION TO LIMIT DEBATE

Senator Fain: "Mr. President, I move that the members of the Senate be allowed to speak but once on each question before the Senate, that such speech be limited to three minutes and that members be prohibited from yielding their time, however, the maker of a motion shall be allowed to open and close debate. This motion shall be in effect through March 12, 2013."

The President declared the question before the Senate to be the motion by Senator Fain to limit debate.

PARLIAMENTARY INQUIRY

Senator Frockt: "Mr. President, under Rule 29, are we allowed, does the rule contemplate yielding to the purpose of questions with that rule in place?"

REPLY BY THE PRESIDENT

President Owen: "You can yield to a question but it does apply to your three minutes. Senator Frockt, just to make that clear, if you are asking Senator Fain a question it would apply to your three minutes."

The motion by Senator Fain carried and debate was limited through March 12, 2013 by voice vote.

MOTION

On motion of Senator Fain, the Senate reverted to the sixth order of business.

SECOND READING

SENATE BILL NO. 5471, by Senators Nelson, Mullet, Hobbs, Fain and Keiser

Addressing insurance, generally.

MOTIONS

On motion of Senator Nelson, Substitute Senate Bill No. 5471 was substituted for Senate Bill No. 5471 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Nelson, the rules were suspended, Substitute Senate Bill No. 5471 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Nelson spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5471.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5471 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Absent: Senator Cleveland

SUBSTITUTE SENATE BILL NO. 5471, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5767, by Senators Hatfield and Hobbs

Concerning inspection of dairy cattle.

MOTIONS

On motion of Senator Hatfield, Substitute Senate Bill No. 5767 was substituted for Senate Bill No. 5767 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Hatfield, the rules were suspended, Substitute Senate Bill No. 5767 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hatfield and Honeyford spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5767.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5767 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Holmquist Newbry and Padden

SUBSTITUTE SENATE BILL NO. 5767, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5210, by Senators Nelson and Hatfield

Regulating mortgage brokers.

MOTIONS

On motion of Senator Nelson, Substitute Senate Bill No. 5210 was substituted for Senate Bill No. 5210 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Nelson, the rules were suspended, Substitute Senate Bill No. 5210 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Nelson spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5210.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5210 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 3; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin and Tom

Voting nay: Senators Holmquist Newbry, Padden and Smith
SUBSTITUTE SENATE BILL NO. 5210, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5770, by Senators Honeyford, Hatfield and Hobbs

Permitting conservation districts to use electronic deposits for employee pay and compensation.

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The measure was read the second time.

SENATE BILL NO. 5257, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

MOTION

On motion of Senator Honeyford, the rules were suspended, Senate Bill No. 5770 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

On motion of Senator Fain, the Senate reverted to the fourth order of business.

Senator Honeyford spoke in favor of passage of the bill.

MESSAGE FROM THE HOUSE

The President declared the question before the Senate to be the final passage of Senate Bill No. 5770.

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ROLL CALL

MR. PRESIDENT:

The Secretary called the roll on the final passage of Senate Bill No. 5770 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

The House has passed:

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1000,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1381,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1445,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1515,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1519,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1679,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1727,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1753,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1773,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1774,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1828,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1846,
ENGROSSED HOUSE BILL NO. 1887,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1947,
and the same are herewith transmitted.

SENATE BILL NO. 5770, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

BARBARA BAKER, Chief Clerk

SENATE BILL NO. 5257, by Senators Roach, Benton, Rivers, Conway and Fraser

MOTION

Modifying time frames applicable to certain public disclosure commission requirements.

On motion of Senator Fain, the Senate advanced to the sixth order of business.

The measure was read the second time.

MOTION

SECOND READING

On motion of Senator Roach, the rules were suspended, Senate Bill No. 5257 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

SENATE BILL NO. 5452, by Senators Conway, Carrell, Darneille and Kohl-Welles

Senator Roach spoke in favor of passage of the bill.

Modifying stalking and harassment protection order provisions. Revised for 1st Substitute: Concerning no-contact and protection orders for stalking and harassment.

Senator Hasegawa spoke on final passage of the bill.

MOTIONS

The President declared the question before the Senate to be the final passage of Senate Bill No. 5257.

On motion of Senator Carrell, Substitute Senate Bill No. 5452 was substituted for Senate Bill No. 5452 and the substitute bill was placed on the second reading and read the second time.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5257 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

On motion of Senator Conway, the rules were suspended, Substitute Senate Bill No. 5452 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Senators Conway and Carrell spoke in favor of passage of the bill.

Voting nay: Senators Chase, Frockt, Hasegawa and Nelson

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5452.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5452 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

SUBSTITUTE SENATE BILL NO. 5452, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5215, by Senators Becker, Holmquist Newbry, Ericksen, Dammeier, Honeyford and Schlicher

Providing that health care professional licensees may not be required to participate in any public or private third-party reimbursement program. Revised for 2nd Substitute: Concerning health care professionals contracting with public and private payors.

MOTION

On motion of Senator Becker, Second Substitute Senate Bill No. 5215 was substituted for Senate Bill No. 5215 and the second substitute bill was placed on the second reading and read the second time.

MOTION

Senator Becker moved that the following striking amendment by Senators Becker and Keiser be adopted:

Strike everything after the enacting clause and insert the following:

NEW SECTION. Sec. 1. The legislature finds that Washington state is a provider friendly state within which to practice medicine. As part of health care reform, Washington state endeavors to establish and operate a state-based health benefits exchange wherein insurance products will be offered for sale and add potentially three hundred thousand patients to commercial insurance, and to expand access to medicaid for potentially three hundred thousand new enrollees. Such a successful and new insurance market in Washington state will require the willing participation of all categories of health care providers. The legislature further finds that principles of fair contracting apply to all contracts between health care providers and health insurance carriers offering insurance within Washington state and that fair dealings and transparency in expectations should be present in interactions between all third-party payors and health care providers.

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

(1) "Health care provider" or "provider" has the same meaning as in RCW 48.43.005 and, for the purposes of this chapter, includes facilities licensed under chapter 70.41 RCW.

(2) "Payor" or "third-party payor" means carriers licensed under chapters 48.20, 48.21, 48.44, and 48.46 RCW, and managed health care systems as defined in RCW 74.09.522.

(3) "Material amendment" means an amendment to a contract between a payor and health care provider that would result in requiring a health care provider to participate in a health plan, product, or line of business with a lower fee schedule in order to continue to participate in a health plan, product, or line of business with a higher fee schedule. A material amendment does not include any of the following:

(a) A decrease in payment or compensation resulting from a change in a fee schedule published by the payor upon which the payment or compensation is based and the date of applicability is clearly identified in the contract, compensation addendum, or fee schedule notice;

(b) A decrease in payment or compensation that was anticipated under the terms of the contract, if the amount and date of applicability of the decrease is clearly identified in the contract; or

(c) Changes unrelated to compensation so long as reasonable notice of not less than sixty days is provided.

NEW SECTION. Sec. 3. (1) A third-party payor shall provide no less than sixty days' notice to the health care provider of any proposed material amendments to a health care provider's contract with the third-party payor.

(2) Any material amendment to a contract must be clearly defined in a notice to the provider from the third-party payor as being a material change to the contract before the provider's notice period begins. The notice must also inform the providers that they may choose to reject the terms of the proposed material amendment through written or electronic means at any time during the notice period and that such rejection may not affect the terms of the health care provider's existing contract with the third-party payor.

(3) A health care provider's rejection of the material amendment does not affect the terms of the health care provider's existing contract with the third-party payor.

(4) A failure to comply with the terms of subsections (1), (2), and (3) of this section shall void the effectiveness of the material amendment.

NEW SECTION. Sec. 4. A payor may not, without the express written agreement of the health care provider, require a health care provider to extend the payor's medicaid rates, or some percentage above the payor's medicaid rates, that govern a health benefit program administered by a public purchaser to a commercial plan or line of business offered by a payor that is not administered by a public purchaser. For the purposes of this section, "administered by a public purchaser" does not include commercial coverage offered through the Washington health benefit exchange.

NEW SECTION. Sec. 5. A new section is added to chapter 18.130 RCW to read as follows:

No licensee subject to this chapter may be required to participate in any public or private third-party reimbursement program or any plans or products offered by a payor as a condition of licensure.

NEW SECTION. Sec. 6. Sections 1 through 4 of this act constitute a new chapter in Title 48 RCW."

Senators Becker and Keiser spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Becker and Keiser to Second Substitute Senate Bill No. 5215.

The motion by Senator Becker carried and the striking amendment was adopted by voice vote.

MOTION

On motion of Senator Becker, the rules were suspended, Engrossed Second Substitute Senate Bill No. 5215 was advanced

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to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Becker and Keiser spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5215.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5215 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5215, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5279, by Senators Carrell, Baumgartner, Smith, Becker, Schoesler, Sheldon, Rivers, Delvin, Tom, Braun, Padden, Bailey and Hill

Limiting use of public assistance benefits.

MOTION

On motion of Senator Carrell, Substitute Senate Bill No. 5279 was substituted for Senate Bill No. 5279 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Darneille moved that the following amendment by Senator Darneille be adopted:

On page 2, line 3, after "marijuana" insert "unless the purchase is for medical use to a person who is a qualifying patient as provided in chapter 69.51A RCW"

Senator Darneille spoke in favor of adoption of the amendment.

Senator Carrell spoke against adoption of the amendment.

POINT OF INQUIRY

Senator Kohl-Welles: "Would Senator Carrell yield to a question? Senator Carrell, I do not know the answer to my question but under the bill would individuals be able to purchase prescriptions through a Pharmacist that is for themselves and not for their children?"

Senator Carrell: "They probably would specifically if it was for children because the cash portion is for children."

Senator Kohl-Welles: "Do you know if they would be able to purchase prescriptions for themselves and not their children?"

Senator Carrell: "I would guess they might be able to but again this is an illegal substance under federal law so you cannot prescribe this so you cannot get a prescription for medical marijuana or any other type of schedule one drug."

Senator Kohl-Welles spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Darneille on page 2, line 3 to Substitute Senate Bill No. 5279.

The motion by Senator Darneille failed and the amendment was not adopted by voice vote.

MOTION

Senator Carrell moved that the following amendment by Senator Carrell be adopted:

On page 2, line 5, after "(2)" strike "or (3)"

Senator Carrell spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Carrell on page 2, line 5 to Substitute Senate Bill No. 5279.

The motion by Senator Carrell carried and the amendment was adopted by voice vote.

MOTION

On motion of Senator Carrell, the rules were suspended, Engrossed Substitute Senate Bill No. 5279 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Carrell spoke in favor of passage of the bill.

Senator Darneille spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5279.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5279 and the bill passed the Senate by the following vote: Yeas, 39; Nays, 10; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Conway, Dammeier, Eide, Ericksen, Fain, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, King, Litzow, Mullet, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Chase, Cleveland, Darneille, Fraser, Keiser, Kline, Kohl-Welles, McAuliffe, Murray and Nelson

ENGROSSED SUBSTITUTE SENATE BILL NO. 5279, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5396, by Senators Hewitt, Holmquist Newbry, Conway, Kohl-Welles, Hatfield, Hobbs, Schoesler, Delvin and Kline

Concerning limited on-premise spirits sampling.

MOTIONS

On motion of Senator Hewitt, Substitute Senate Bill No. 5396 was substituted for Senate Bill No. 5396 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Hewitt, the rules were suspended, Substitute Senate Bill No. 5396 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hewitt and Conway spoke in favor of passage of the bill.

Senator Hargrove spoke against passage of the bill.

POINT OF ORDER

Senator Darneille: "Mr. President, I believe that Senate Bill No. 5396 requires a two-thirds vote on final passage because it amends Initiative 1183 passed by the voters in 2011. Initiative 1183 privatized the sale of liquor. It created a program called the responsible vendor program. This bill changes that program therefore changes the initiative. I believe that a two-thirds super majority IS required on final passage."

MOTION

On motion of Senator Fain, further consideration of Substitute Senate Bill No. 5396 was deferred and the bill held its place on the second reading calendar.

MOTION

At 12:04 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

AFTERNOON SESSION

The Senate was called to order at 2:29 p.m. by President Owen.

PARLIAMENTARY INQUIRY

Senator Fain: "What order of business are we on?"

REPLY BY THE PRESIDENT

President Owen: "We're in the sixth."

SECOND READING

SENATE BILL NO. 5596, by Senator Carrell

Regarding certain lake management activities on lands owned by the state of Washington.

The measure was read the second time.

MOTION

Senator Carrell moved that the following striking amendment by Senators Carrell and Pearson be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that as a result of excessive internal (sediments) and external loading of nutrients, persistent toxic algae have developed in certain lakes. The legislature further finds that an effort should be made to prevent toxic algae blooms and restore lakes to a healthful condition that is suitable for human recreational use and aquatic wildlife habitat. Restoring lakes to a healthy condition is of paramount importance to the health and safety of fish, waterfowl, and terrestrial mammals, including humans. It is the legislature's intent to restore all such lakes to safe and healthy conditions.

NEW SECTION. Sec. 2. A new section is added to chapter 35A.21 RCW to read as follows:

(1) A code city authorized under this title may take action to address toxic algae blooms for any lake located within the boundaries of the code city and entirely on lands belonging to the state of Washington.

(2) This section applies only to lakes with less than thirty-four acres surface area and a mean depth of ten feet or less. A code city may only take action as authorized under this section consistent with applicable environmental and permitting requirements."

Senators Carrell and Rolfes spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Carrell and Pearson to Senate Bill No. 5596.

The motion by Senator Carrell carried and the striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, beginning on line 2 of the title, after "Washington;" strike the remainder of the title and insert "adding a new section to chapter 35A.21 RCW; and creating a new section."

MOTION

On motion of Senator Carrell, the rules were suspended, Engrossed Senate Bill No. 5596 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Fraser and Carrell spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5596.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5596 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

ENGROSSED SENATE BILL NO. 5596, having received the constitutional majority, was declared passed. There being no

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objection, the title of the bill was ordered to stand as the title of the act.

Senators Kline and Carrell spoke in favor of adoption of the amendment.

SECOND READING

SENATE BILL NO. 5444, by Senators Hasegawa, Nelson, Kohl-Welles, Hobbs, Chase, Keiser and Kline

Creating greater efficiency in the offices of county assessor by eliminating the requirement to annually appraise tax-exempt government properties. Revised for 1st Substitute: Concerning the administration of taxes regarding publicly owned property.

The President declared the question before the Senate to be the adoption of the amendment by Senators Kline and Carrell on page 1, line 19 to Substitute Senate Bill No. 5178.

The motion by Senator Kline carried and the amendment was adopted by voice vote.

MOTIONS

On motion of Senator Hasegawa, Substitute Senate Bill No. 5444 was substituted for Senate Bill No. 5444 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Hasegawa, the rules were suspended, Substitute Senate Bill No. 5444 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hasegawa spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5444.

MOTION

Senator Carrell moved that the following amendment by Senator Carrell be adopted:

On page 2, line 12, after "(4)" insert "A first offense of organized retail theft under subsection (1)(d) of this section is a gross misdemeanor. A second or subsequent offense of organized retail theft under subsection (1)(d) of this section is a class C felony punishable under RCW 9A.20.021.

(5)"

On page 2, at the beginning of line 24, strike "(5)" and insert ((5))(6)"

Senator Carrell spoke in favor of adoption of the amendment.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5444 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Holmquist Newbry and Honeyford
SUBSTITUTE SENATE BILL NO. 5444, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

The President declared the question before the Senate to be the adoption of the amendment by Senator Carrell on page 2, line 12 to Substitute Senate Bill No. 5178.

The motion by Senator Carrell carried and the amendment was adopted by voice vote.

MOTION

On motion of Senator Carrell, the rules were suspended, Engrossed Substitute Senate Bill No. 5178 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Carrell, Kline and Padden spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5178.

SECOND READING

SENATE BILL NO. 5178, by Senators Carrell, Rolfes, Roach, Becker, Padden, Pearson and Conway

Modifying organized retail theft provisions.

MOTION

On motion of Senator Carrell, Substitute Senate Bill No. 5178 was substituted for Senate Bill No. 5178 and the substitute bill was placed on the second reading and read the second time.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5178 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

ENGROSSED SUBSTITUTE SENATE BILL NO. 5178, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

Senator Kline moved that the following amendment by Senators Kline and Carrell be adopted:

On page 1, line 19, after "communication" strike "regarding" and insert "seeking participation in"

SECOND READING

SENATE BILL NO. 5132, by Senators Honeyford, Dammeier and Padden

Concerning the disclosure of estimated debt service costs.

The measure was read the second time.

MOTION

On motion of Senator Honeyford, the rules were suspended, Senate Bill No. 5132 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Honeyford spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5132.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5132 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist, Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

SENATE BILL NO. 5132, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5510, by Senators Becker, Keiser, Kohl-Welles, McAuliffe and Conway

Concerning the abuse of vulnerable adults.

The measure was read the second time.

MOTION

On motion of Senator Becker, the rules were suspended, Senate Bill No. 5510 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Becker and Keiser spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5510.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5510 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Absent: Senator Holmquist Newbry

SENATE BILL NO. 5510, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

On motion of Senator Honeyford, Senator Holmquist Newbry was excused.

MOTION

Senator Frockt moved that the senate immediately consider Senate Bill No. 5592.

Senator Frockt spoke in favor of the motion.
Senator Fain spoke against the motion.

Senator Frockt demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the motion by Senator Frockt that the senate immediately consider Senate Bill No. 5592.

ROLL CALL

The Secretary called the roll on the motion by Senator Frockt and the motion failed by the following vote: Yeas, 24; Nays, 25; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Chase, Cleveland, Conway, Darneille, Eide, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hobbs, Keiser, Kline, Kohl-Welles, McAuliffe, Mullet, Murray, Nelson, Ranker, Rolfes, Schlicher and Shin

Voting nay: Senators Bailey, Baumgartner, Becker, Benton, Braun, Brown, Carrell, Dammeier, Ericksen, Fain, Hewitt, Hill, Holmquist Newbry, Honeyford, King, Litzow, Padden, Parlette, Pearson, Rivers, Roach, Schoesler, Sheldon, Smith and Tom

MOTION

At 3:10 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 3:43 p.m. by President Owen.

SECOND READING

SENATE BILL NO. 5359, by Senator Carrell

Concerning mandatory reporting of child abuse or neglect by supervised persons.

The measure was read the second time.

MOTION

On motion of Senator Carrell, the rules were suspended, Senate Bill No. 5359 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Carrell and Darneille spoke in favor of passage of the bill.

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The President declared the question before the Senate to be the final passage of Senate Bill No. 5359.

MOTIONS

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5359 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

SENATE BILL NO. 5359, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5083, by Senators Benton, Shin, Carrell, Kline and Hasegawa

Concerning the display of political yard signs in homeowners' associations.

The measure was read the second time.

MOTION

On motion of Senator Benton, the rules were suspended, Senate Bill No. 5083 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Benton spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5083.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5083 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

SENATE BILL NO. 5083, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5518, by Senators Roach, Darneille, Sheldon and Hatfield

Making nonsubstantive changes to election laws.

On motion of Senator Roach, Substitute Senate Bill No. 5518 was substituted for Senate Bill No. 5518 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Roach, the rules were suspended, Substitute Senate Bill No. 5518 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Roach spoke in favor of passage of the bill.

Senator Hasegawa spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5518.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5518 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Chase, Cleveland, Hasegawa and Kline

SUBSTITUTE SENATE BILL NO. 5518, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5674, by Senators Kohl-Welles, Smith, Hatfield, Conway, Schoesler, King, Hobbs, Murray, Keiser, Ranker, Harper, Hewitt and Rolfes

Allowing wine and beer sampling at farmers markets.

The measure was read the second time.

MOTION

On motion of Senator Kohl-Welles, the rules were suspended, Senate Bill No. 5674 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Kohl-Welles spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5674.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5674 and the bill passed the Senate by the following vote: Yeas, 41; Nays, 8; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Eide, Ericksen, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray,

Nelson, Ranker, Rivers, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Benton, Dammeier, Darneille, Hargrove, Padden, Parlette, Pearson and Roach

SENATE BILL NO. 5674, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5162, by Senators Roach, Carrell, Rivers, Benton, Sheldon, Dammeier, Holmquist Newbry, Padden, Fraser, Frockt and Chase

Prohibiting a child custody award to a suspect in an active murder investigation.

MOTIONS

On motion of Senator Roach, Substitute Senate Bill No. 5162 was substituted for Senate Bill No. 5162 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Roach, the rules were suspended, Substitute Senate Bill No. 5162 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Roach spoke in favor of passage of the bill.

Senator Kline spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5162.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5162 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senator Kline

SUBSTITUTE SENATE BILL NO. 5162, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5766, by Senators Hobbs, Hatfield, Honeyford, Schoesler and Brown

Improving relationships between agricultural producers and state regulatory staff.

MOTIONS

On motion of Senator Hobbs, Substitute Senate Bill No. 5766 was substituted for Senate Bill No. 5766 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Hobbs, the rules were suspended, Substitute Senate Bill No. 5766 was advanced to third reading,

the second reading considered the third and the bill was placed on final passage.

Senator Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5766.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5766 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

SUBSTITUTE SENATE BILL NO. 5766, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5688, by Senators Braun, Carrell, Dammeier, Rivers, Sheldon and Hobbs

Simplifying definitions and classifications concerning state and local tax systems.

MOTION

On motion of Senator Braun, Second Substitute Senate Bill No. 5688 was substituted for Senate Bill No. 5688 and the second substitute bill was placed on the second reading and read the second time.

MOTION

Senator Braun moved that the following striking amendment by Senators Braun and Smith be adopted:

Strike everything after the enacting clause and insert the following:

"PART I INCREASING UNIFORMITY BETWEEN STATE AND LOCAL B&O TAXES

Sec. 101. RCW 35.102.030 and 2003 c 79 s 3 are each amended to read as follows:

The definitions in this section apply throughout this chapter (~~(79, Laws of 2003,)~~) unless the context clearly requires otherwise.

(1) "Business" has the same meaning as given in chapter 82.04 RCW.

(2) "City" means a city, town, or code city.

(3) "Business and occupation tax" or "gross receipts tax" means a tax imposed on or measured by the value of products, the gross income of the business, or the gross proceeds of sales, as the case may be, and that is the legal liability of the business.

(4) "Value of products" has the same meaning as given in chapter 82.04 RCW.

(5) "Gross income of the business" has the same meaning as given in chapter 82.04 RCW.

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(6) "Gross proceeds of sales" has the same meaning as given in chapter 82.04 RCW.

(7) "Department" means the department of revenue.

(8) "State business and occupation tax" means the tax imposed in chapter 82.04 RCW.

(9) "State business and occupation tax definitions" means the definitions in chapter 82.04 RCW, rules adopted by the department to administer chapter 82.04 RCW, and interpretive statements or other public guidance issued by the department relating to the tax imposed in chapter 82.04 RCW.

(10) "City business and occupation tax" means a business and occupation tax imposed by a city.

(11) "Service and other business activities classification" means the classification under which an activity is taxed if it is not taxed under some other classification.

Sec. 102. RCW 35.102.040 and 2010 c 271 s 706 are each amended to read as follows:

(1)(a) ~~((The cities, working through the association of Washington cities, shall form a model ordinance development committee made up of a representative sampling of cities that as of July 27, 2003, impose a business and occupation tax. This committee shall work through the association of Washington cities to adopt a model ordinance on municipal gross receipts business and occupation tax. The model ordinance and subsequent amendments shall))~~ After December 31, 2013, only the department may amend the city business and occupation tax model ordinance. Beginning January 1, 2014, the department may amend the model ordinance as it deems appropriate. Amendments, other than those required to conform with changes to state law, must be adopted using a process that includes opportunity for substantial input from cities, individually or through the association of Washington cities, business stakeholders, and other members of the public. Input ~~((shall))~~ must be solicited from statewide business associations and from local chambers of commerce and downtown business associations in cities that levy a business and occupation tax.

(b) The department of commerce ~~((shall))~~ must contract to post the model ordinance on an internet web site and to make paper copies available for inspection upon request. The department of revenue and the department of licensing ~~((shall))~~ must post copies of or links to the model ordinance on their internet web sites. Additionally, a city that imposes a business and occupation tax must make copies of its ordinance available for inspection and copying as provided in chapter 42.56 RCW.

~~((The definitions and tax classifications in the model ordinance may not be amended more frequently than once every four years, however the model ordinance may be amended at any time to comply with changes in state law. Any amendment to a mandatory provision of the model ordinance must be adopted with the same effective date by all cities.))~~

(2) A city that imposes a business and occupation tax must adopt the mandatory provisions of the model ordinance. The following provisions are mandatory:

(a) ~~((A system of credits that meets the requirements of RCW 35.102.060 and a form for such use;~~

~~((b))~~ A uniform, minimum small business tax threshold of at least the equivalent of twenty thousand dollars in gross income annually. A city may elect to deviate from this requirement by creating a higher threshold or exemption but it shall not deviate lower than the level required in this subsection. If a city has a small business threshold or exemption in excess of that provided in this subsection as of January 1, 2003, and chooses to deviate below the threshold or exemption level that was in place as of January 1, 2003, the city must notify all businesses licensed to do business within the city at least one hundred twenty days prior to the potential implementation of a lower threshold or exemption amount;

~~((c))~~ (b) Tax reporting frequencies that meet the requirements of RCW 35.102.070;

~~((d))~~ (c) Penalty and interest provisions that meet the requirements of RCW 35.102.080 and 35.102.090;

~~((e))~~ (d) Claim periods that meet the requirements of RCW 35.102.100;

~~((f))~~ (e) Refund provisions that meet the requirements of RCW 35.102.110; ~~((and~~

~~((g))~~ Definitions, which at a minimum, must include the definitions enumerated in RCW 35.102.030 and 35.102.120. The definitions in chapter 82.04 RCW shall be used as the baseline for all definitions in the model ordinance, and any deviation in the model ordinance from these definitions must be described by a comment in the model ordinance.

~~((h))~~ (f) Provisions consistent with RCW 82.04.480 and 82.04.520;

~~((i))~~ (g) Tax classifications for reporting purposes that include all of the state business and occupation tax classifications, including those created in RCW 82.04.230 through 82.04.298, classifications created after the effective date of this section and codified outside of those statutes, and any classifications created by the department under the authority of section 202 of this act.

(ii) The model ordinance may not include:

(A) Any classifications that are not used for state business and occupation tax purposes;

(B) Any classifications for persons taxable under the state public utility tax classification engaging in the following activities: Hauling persons or property for hire by watercraft between points in Washington; operating tugboats of any size and income from the sale of transportation services by vessels over sixty-five feet; sales of transportation services using vessels under sixty-five feet, other than tugboats; or persons engaged in chartering or transporting persons by water from one location in Washington to another location within this state. This subsection (2)(g)(i)(B) does not include sightseeing tours or activities that are in the nature of guided tours where the tour may include some water transportation; and

(C) Any classifications for persons taxable under the state public utility tax classifications of motor transportation or urban transportation; and

(h)(i) A provision stating that the state business and occupation tax definitions apply to the model ordinance and any city's business and occupation tax in the same manner as they apply for purposes of chapter 82.04 RCW. Any deviation in the model ordinance from these definitions is only permitted when expressly provided for by statute. If a deviation is allowed by statute, such definition must be stated in full in the model ordinance. Further, any deviation in the definitions allowed is subject to the publication requirements in subsection (5) of this section.

(ii) Except as provided otherwise in this subsection, a city may not, for purposes of its business and occupation tax, deviate from the state business and occupation tax definitions in its ordinances, rules, other public guidance, and interpretations.

(iii) For purposes of complying with this subsection (2)(h), references to the department in state business and occupation tax definitions must be construed as references to the city or cities, unless the context clearly requires otherwise.

(iv) For purposes of complying with this subsection (2)(h), references to the state in state business and occupation tax definitions must be construed as references to the city or cities, unless the context clearly requires otherwise.

(v) Any portion of a state business and occupation tax definition that relates solely to sales or use tax or otherwise does not apply to the tax imposed in chapter 82.04 RCW does not apply to the model ordinance or business and occupation taxes imposed by the cities.

(vi) Except as otherwise provided in this section, the cities and

the model ordinance need not adopt any exclusionary language contained in a state business and occupation tax definition, but only if the exclusionary language has the effect of exempting a person, activity, or income from the tax imposed in chapter 82.04 RCW.

(vii) Notwithstanding (h)(vi) of this subsection (2), a city may not deviate from the exclusion in RCW 82.04.062 from the definitions of "wholesale sale," "sale at wholesale," "retail sale," and "sale at retail." Cities imposing a business and occupation tax must compute tax on the business of making sales of precious metal bullion or monetized bullion consistent with RCW 82.04.062.

(viii) Notwithstanding (h)(vii) of this subsection (2), cities may not deviate from the exclusion in RCW 82.04.216 of steam, electricity, and electrical energy from various terms denoting tangible items that may be used, sold, or consumed.

(ix) Language in a state business and occupation tax definition governing how the defined term is to be applied for state business and occupation tax purposes also applies for purposes of city business and occupation taxes.

(3) Tax classifications must be uniform among all cities and with state business and occupation tax classifications.

(4) Except for the deduction required by RCW 35.102.160 and the system of credits developed to address multiple taxation (~~under subsection (2)(a) of this section~~), a city may adopt its own provisions for tax rates, tax exemptions, tax credits, and tax deductions.

~~((4))~~ (5) Any city that adopts an ordinance that deviates from the nonmandatory provisions of the model ordinance (~~shall~~) must make a description of such differences available to the department for publication by the department to the public (~~in written and electronic form~~).

Sec. 103. RCW 35.102.140 and 2003 c 79 s 14 are each amended to read as follows:

~~(Cities imposing business and occupation taxes must comply with all requirements of RCW 35.102.020 through 35.102.130 by December 31, 2004. A city that has not complied with the requirements of RCW 35.102.020 through 35.102.130 by December 31, 2004, may not impose a tax that is imposed by a city on the privilege of engaging in business activities.)~~ (1) Cities imposing business and occupation taxes after December 31, 2004, must comply with (~~RCW 35.102.020 through 35.102.130~~) this chapter. (2) The department may issue official written guidance on any provision of a city's business and occupation tax that is required by this chapter to be administered consistently with the state business and occupation tax. Any such official public guidance issued by the department preempts any conflicting interpretation of the city. Likewise, any official public guidance issued by the department on a state business and occupation tax matter preempts any conflicting interpretation by the city on a matter involving a provision of the city's business and occupation tax that is required by this chapter to be administered consistently with the state business and occupation tax. Nothing in this subsection is intended to affect the interpretation or application of a city's business and occupation tax for periods before the effective date of this section.

Sec. 104. RCW 35.102.160 and 2006 c 301 s 6 are each amended to read as follows:

(1) The provision of professional employer services by a professional employer organization is taxable under a city's service and other business activities classification. A city that imposes its business and occupation tax on professional employer services performed by a professional employer organization (~~regardless of the tax classification applicable to such services, shall~~) must provide a deduction identical to the deduction in RCW 82.04.540(2).

(2) For the purposes of this section, "professional employer organization" and "professional employer services" have the same meanings as in RCW 82.04.540.

NEW SECTION. Sec. 105. A new section is added to chapter 35.102 RCW to read as follows:

Beginning on the effective date of this section, the department may adopt rules and issue interpretive and policy statements in accordance with the administrative procedure act, chapter 34.05 RCW, as it considers necessary or useful in enhancing uniformity between state and city business and occupation taxes and in carrying out the department's duties under this chapter. Such rules and interpretive and policy statements take precedence over any conflicting rules and interpretive or policy guidance issued by the cities. The department must seek input from affected cities before issuing any rules and interpretive and policy statements concerning city business and occupation taxes to the extent required by chapter 34.05 RCW.

NEW SECTION. Sec. 106. A new section is added to chapter 35.102 RCW to read as follows:

For purposes of city business and occupation taxes, a person may meet its burden of proving that a sale is a wholesale sale rather than a retail sale as provided in RCW 82.04.470. Upon request of a city, the department must assist the city in determining whether a person has met the requirements of RCW 82.04.470(6).

PART II REDUCING STATE B&O TAX CLASSIFICATIONS

NEW SECTION. Sec. 201. (1) The legislature finds that there are currently over fifty tax classifications for purposes of the state business and occupation tax. Most of these tax classifications were created to provide a reduced tax rate to certain business activities.

(2) The legislature further finds that the considerable number of state business and occupation tax classifications creates complexity for taxpayers, increases opportunities for disputes between taxpayers and the department of revenue, and is a major barrier to achieving significant uniformity between state and local business and occupation tax systems.

(3) Therefore, the legislature intends Part II of this act to significantly reduce state business and occupation tax classifications by:

(a) Consolidating the extracting and extracting for hire classifications;

(b) Consolidating the public road construction and government contracting classifications into the wholesaling classification; and

(c) Consolidating the public and nonprofit hospital and real estate broker classifications into the catch-all service and other business activities classification.

(4) Parts II and III of this act is not intended to materially affect the tax burden of any person. If any provision of part II or III of this act would, under a plain meaning analysis, materially impact a person's tax liability, the legislature expresses its intent that such provision should be deemed a mistake and interpreted to achieve a result that is consistent with the legislature's intent as described in this section.

NEW SECTION. Sec. 202. A new section is added to chapter 82.04 RCW to read as follows:

(1) Except as provided otherwise in subsection (2) of this section, for purposes of reporting the tax due under this chapter in a way that provides taxpayers with more consistency between state and city-imposed business and occupation taxes or for ease of administration for the department or taxpayers, the department may classify business activities other than as provided in RCW 82.04.230 through 82.04.298. However, new classifications created under the authority of this section do not affect the tax rates applicable to the activities that come within the new classifications.

(2) The department may not consolidate the manufacturing and processing for hire classifications.

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Sec. 203. RCW 82.04.060 and 2010 c 106 s 203 are each amended to read as follows:

"Sale at wholesale" or "wholesale sale" means:

- (1) Any sale, which is not a sale at retail, of:
 - (a) Tangible personal property;
 - (b) Services defined as a retail sale in RCW 82.04.050(2) (a) or (g);
 - (c) Amusement or recreation services as defined in RCW 82.04.050(3)(a);
 - (d) Prewritten computer software;
 - (e) Services described in RCW 82.04.050(6)(b);
 - (f) Extended warranties as defined in RCW 82.04.050(7);
 - (g) Competitive telephone service, ancillary services, or telecommunications service as those terms are defined in RCW 82.04.065; or
 - (h) Digital goods, digital codes, or digital automated services;

(2) Any charge made for labor and services rendered for persons who are not consumers, in respect to real or personal property, if such charge is expressly defined as a retail sale by RCW 82.04.050 when rendered to or for consumers. For the purposes of this subsection (2), "real or personal property" does not include any natural products named in RCW 82.04.100; ~~(and)~~

(3) The sale of any service for resale, if the sale is excluded from the definition of "sale at retail" and "retail sale" in RCW 82.04.050(14); and

(4) Any sale of or charge made for labor and services if the sale or charge is excluded from the definition of retail sale in RCW 82.04.050 (10) or (12). Nothing in this subsection may be construed as affecting the status of persons providing such services to consumers as provided in RCW 82.04.190.

Sec. 204. RCW 82.04.230 and 2006 c 300 s 5 are each amended to read as follows:

(1) Upon every person engaging within this state in business as an extractor or extractor for hire, except persons taxable as an extractor or extractor for hire under any other provision in this chapter; as to such persons the amount of the tax with respect to such business ~~((shall be))~~ is, in the case of extractors, equal to the value of the products, including by-products, extracted for sale or for commercial or industrial use, and, in the case of extractors for hire, the gross income of the business of extracting for hire, multiplied by the rate of 0.484 percent.

(2) The measure of the tax on extractors is the value of the products, including by-products, so extracted, regardless of the place of sale or the fact that deliveries may be made to points outside the state.

Sec. 205. RCW 82.04.250 and 2010 1st sp.s. c 23 s 509 are each reenacted and amended to read as follows:

(1) Upon every person engaging within this state in the business of making sales at retail, except persons taxable ~~((as retailers))~~ under other provisions of this chapter on the business of making sales at retail, as to such persons, the amount of tax with respect to such business is equal to the gross proceeds of sales of the business, multiplied by the rate of 0.471 percent.

(2) Upon every person engaging within this state in the business of making sales at retail that are exempt from the tax imposed under chapter 82.08 RCW by reason of RCW 82.08.0261, 82.08.0262, or 82.08.0263, except persons taxable under RCW 82.04.260~~((40))~~ (7) or subsection (3) of this section, as to such persons, the amount of tax with respect to such business is equal to the gross proceeds of sales of the business, multiplied by the rate of 0.484 percent.

(3) Until July 1, 2024, upon every person classified by the federal aviation administration as a federal aviation regulation part 145 certificated repair station and that is engaging within this state in the business of making sales at retail that are exempt from the tax imposed under chapter 82.08 RCW by reason of RCW 82.08.0261, 82.08.0262, or 82.08.0263, as to such persons, the amount of tax

with respect to such business is equal to the gross proceeds of sales of the business, multiplied by the rate of .2904 percent.

Sec. 206. RCW 82.04.255 and 2011 c 322 s 2 are each amended to read as follows:

~~(1) ((Upon every person engaging within the state in)) The business of providing real estate brokerage services((; as to such persons, the amount of the tax with respect to such business is equal to the gross income of the business, multiplied by the rate of 1.5 percent)) is subject to tax under RCW 82.04.290.~~

(2) The measure of the tax on real estate commissions earned by the real estate firm is the gross commission earned by the particular real estate firm including that portion of the commission paid to brokers, including designated and managing brokers, in the same firm on a particular transaction. However, when a real estate commission on a particular transaction is divided among real estate firms at the closing of the transaction, including a firm located out of state, each firm must pay the tax only upon its respective shares of said commission. Moreover, when the real estate firm has paid the tax as provided herein, brokers, including designated and managing brokers, within the same real estate firm may not be required to pay a similar tax upon the same transaction. If any firm located out of state receives a share of commission on a particular transaction, that company or broker must pay the tax based on the requirements of this section and RCW 82.04.067.

(3) For the purposes of this section, "broker," "designated broker," "managing broker," and "real estate firm" have the same meaning as provided in RCW 18.85.011.

Sec. 207. RCW 82.04.260 and 2012 2nd sp.s. c 6 s 602 and 2012 2nd sp.s. c 6 s 204 are each reenacted and amended to read as follows:

~~(1) ((Upon every person engaging within this state in the business of manufacturing:~~

~~—(a) Wheat into flour, barley into pearl barley, soybeans into soybean oil, canola into canola oil, canola meal, or canola by products, or sunflower seeds into sunflower oil; as to such persons the amount of tax with respect to such business is equal to the value of the flour, pearl barley, oil, canola meal, or canola by product manufactured, multiplied by the rate of 0.138 percent;~~

~~—(b) Beginning July 1, 2015, seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing by that person; or selling manufactured seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing, to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business is equal to the value of the products manufactured or the gross proceeds derived from such sales, multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state;~~

~~(e) Beginning July 1, 2015, dairy products that as of September 20, 2001, are identified in 21 C.F.R., chapter 1, parts 131, 133, and 135, including by products from the manufacturing of the dairy products such as whey and casein; or selling the same to purchasers who transport in the ordinary course of business the goods out of state; as to such persons the tax imposed is equal to the value of the products manufactured or the gross proceeds derived from such sales multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state;~~

~~—(d) Beginning July 1, 2015, fruits or vegetables by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables, or selling at wholesale fruits or vegetables manufactured by the seller by canning, preserving, freezing, processing, or~~

~~dehydrating fresh fruits or vegetables and sold to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business is equal to the value of the products manufactured or the gross proceeds derived from such sales multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state;~~

~~(e) Until July 1, 2009, alcohol fuel, biodiesel fuel, or biodiesel feedstock, as those terms are defined in RCW 82.29A.135; as to such persons the amount of tax with respect to the business is equal to the value of alcohol fuel, biodiesel fuel, or biodiesel feedstock manufactured, multiplied by the rate of 0.138 percent; and~~

~~(f) Wood biomass fuel as defined in RCW 82.29A.135; as to such persons the amount of tax with respect to the business is equal to the value of wood biomass fuel manufactured, multiplied by the rate of 0.138 percent.~~

~~(2) Upon every person engaging within this state in the business of splitting or processing dried peas; as to such persons the amount of tax with respect to such business is equal to the value of the peas split or processed, multiplied by the rate of 0.138 percent.~~

~~(3)) Upon every nonprofit corporation and nonprofit association engaging within this state in research and development, as to such corporations and associations, the amount of tax with respect to such activities is equal to the gross income derived from such activities multiplied by the rate of 0.484 percent.~~

~~((4) Upon every person engaging within this state in the business of slaughtering, breaking and/or processing perishable meat products and/or selling the same at wholesale only and not at retail; as to such persons the tax imposed is equal to the gross proceeds derived from such sales multiplied by the rate of 0.138 percent.~~

~~(5)) (2) Upon every person engaging within this state in the business of acting as a travel agent or tour operator; as to such persons the amount of the tax with respect to such activities is equal to the gross income derived from such activities multiplied by the rate of 0.275 percent.~~

~~((6)) (3) Upon every person engaging within this state in business as an international steamship agent, international customs house broker, international freight forwarder, vessel and/or cargo charter broker in foreign commerce, and/or international air cargo agent; as to such persons the amount of the tax with respect to only international activities is equal to the gross income derived from such activities multiplied by the rate of 0.275 percent.~~

~~((7)) (4) Upon every person engaging within this state in the business of stevedoring and associated activities pertinent to the movement of goods and commodities in waterborne interstate or foreign commerce; as to such persons the amount of tax with respect to such business is equal to the gross proceeds derived from such activities multiplied by the rate of 0.275 percent. Persons subject to taxation under this subsection are exempt from payment of taxes imposed by chapter 82.16 RCW for that portion of their business subject to taxation under this subsection. Stevedoring and associated activities pertinent to the conduct of goods and commodities in waterborne interstate or foreign commerce are defined as all activities of a labor, service or transportation nature whereby cargo may be loaded or unloaded to or from vessels or barges, passing over, onto or under a wharf, pier, or similar structure; cargo may be moved to a warehouse or similar holding or storage yard or area to await further movement in import or export or may move to a consolidation freight station and be stuffed, unstuffed, containerized, separated or otherwise segregated or aggregated for delivery or loaded on any mode of transportation for delivery to its consignee. Specific activities included in this definition are: Wharfage, handling, loading, unloading, moving of~~

cargo to a convenient place of delivery to the consignee or a convenient place for further movement to export mode; documentation services in connection with the receipt, delivery, checking, care, custody and control of cargo required in the transfer of cargo; imported automobile handling prior to delivery to consignee; terminal stevedoring and incidental vessel services, including but not limited to plugging and unplugging refrigerator service to containers, trailers, and other refrigerated cargo receptacles, and securing ship hatch covers.

~~((8)) (5)(a) Upon every person engaging within this state in the business of disposing of low-level waste, as defined in RCW 43.145.010; as to such persons the amount of the tax with respect to such business is equal to the gross income of the business, excluding any fees imposed under chapter 43.200 RCW, multiplied by the rate of 3.3 percent.~~

~~(b) If the gross income of the taxpayer is attributable to activities both within and without this state, the gross income attributable to this state must be determined in accordance with the methods of apportionment required under RCW 82.04.460.~~

~~((9)) (6) Upon every person engaging within this state as an insurance producer or title insurance agent licensed under chapter 48.17 RCW or a surplus line broker licensed under chapter 48.15 RCW; as to such persons, the amount of the tax with respect to such licensed activities is equal to the gross income of such business multiplied by the rate of 0.484 percent.~~

~~((10) Upon every person engaging within this state in business as a hospital, as defined in chapter 70.41 RCW, that is operated as a nonprofit corporation or by the state or any of its political subdivisions, as to such persons, the amount of tax with respect to such activities is equal to the gross income of the business multiplied by the rate of 0.75 percent through June 30, 1995, and 1.5 percent thereafter.~~

~~((11)) (7)(a) Beginning October 1, 2005, upon every person engaging within this state in the business of manufacturing commercial airplanes, or components of such airplanes, or making sales, at retail or wholesale, of commercial airplanes or components of such airplanes, manufactured by the seller, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured and the gross proceeds of sales of the product manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of:~~

~~(i) 0.4235 percent from October 1, 2005, through June 30, 2007; and~~

~~(ii) 0.2904 percent beginning July 1, 2007.~~

~~(b) Beginning July 1, 2008, upon every person who is not eligible to report under the provisions of (a) of this subsection ((11)) (7) and is engaging within this state in the business of manufacturing tooling specifically designed for use in manufacturing commercial airplanes or components of such airplanes, or making sales, at retail or wholesale, of such tooling manufactured by the seller, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured and the gross proceeds of sales of the product manufactured, or in the case of processors for hire, be equal to the gross income of the business, multiplied by the rate of 0.2904 percent.~~

~~(c) For the purposes of this subsection ((11)) (7), "commercial airplane" and "component" have the same meanings as provided in RCW 82.32.550.~~

~~(d) In addition to all other requirements under this title, a person reporting under the tax rate provided in this subsection ((11)) (7) must file a complete annual report with the department under RCW 82.32.534.~~

~~(e) This subsection ((11)) (7) does not apply on and after July 1, 2024.~~

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~~((42))~~ (8)(a) Until July 1, 2024, upon every person engaging within this state in the business of extracting timber or extracting timber for hire (~~(timber)~~); as to such persons the amount of tax with respect to the business is, in the case of extractors, equal to the value of products, including by-products, extracted, or in the case of extractors for hire, equal to the gross income of the business, multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, 2024.

(b) Until July 1, 2024, upon every person engaging within this state in the business of manufacturing or processing for hire: (i) Timber into timber products or wood products; or (ii) timber products into other timber products or wood products; as to such persons the amount of the tax with respect to the business is, in the case of manufacturers, equal to the value of products, including by-products, manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, 2024.

(c) Until July 1, 2024, upon every person engaging within this state in the business of selling at wholesale: (i) Timber extracted by that person; (ii) timber products manufactured by that person from timber or other timber products; or (iii) wood products manufactured by that person from timber or timber products; as to such persons the amount of the tax with respect to the business is equal to the gross proceeds of sales of the timber, timber products, or wood products multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, 2024.

(d) Until July 1, 2024, upon every person engaging within this state in the business of selling standing timber; as to such persons the amount of the tax with respect to the business is equal to the gross income of the business multiplied by the rate of 0.2904 percent. For purposes of this subsection ~~((42))~~ (8)(d), "selling standing timber" means the sale of timber apart from the land, where the buyer is required to sever the timber within thirty months from the date of the original contract, regardless of the method of payment for the timber and whether title to the timber transfers before, upon, or after severance.

(e) For purposes of this subsection, the following definitions apply:

(i) "Biocomposite surface products" means surface material products containing, by weight or volume, more than fifty percent recycled paper and that also use nonpetroleum-based phenolic resin as a bonding agent.

(ii) "Paper and paper products" means products made of interwoven cellulose fibers held together largely by hydrogen bonding. "Paper and paper products" includes newsprint; office, printing, fine, and pressure-sensitive papers; paper napkins, towels, and toilet tissue; kraft bag, construction, and other kraft industrial papers; paperboard, liquid packaging containers, containerboard, corrugated, and solid-fiber containers including linerboard and corrugated medium; and related types of cellulosic products containing primarily, by weight or volume, cellulosic materials. "Paper and paper products" does not include books, newspapers, magazines, periodicals, and other printed publications, advertising materials, calendars, and similar types of printed materials.

(iii) "Recycled paper" means paper and paper products having fifty percent or more of their fiber content that comes from postconsumer waste. For purposes of this subsection ~~((42))~~ (8)(e)(iii), "postconsumer waste" means a finished material that would normally be disposed of as solid waste, having completed its life cycle as a consumer item.

(iv) "Timber" means forest trees, standing or down, on privately or publicly owned land. "Timber" does not include Christmas trees

that are cultivated by agricultural methods or short-rotation hardwoods as defined in RCW 84.33.035.

(v) "Timber products" means:

(A) Logs, wood chips, sawdust, wood waste, and similar products obtained wholly from the processing of timber, short-rotation hardwoods as defined in RCW 84.33.035, or both;

(B) Pulp, including market pulp and pulp derived from recovered paper or paper products; and

(C) Recycled paper, but only when used in the manufacture of biocomposite surface products.

(vi) "Wood products" means paper and paper products; dimensional lumber; engineered wood products such as particleboard, oriented strand board, medium density fiberboard, and plywood; wood doors; wood windows; and biocomposite surface products.

(f) Except for small harvesters as defined in RCW 84.33.035, a person reporting under the tax rate provided in this subsection ~~((42))~~ (8) must file a complete annual survey with the department under RCW 82.32.585.

~~((43))~~ (9) Upon every person engaging within this state in inspecting, testing, labeling, and storing canned salmon owned by another person, as to such persons, the amount of tax with respect to such activities is equal to the gross income derived from such activities multiplied by the rate of 0.484 percent.

~~((44))~~ (10)(a) Upon every person engaging within this state in the business of printing a newspaper, publishing a newspaper, or both, the amount of tax on such business is equal to the gross income of the business multiplied by the rate of 0.365 percent through June 30, 2013, and beginning July 1, 2013, multiplied by the rate of 0.35 percent.

(b) A person reporting under the tax rate provided in this subsection ~~((44))~~ (10) must file a complete annual report with the department under RCW 82.32.534.

Sec. 208. RCW 82.04.260 and 2012 2nd sp.s. c 6 s 204 are each amended to read as follows:

(1) ~~(Upon every person engaging within this state in the business of manufacturing:~~

~~(a) Wheat into flour, barley into pearl barley, soybeans into soybean oil, canola into canola oil, canola meal, or canola by-products, or sunflower seeds into sunflower oil; as to such persons the amount of tax with respect to such business is equal to the value of the flour, pearl barley, oil, canola meal, or canola by-product manufactured, multiplied by the rate of 0.138 percent;~~

~~(b) Beginning July 1, 2015, seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing by that person; or selling manufactured seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing, to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business is equal to the value of the products manufactured or the gross proceeds derived from such sales, multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state;~~

~~(c) Beginning July 1, 2015, dairy products that as of September 20, 2001, are identified in 21 C.F.R., chapter 1, parts 131, 133, and 135, including by-products from the manufacturing of the dairy products such as whey and casein; or selling the same to purchasers who transport in the ordinary course of business the goods out of state; as to such persons the tax imposed is equal to the value of the products manufactured or the gross proceeds derived from such sales multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the~~

ordinary course of business out of this state;

~~(d) Beginning July 1, 2015, fruits or vegetables by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables, or selling at wholesale fruits or vegetables manufactured by the seller by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables and sold to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business is equal to the value of the products manufactured or the gross proceeds derived from such sales multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state;~~

~~(e) Until July 1, 2009, alcohol fuel, biodiesel fuel, or biodiesel feedstock, as those terms are defined in RCW 82.29A.135; as to such persons the amount of tax with respect to the business is equal to the value of alcohol fuel, biodiesel fuel, or biodiesel feedstock manufactured, multiplied by the rate of 0.138 percent; and~~

~~(f) Wood biomass fuel as defined in RCW 82.29A.135; as to such persons the amount of tax with respect to the business is equal to the value of wood biomass fuel manufactured, multiplied by the rate of 0.138 percent.~~

~~(2) Upon every person engaging within this state in the business of splitting or processing dried peas; as to such persons the amount of tax with respect to such business is equal to the value of the peas split or processed, multiplied by the rate of 0.138 percent.~~

~~(3)) Upon every nonprofit corporation and nonprofit association engaging within this state in research and development, as to such corporations and associations, the amount of tax with respect to such activities is equal to the gross income derived from such activities multiplied by the rate of 0.484 percent.~~

~~((4) Upon every person engaging within this state in the business of slaughtering, breaking and/or processing perishable meat products and/or selling the same at wholesale only and not at retail; as to such persons the tax imposed is equal to the gross proceeds derived from such sales multiplied by the rate of 0.138 percent.~~

~~(5)) (2) Upon every person engaging within this state in the business of acting as a travel agent or tour operator; as to such persons the amount of the tax with respect to such activities is equal to the gross income derived from such activities multiplied by the rate of 0.275 percent.~~

~~((6)) (3) Upon every person engaging within this state in business as an international steamship agent, international customs house broker, international freight forwarder, vessel and/or cargo charter broker in foreign commerce, and/or international air cargo agent; as to such persons the amount of the tax with respect to only international activities is equal to the gross income derived from such activities multiplied by the rate of 0.275 percent.~~

~~((7)) (4) Upon every person engaging within this state in the business of stevedoring and associated activities pertinent to the movement of goods and commodities in waterborne interstate or foreign commerce; as to such persons the amount of tax with respect to such business is equal to the gross proceeds derived from such activities multiplied by the rate of 0.275 percent. Persons subject to taxation under this subsection are exempt from payment of taxes imposed by chapter 82.16 RCW for that portion of their business subject to taxation under this subsection. Stevedoring and associated activities pertinent to the conduct of goods and commodities in waterborne interstate or foreign commerce are defined as all activities of a labor, service or transportation nature whereby cargo may be loaded or unloaded to or from vessels or barges, passing over, onto or under a wharf, pier, or similar structure; cargo may be moved to a warehouse or similar holding or storage yard or area to await further movement in import or export~~

or may move to a consolidation freight station and be stuffed, unstuffed, containerized, separated or otherwise segregated or aggregated for delivery or loaded on any mode of transportation for delivery to its consignee. Specific activities included in this definition are: Wharfage, handling, loading, unloading, moving of cargo to a convenient place of delivery to the consignee or a convenient place for further movement to export mode; documentation services in connection with the receipt, delivery, checking, care, custody and control of cargo required in the transfer of cargo; imported automobile handling prior to delivery to consignee; terminal stevedoring and incidental vessel services, including but not limited to plugging and unplugging refrigerator service to containers, trailers, and other refrigerated cargo receptacles, and securing ship hatch covers.

~~((8)) (5)(a) Upon every person engaging within this state in the business of disposing of low-level waste, as defined in RCW 43.145.010; as to such persons the amount of the tax with respect to such business is equal to the gross income of the business, excluding any fees imposed under chapter 43.200 RCW, multiplied by the rate of 3.3 percent.~~

~~(b) If the gross income of the taxpayer is attributable to activities both within and without this state, the gross income attributable to this state must be determined in accordance with the methods of apportionment required under RCW 82.04.460.~~

~~((9)) (6) Upon every person engaging within this state as an insurance producer or title insurance agent licensed under chapter 48.17 RCW or a surplus line broker licensed under chapter 48.15 RCW; as to such persons, the amount of the tax with respect to such licensed activities is equal to the gross income of such business multiplied by the rate of 0.484 percent.~~

~~((10) Upon every person engaging within this state in business as a hospital, as defined in chapter 70.41 RCW, that is operated as a nonprofit corporation or by the state or any of its political subdivisions, as to such persons, the amount of tax with respect to such activities is equal to the gross income of the business multiplied by the rate of 0.75 percent through June 30, 1995, and 1.5 percent thereafter.~~

~~((11)) (7)(a) Beginning October 1, 2005, upon every person engaging within this state in the business of manufacturing commercial airplanes, or components of such airplanes, or making sales, at retail or wholesale, of commercial airplanes or components of such airplanes, manufactured by the seller, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured and the gross proceeds of sales of the product manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of:~~

~~(i) 0.4235 percent from October 1, 2005, through June 30, 2007; and~~

~~(ii) 0.2904 percent beginning July 1, 2007.~~

~~(b) Beginning July 1, 2008, upon every person who is not eligible to report under the provisions of (a) of this subsection ((11)) (7) and is engaging within this state in the business of manufacturing tooling specifically designed for use in manufacturing commercial airplanes or components of such airplanes, or making sales, at retail or wholesale, of such tooling manufactured by the seller, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured and the gross proceeds of sales of the product manufactured, or in the case of processors for hire, be equal to the gross income of the business, multiplied by the rate of 0.2904 percent.~~

~~(c) For the purposes of this subsection ((11)) (7), "commercial airplane" and "component" have the same meanings as provided in RCW 82.32.550.~~

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(d) In addition to all other requirements under this title, a person reporting under the tax rate provided in this subsection ~~((44))~~ (7) must file a complete annual report with the department under RCW 82.32.534.

(e) This subsection ~~((44))~~ (7) does not apply on and after July 1, 2024.

~~((42))~~ (8)(a) Until July 1, 2024, upon every person engaging within this state in the business of extracting timber or extracting timber for hire ~~((timber))~~; as to such persons the amount of tax with respect to the business is, in the case of extractors, equal to the value of products, including by-products, extracted, or in the case of extractors for hire, equal to the gross income of the business, multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, 2024.

(b) Until July 1, 2024, upon every person engaging within this state in the business of manufacturing or processing for hire: (i) Timber into timber products or wood products; or (ii) timber products into other timber products or wood products; as to such persons the amount of the tax with respect to the business is, in the case of manufacturers, equal to the value of products, including by-products, manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, 2024.

(c) Until July 1, 2024, upon every person engaging within this state in the business of selling at wholesale: (i) Timber extracted by that person; (ii) timber products manufactured by that person from timber or other timber products; or (iii) wood products manufactured by that person from timber or timber products; as to such persons the amount of the tax with respect to the business is equal to the gross proceeds of sales of the timber, timber products, or wood products multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, 2024.

(d) Until July 1, 2024, upon every person engaging within this state in the business of selling standing timber; as to such persons the amount of the tax with respect to the business is equal to the gross income of the business multiplied by the rate of 0.2904 percent. For purposes of this subsection ~~((42))~~ (8)(d), "selling standing timber" means the sale of timber apart from the land, where the buyer is required to sever the timber within thirty months from the date of the original contract, regardless of the method of payment for the timber and whether title to the timber transfers before, upon, or after severance.

(e) For purposes of this subsection, the following definitions apply:

(i) "Biocomposite surface products" means surface material products containing, by weight or volume, more than fifty percent recycled paper and that also use nonpetroleum-based phenolic resin as a bonding agent.

(ii) "Paper and paper products" means products made of interwoven cellulosic fibers held together largely by hydrogen bonding. "Paper and paper products" includes newsprint; office, printing, fine, and pressure-sensitive papers; paper napkins, towels, and toilet tissue; kraft bag, construction, and other kraft industrial papers; paperboard, liquid packaging containers, containerboard, corrugated, and solid-fiber containers including linerboard and corrugated medium; and related types of cellulosic products containing primarily, by weight or volume, cellulosic materials. "Paper and paper products" does not include books, newspapers, magazines, periodicals, and other printed publications, advertising materials, calendars, and similar types of printed materials.

(iii) "Recycled paper" means paper and paper products having fifty percent or more of their fiber content that comes from

postconsumer waste. For purposes of this subsection ~~((42))~~ (8)(e)(iii), "postconsumer waste" means a finished material that would normally be disposed of as solid waste, having completed its life cycle as a consumer item.

(iv) "Timber" means forest trees, standing or down, on privately or publicly owned land. "Timber" does not include Christmas trees that are cultivated by agricultural methods or short-rotation hardwoods as defined in RCW 84.33.035.

(v) "Timber products" means:

(A) Logs, wood chips, sawdust, wood waste, and similar products obtained wholly from the processing of timber, short-rotation hardwoods as defined in RCW 84.33.035, or both;

(B) Pulp, including market pulp and pulp derived from recovered paper or paper products; and

(C) Recycled paper, but only when used in the manufacture of biocomposite surface products.

(vi) "Wood products" means paper and paper products; dimensional lumber; engineered wood products such as particleboard, oriented strand board, medium density fiberboard, and plywood; wood doors; wood windows; and biocomposite surface products.

(f) Except for small harvesters as defined in RCW 84.33.035, a person reporting under the tax rate provided in this subsection ~~((42))~~ (8) must file a complete annual survey with the department under RCW 82.32.585.

~~((43))~~ (9) Upon every person engaging within this state in inspecting, testing, labeling, and storing canned salmon owned by another person, as to such persons, the amount of tax with respect to such activities is equal to the gross income derived from such activities multiplied by the rate of 0.484 percent.

~~((44))~~ (10)(a) Upon every person engaging within this state in the business of printing a newspaper, publishing a newspaper, or both, the amount of tax on such business is equal to the gross income of the business multiplied by the rate of 0.2904 percent.

(b) A person reporting under the tax rate provided in this subsection ~~((44))~~ (10) must file a complete annual report with the department under RCW 82.32.534.

Sec. 209. RCW 82.04.280 and 2010 c 106 s 205 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of: (a) Printing materials other than newspapers, and of publishing periodicals or magazines; (b) ~~((building, repairing or improving any street, place, road, highway, easement, right of way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state or by the United States and which is used or to be used, primarily for foot or vehicular traffic including mass transportation vehicles of any kind and including any readjustment, reconstruction or relocation of the facilities of any public, private or cooperatively owned utility or railroad in the course of such building, repairing or improving, the cost of which readjustment, reconstruction, or relocation, is the responsibility of the public authority whose street, place, road, highway, easement, right of way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle is being built, repaired or improved; (c) extracting for hire or) processing for hire ~~((, except persons taxable as extractors for hire or processors for hire under another section of this chapter; (d))~~ or operating a cold storage warehouse or storage warehouse, but not including the rental of cold storage lockers; ~~((e))~~ (c) representing and performing services for fire or casualty insurance companies as an independent resident managing general agent licensed under the provisions of chapter 48.17 RCW; ~~((f))~~ or (d) radio and television broadcasting, excluding network, national and regional advertising computed as a standard deduction based on the national average thereof as annually reported by the federal communications~~

commission, or in lieu thereof by itemization by the individual broadcasting station, and excluding that portion of revenue represented by the out-of-state audience computed as a ratio to the station's total audience as measured by the 100 micro-volt signal strength and delivery by wire, if any; ~~((g) engaging in activities which bring a person within the definition of consumer contained in RCW 82.04.190(6))~~ as to such persons, the amount of tax on such business is equal to the gross income of the business multiplied by the rate of 0.484 percent.

(2) For the purposes of this section, the following definitions apply unless the context clearly requires otherwise.

(a) "Cold storage warehouse" means a storage warehouse used to store fresh and/or frozen perishable fruits or vegetables, meat, seafood, dairy products, or fowl, or any combination thereof, at a desired temperature to maintain the quality of the product for orderly marketing.

(b) "Storage warehouse" means a building or structure, or any part thereof, in which goods, wares, or merchandise are received for storage for compensation, except field warehouses, fruit warehouses, fruit packing plants, warehouses licensed under chapter 22.09 RCW, public garages storing automobiles, railroad freight sheds, docks and wharves, and "self-storage" or "mini storage" facilities whereby customers have direct access to individual storage areas by separate entrance. "Storage warehouse" does not include a building or structure, or that part of such building or structure, in which an activity taxable under RCW 82.04.272 is conducted.

(c) "Periodical or magazine" means a printed publication, other than a newspaper, issued regularly at stated intervals at least once every three months, including any supplement or special edition of the publication.

NEW SECTION. Sec. 210. The following acts or parts of acts are each repealed:

(1) RCW 82.04.272 (Tax on warehousing and reselling prescription drugs) and 2003 c 168 s 401 & 1998 c 343 s 1;

(2) RCW 82.04.2909 (Tax on aluminum smelters) and 2011 c 174 s 301;

(3) RCW 82.04.294 (Tax on manufacturers or wholesalers of solar energy systems) and 2011 c 179 s 1, 2010 c 114 s 109, 2009 c 469 s 501, 2007 c 54 s 8, & 2005 c 301 s 2;

(4) RCW 35.102.120 (Definitions--Tax classifications) and 2003 c 79 s 12;

(5) 2010 c 114 s 104;

(6) 2003 c 149 s 3;

(7) 2010 c 106 s 206;

(8) 2009 c 461 s 3;

(9) 2006 c 300 s 7; and

(10) 2003 c 149 s 4.

Sec. 211. RCW 35.102.150 and 2011 c 174 s 201 are each amended to read as follows:

Notwithstanding RCW 35.102.130, a city that imposes a business and occupation tax must allocate a person's gross income from the activities of printing, and of publishing newspapers, periodicals, or magazines, to the principal place in this state from which the taxpayer's business is directed or managed. As used in this section, the activities of printing, and of publishing newspapers, periodicals, or magazines are those activities to which the tax rates in RCW 82.04.260(~~((13))~~) (10) and 82.04.280(1)(a) apply.

Sec. 212. RCW 48.14.080 and 2010 1st sp.s. c 23 s 520 are each amended to read as follows:

(1) As to insurers, other than title insurers and taxpayers under RCW 48.14.0201, the taxes imposed by this title are in lieu of all other taxes, except as otherwise provided in this section.

(2) Subsection (1) of this section does not apply with respect to:

(a) Taxes on real and tangible personal property;

(b) Excise taxes on the sale, purchase, use, or possession of (i) real property; (ii) tangible personal property; (iii) extended

warranties; (iv) services, including digital automated services as defined in RCW 82.04.192; and (v) digital goods and digital codes as those terms are defined in RCW 82.04.192; and

(c) The tax imposed in ~~((RCW 82.04.260(9), regarding))~~ chapter 82.04 RCW on public and nonprofit hospitals.

(3) For the purposes of this section, the term "taxes" includes taxes imposed by the state or any county, city, town, municipal corporation, quasi-municipal corporation, or other political subdivision.

Sec. 213. RCW 82.04.261 and 2010 1st sp.s. c 23 s 510 are each amended to read as follows:

(1) In addition to the taxes imposed under RCW 82.04.260(~~((14))~~) (8), a surcharge is imposed on those persons who are subject to any of the taxes imposed under RCW 82.04.260(~~((14))~~) (8). Except as otherwise provided in this section, the surcharge is equal to 0.052 percent. The surcharge is added to the rates provided in RCW 82.04.260(~~((14))~~) (8) (a), (b), (c), and (d). The surcharge and this section expire July 1, 2024.

(2) All receipts from the surcharge imposed under this section must be deposited into the forest and fish support account created in RCW 76.09.405.

(3)(a) The surcharge imposed under this section is suspended if:

(i) Receipts from the surcharge total at least eight million dollars during any fiscal biennium; or

(ii) The office of financial management certifies to the department that the federal government has appropriated at least two million dollars for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington for any federal fiscal year.

(b)(i) The suspension of the surcharge under (a)(i) of this subsection (3) takes effect on the first day of the calendar month that is at least thirty days after the end of the month during which the department determines that receipts from the surcharge total at least eight million dollars during the fiscal biennium. The surcharge is imposed again at the beginning of the following fiscal biennium.

(ii) The suspension of the surcharge under (a)(ii) of this subsection (3) takes effect on the later of the first day of October of any federal fiscal year for which the federal government appropriates at least two million dollars for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington, or the first day of a calendar month that is at least thirty days following the date that the office of financial management makes a certification to the department under subsection (5) of this section. The surcharge is imposed again on the first day of the following July.

(4)(a) If, by October 1st of any federal fiscal year, the office of financial management certifies to the department that the federal government has appropriated funds for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington but the amount of the appropriation is less than two million dollars, the department must adjust the surcharge in accordance with this subsection.

(b) The department must adjust the surcharge by an amount that the department estimates will cause the amount of funds deposited into the forest and fish support account for the state fiscal year that begins July 1st and that includes the beginning of the federal fiscal year for which the federal appropriation is made, to be reduced by twice the amount of the federal appropriation for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington.

(c) Any adjustment in the surcharge takes effect at the beginning of a calendar month that is at least thirty days after the date that the

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office of financial management makes the certification under subsection (5) of this section.

(d) The surcharge is imposed again at the rate provided in subsection (1) of this section on the first day of the following state fiscal year unless the surcharge is suspended under subsection (3) of this section or adjusted for that fiscal year under this subsection.

(e) Adjustments of the amount of the surcharge by the department are final and may not be used to challenge the validity of the surcharge imposed under this section.

(f) The department must provide timely notice to affected taxpayers of the suspension of the surcharge or an adjustment of the surcharge.

(5) The office of financial management must make the certification to the department as to the status of federal appropriations for tribal participation in forest and fish report-related activities.

Sec. 214. RCW 82.04.270 and 2004 c 24 s 5 are each amended to read as follows:

Upon every person engaging within this state in the business of making sales at wholesale, except persons taxable ~~((as wholesalers))~~ under other provisions of this chapter on the business of making sales at wholesale; as to such persons the amount of tax with respect to such business ~~((shall be))~~ is equal to the gross proceeds of sales of such business multiplied by the rate of 0.484 percent.

Sec. 215. RCW 82.04.29002 and 2010 1st sp.s. c 23 s 1101 are each amended to read as follows:

(1) Beginning May 1, 2010, through June 30, 2013, an additional rate of tax of 0.30 percent is added to the rate provided for in RCW ~~((82.04.255,))~~ 82.04.285~~((;))~~ and 82.04.290(2)(a).

~~((The))~~ The additional rate in subsection (1) of this section does not apply to:

(a) Persons engaging within this state in business as a hospital. "Hospital" has the meaning provided in chapter 70.41 RCW but also includes any hospital that comes within the scope of chapter 71.12 RCW if the hospital is also licensed under chapter 70.41 RCW~~((;))~~; and

~~((The additional rate in subsection (1) of this section does not apply to))~~ Amounts received from performing scientific research and development services including but not limited to research and development in the physical, engineering, and life sciences (such as agriculture, bacteriological, biotechnology, chemical, life sciences, and physical science research and development laboratories or services).

Sec. 216. RCW 82.04.298 and 2011 c 2 s 204 are each amended to read as follows:

(1) The amount of tax with respect to a qualified grocery distribution cooperative's sales of groceries or related goods for resale, excluding ~~((items subject to tax under RCW 82.04.260(4)))~~ qualifying meat products, to customer-owners of the grocery distribution cooperative is equal to the gross proceeds of sales of the grocery distribution cooperative multiplied by the rate of one and one-half percent.

(2) A qualified grocery distribution cooperative is allowed a deduction from the gross proceeds of sales of groceries or related goods for resale, excluding ~~((items subject to tax under RCW 82.04.260(4)))~~ qualifying meat products, to customer-owners of the grocery distribution cooperative that is equal to the portion of the gross proceeds of sales for resale that represents the actual cost of the merchandise sold by the grocery distribution cooperative to customer-owners.

(3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Grocery distribution cooperative" means an entity that sells groceries and related items to customer-owners of the grocery distribution cooperative and has customer-owners, in the aggregate,

who own a majority of the outstanding ownership interests of the grocery distribution cooperative or of the entity controlling the grocery distribution cooperative. "Grocery distribution cooperative" includes an entity that controls a grocery distribution cooperative.

(b) "Qualified grocery distribution cooperative" means:

(i) A grocery distribution cooperative that has been determined by a court of record of the state of Washington to be not engaged in wholesaling or making sales at wholesale, within the meaning of RCW 82.04.270 or any similar provision of a municipal ordinance that imposes a tax on gross receipts, gross proceeds of sales, or gross income, with respect to purchases made by customer-owners, and subsequently changes its form of doing business to make sales at wholesale of groceries or related items to its customer-owners; or

(ii) A grocery distribution cooperative that has acquired substantially all of the assets of a grocery distribution cooperative described in (b)(i) of this subsection.

(c) "Customer-owner" means a person who has an ownership interest in a grocery distribution cooperative and purchases groceries and related items at wholesale from that grocery distribution cooperative.

(d) "Controlling" means holding fifty percent or more of the voting interests of an entity and having at least equal power to direct or cause the direction of the management and policies of the entity, whether through the ownership of voting securities, by contract, or otherwise.

(e) "Qualifying meat product" has the same meaning as provided in section 306 of this act.

Sec. 217. RCW 82.04.334 and 2010 1st sp.s. c 23 s 512 are each amended to read as follows:

This chapter does not apply to any sale of standing timber excluded from the definition of "sale" in RCW 82.45.010(3). The definitions in RCW 82.04.260~~((;))~~ ~~((1)(b), (c), or (d), (4), (11), or (12)))~~ (7) or (8)(c) apply to this section.

Sec. 218. RCW 82.04.440 and 2011 c 2 s 205 are each amended to read as follows:

(1) Every person engaged in activities that are subject to tax under two or more provisions of RCW 82.04.230 through 82.04.298, inclusive, is taxable under each provision applicable to those activities.

(2) Persons taxable under RCW ~~((82.04.290(2,))~~ 82.04.250, 82.04.270, ~~((82.04.294(2,))~~ or 82.04.260 ~~((1)(b), (c), or (d), (4), (11), or (12)))~~ (7) or (8)(c) with respect to selling products in this state, including those persons who are also taxable under RCW 82.04.261, are allowed a credit against those taxes for any (a) manufacturing taxes paid with respect to the manufacturing of products so sold in this state, and/or (b) extracting taxes paid with respect to the extracting of products so sold in this state or ingredients of products so sold in this state. Extracting taxes taken as credit under subsection (3) of this section may also be taken under this subsection, if otherwise allowable under this subsection. The amount of the credit may not exceed the tax liability arising under this chapter with respect to the sale of those products.

(3) Persons taxable as manufacturers under RCW 82.04.240 or 82.04.260 ~~((1)(b) or (12)))~~ (8), including those persons who are also taxable under RCW 82.04.261, are allowed a credit against those taxes for any extracting taxes paid with respect to extracting the ingredients of the products so manufactured in this state. The amount of the credit may not exceed the tax liability arising under this chapter with respect to the manufacturing of those products.

(4) Persons taxable under RCW 82.04.230, 82.04.240, ~~((82.04.290(1), 82.04.294(1), 82.04.240,))~~ or 82.04.260 ~~((1), (2), (4), (11), or (12)))~~ (7) or (8), including those persons who are also taxable under RCW 82.04.261, with respect to extracting or manufacturing products in this state are allowed a credit against those taxes for any (i) gross receipts taxes paid to another state with

respect to the sales of the products so extracted or manufactured in this state, (ii) manufacturing taxes paid with respect to the manufacturing of products using ingredients so extracted in this state, or (iii) manufacturing taxes paid with respect to manufacturing activities completed in another state for products so manufactured in this state. The amount of the credit may not exceed the tax liability arising under this chapter with respect to the extraction or manufacturing of those products.

(5) For the purpose of this section:

(a) "Gross receipts tax" means a tax:

(i) Which is imposed on or measured by the gross volume of business, in terms of gross receipts or in other terms, and in the determination of which the deductions allowed would not constitute the tax an income tax or value added tax; and

(ii) Which is also not, pursuant to law or custom, separately stated from the sales price.

(b) "State" means (i) the state of Washington, (ii) a state of the United States other than Washington, or any political subdivision of such other state, (iii) the District of Columbia, and (iv) any foreign country or political subdivision thereof.

(c) "Manufacturing tax" means a gross receipts tax imposed on the act or privilege of engaging in business as a manufacturer, and includes (i) the taxes imposed on persons who are engaged in business as a manufacturer in RCW 82.04.240(~~(, 82.04.240, 82.04.290(1),~~) and 82.04.260 (~~(1), (2), (4), (11), and (12), and 82.04.294(1)~~) (7) or (8); (ii) the tax imposed under RCW 82.04.261 on persons who are engaged in business as a manufacturer; and (iii) similar gross receipts taxes paid to other states.

(d) "Extracting tax" means a gross receipts tax imposed on the act or privilege of engaging in business as an extractor, and includes (i) the tax imposed on extractors in RCW 82.04.230 and 82.04.260(~~(12)~~) (8); (ii) the tax imposed under RCW 82.04.261 on persons who are engaged in business as an extractor; and (iii) similar gross receipts taxes paid to other states.

(e) "Business", "manufacturer", "extractor", and other terms used in this section have the meanings given in RCW 82.04.020 through (~~82.04.212 [82.04.217]~~) 82.04.217, notwithstanding the use of those terms in the context of describing taxes imposed by other states.

Sec. 219. RCW 82.04.4451 and 2010 1st sp.s. c 23 s 1102 are each amended to read as follows:

(1) In computing the tax imposed under this chapter, a credit is allowed against the amount of tax otherwise due under this chapter, as provided in this section. Except for taxpayers that report at least fifty percent of their taxable amount under RCW (~~(82.04.255,)~~) 82.04.290(2)(a)(~~s~~) and 82.04.285, the maximum credit for a taxpayer for a reporting period is thirty-five dollars multiplied by the number of months in the reporting period, as determined under RCW 82.32.045. For a taxpayer that reports at least fifty percent of its taxable amount under RCW (~~(82.04.255,)~~) 82.04.290(2)(a)(~~s~~) and 82.04.285, the maximum credit for a reporting period is seventy dollars multiplied by the number of months in the reporting period, as determined under RCW 82.32.045.

(2) When the amount of tax otherwise due under this chapter is equal to or less than the maximum credit, a credit is allowed equal to the amount of tax otherwise due under this chapter.

(3) When the amount of tax otherwise due under this chapter exceeds the maximum credit, a reduced credit is allowed equal to twice the maximum credit, minus the tax otherwise due under this chapter, but not less than zero.

(4) The department may prepare a tax credit table consisting of tax ranges using increments of no more than five dollars and a corresponding tax credit to be applied to those tax ranges. The table (~~shall~~) must be prepared in such a manner that no taxpayer will owe a greater amount of tax by using the table than would be owed by performing the calculation under subsections (1) through

(3) of this section. A table prepared by the department under this subsection must be used by all taxpayers in taking the credit provided in this section.

Sec. 220. RCW 82.04.4463 and 2010 1st sp.s. c 23 s 515 are each amended to read as follows:

(1) In computing the tax imposed under this chapter, a credit is allowed for property taxes and leasehold excise taxes paid during the calendar year.

(2) The credit is equal to:

(a)(i)(A) Property taxes paid on buildings, and land upon which the buildings are located, constructed after December 1, 2003, and used exclusively in manufacturing commercial airplanes or components of such airplanes; and

(B) Leasehold excise taxes paid with respect to buildings constructed after January 1, 2006, the land upon which the buildings are located, or both, if the buildings are used exclusively in manufacturing commercial airplanes or components of such airplanes; and

(C) Property taxes or leasehold excise taxes paid on, or with respect to, buildings constructed after June 30, 2008, the land upon which the buildings are located, or both, and used exclusively for aerospace product development, manufacturing tooling specifically designed for use in manufacturing commercial airplanes or their components, or in providing aerospace services, by persons not within the scope of (a)(i)(A) and (B) of this subsection (2) and are taxable under RCW 82.04.290(3), 82.04.260(~~(10)~~) (7)(b), or 82.04.250(3); or

(ii) Property taxes attributable to an increase in assessed value due to the renovation or expansion, after: (A) December 1, 2003, of a building used exclusively in manufacturing commercial airplanes or components of such airplanes; and (B) June 30, 2008, of buildings used exclusively for aerospace product development, manufacturing tooling specifically designed for use in manufacturing commercial airplanes or their components, or in providing aerospace services, by persons not within the scope of (a)(ii)(A) of this subsection (2) and are taxable under RCW 82.04.290(3), 82.04.260(~~(10)~~) (7)(b), or 82.04.250(3); and

(b) An amount equal to:

(i)(A) Property taxes paid, by persons taxable under RCW 82.04.260(~~(10)~~) (7)(a), on machinery and equipment exempt under RCW 82.08.02565 or 82.12.02565 and acquired after December 1, 2003;

(B) Property taxes paid, by persons taxable under RCW 82.04.260(~~(10)~~) (7)(b), on machinery and equipment exempt under RCW 82.08.02565 or 82.12.02565 and acquired after June 30, 2008; or

(C) Property taxes paid, by persons taxable under RCW 82.04.250(3) or 82.04.290(3), on computer hardware, computer peripherals, and software exempt under RCW 82.08.975 or 82.12.975 and acquired after June 30, 2008.

(ii) For purposes of determining the amount eligible for credit under (i)(A) and (B) of this subsection (2)(b), the amount of property taxes paid is multiplied by a fraction.

(A) The numerator of the fraction is the total taxable amount subject to the tax imposed under RCW 82.04.260(~~(10)~~) (7) (a) or (b) on the applicable business activities of manufacturing commercial airplanes, components of such airplanes, or tooling specifically designed for use in the manufacturing of commercial airplanes or components of such airplanes.

(B) The denominator of the fraction is the total taxable amount subject to the tax imposed under all manufacturing classifications in chapter 82.04 RCW.

(C) For purposes of both the numerator and denominator of the fraction, the total taxable amount refers to the total taxable amount required to be reported on the person's returns for the calendar year before the calendar year in which the credit under this section is

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earned. The department may provide for an alternative method for calculating the numerator in cases where the tax rate provided in RCW 82.04.260(~~((40))~~) (7) for manufacturing was not in effect during the full calendar year before the calendar year in which the credit under this section is earned.

(D) No credit is available under (b)(i)(A) or (B) of this subsection (2) if either the numerator or the denominator of the fraction is zero. If the fraction is greater than or equal to nine-tenths, then the fraction is rounded to one.

(E) As used in (b)(ii)(C) of this subsection (2), "returns" means the tax returns for which the tax imposed under this chapter is reported to the department.

(3) The definitions in this subsection apply throughout this section, unless the context clearly indicates otherwise.

(a) "Aerospace product development" has the same meaning as provided in RCW 82.04.4461.

(b) "Aerospace services" has the same meaning given in RCW 82.08.975.

(c) "Commercial airplane" and "component" have the same meanings as provided in RCW 82.32.550.

(4) A credit earned during one calendar year may be carried over to be credited against taxes incurred in a subsequent calendar year, but may not be carried over a second year. No refunds may be granted for credits under this section.

(5) In addition to all other requirements under this title, a person claiming the credit under this section must file a complete annual report with the department under RCW 82.32.534.

(6) This section expires July 1, 2024.

Sec. 221. RCW 82.04.460 and 2011 c 174 s 203 are each amended to read as follows:

(1) Except as otherwise provided in this section, any person earning apportionable income taxable under this chapter and also taxable in another state must, for the purpose of computing tax liability under this chapter, apportion to this state, in accordance with RCW 82.04.462, that portion of the person's apportionable income derived from business activities performed within this state.

(2) The department must by rule provide a method of apportioning the apportionable income of financial institutions, where such apportionable income is taxable under RCW 82.04.290. The rule adopted by the department must, to the extent feasible, be consistent with the multistate tax commission's recommended formula for the apportionment and allocation of net income of financial institutions as existing on June 1, 2010, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, except that:

(a) The department's rule must provide for a single factor apportionment method based on the receipts factor; and

(b) The definition of "financial institution" contained in appendix A to the multistate tax commission's recommended formula for the apportionment and allocation of net income of financial institutions is advisory only.

(3) The department may by rule provide a method or methods of apportioning or allocating gross income derived from sales of telecommunications service and competitive telephone service taxed under this chapter, if the gross proceeds of sales subject to tax under this chapter do not fairly represent the extent of the taxpayer's income attributable to this state. The rule must provide for an equitable and constitutionally permissible division of the tax base.

(4) For purposes of this section, the following definitions apply unless the context clearly requires otherwise:

(a) "Apportionable income" means gross income of the business generated from engaging in apportionable activities, including income received from apportionable activities performed outside this state if the income would be taxable under this chapter if received from activities in this state, less the exemptions and

deductions allowable under this chapter. For purposes of this subsection, "apportionable activities" means only those activities taxed under:

(i) (~~RCW 82.04.255;~~
(~~ii~~)) RCW 82.04.260 (~~((3), (4), (5), (6), (7), (8), (9), and (12))~~)
(2) through (7) and (10);

(~~(iii)~~) (ii) RCW 82.04.280(1)(~~(e)~~) (c);
(~~(iv)~~) (iii) RCW 82.04.285;
(~~(v)~~) (iv) RCW 82.04.286;
(~~(vi)~~) (v) RCW 82.04.290;
(~~(vii)~~) (vi) RCW 82.04.297;
(~~(viii)~~) (vii) RCW 82.04.2908;
(~~(ix)~~) (viii) RCW 82.04.263, but only to the extent of any activity that would be taxable under any of the provisions enumerated under (a)(i) through (~~(viii)~~) (vii) of this subsection (4) if the tax classification in RCW 82.04.263 did not exist; and
(~~(x)~~) (ix) RCW 82.04.260(~~((13))~~) (10) and 82.04.280(1)(a), but only with respect to advertising.

(b)(i) "Taxable in another state" means that the taxpayer is subject to a business activities tax by another state on its income received from engaging in apportionable activities; or the taxpayer is not subject to a business activities tax by another state on its income received from engaging in apportionable activities, but any other state has jurisdiction to subject the taxpayer to a business activities tax on such income under the substantial nexus standards in RCW 82.04.067(1).

(ii) For purposes of this subsection (4)(b), "business activities tax" and "state" have the same meaning as in RCW 82.04.462.

Sec. 222. RCW 82.08.806 and 2011 c 174 s 204 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales, to a printer or publisher, of computer equipment, including repair parts and replacement parts for such equipment, when the computer equipment is used primarily in the printing or publishing of any printed material, or to sales of or charges made for labor and services rendered in respect to installing, repairing, cleaning, altering, or improving the computer equipment. This exemption applies only to computer equipment not otherwise exempt under RCW 82.08.02565.

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

(3) The definitions in this subsection (3) apply throughout this section, unless the context clearly requires otherwise.

(a) "Computer" has the same meaning as in RCW 82.04.215.

(b) "Computer equipment" means a computer and the associated physical components that constitute a computer system, including monitors, keyboards, printers, modems, scanners, pointing devices, and other computer peripheral equipment, cables, servers, and routers. "Computer equipment" also includes digital cameras and computer software.

(c) "Computer software" has the same meaning as in RCW 82.04.215.

(d) "Primarily" means greater than fifty percent as measured by time.

(e) "Printer or publisher" means a person, as defined in RCW 82.04.030, who is subject to tax under RCW 82.04.260(~~((13))~~) (10) or 82.04.280(1)(a).

(4) "Computer equipment" does not include computer equipment that is used primarily for administrative purposes including but not limited to payroll processing, accounting, customer service, telemarketing, and collection. If computer

equipment is used simultaneously for administrative and nonadministrative purposes, the administrative use must be disregarded during the period of simultaneous use for purposes of determining whether the computer equipment is used primarily for administrative purposes.

Sec. 223. RCW 82.32.045 and 2010 1st sp.s. c 23 s 1103 are each amended to read as follows:

(1) Except as otherwise provided in this chapter, payments of the taxes imposed under chapters 82.04, 82.08, 82.12, 82.14, and 82.16 RCW, along with reports and returns on forms prescribed by the department, are due monthly within twenty-five days after the end of the month in which the taxable activities occur.

(2) The department of revenue may relieve any taxpayer or class of taxpayers from the obligation of remitting monthly and may require the return to cover other longer reporting periods, but in no event may returns be filed for a period greater than one year. For these taxpayers, tax payments are due on or before the last day of the month next succeeding the end of the period covered by the return.

(3) The department of revenue may also require verified annual returns from any taxpayer, setting forth such additional information as it may deem necessary to correctly determine tax liability.

(4) Notwithstanding subsections (1) and (2) of this section, the department may relieve any person of the requirement to file returns if the following conditions are met:

(a) The person's value of products, gross proceeds of sales, or gross income of the business, from all business activities taxable under chapter 82.04 RCW, is less than:

(i) Twenty-eight thousand dollars per year; or

(ii) Forty-six thousand six hundred sixty-seven dollars per year for persons generating at least fifty percent of their taxable amount from activities taxable under RCW ~~((82.04.255,))~~ 82.04.290(2)(a)(~~(:))~~ and 82.04.285;

(b) The person's gross income of the business from all activities taxable under chapter 82.16 RCW is less than twenty-four thousand dollars per year; and

(c) The person is not required to collect or pay to the department of revenue any other tax or fee which the department is authorized to collect.

Sec. 224. RCW 82.45.195 and 2010 1st sp.s. c 23 s 518 are each amended to read as follows:

A sale of standing timber is exempt from tax under this chapter if the gross income from such sale is taxable under RCW 82.04.260~~((44))~~ (8)(d).

PART III CREDITS

NEW SECTION. Sec. 301. A new section is added to chapter 82.04 RCW to read as follows:

WOOD BIOMASS. (1) In computing the tax imposed under RCW 82.04.240 on the business of manufacturing wood biomass fuel, a person is entitled to a credit as determined in subsection (2) of this section.

(2) The amount of the credit under this section is determined by multiplying 0.71488 by the tax otherwise due during the reporting period on the business of manufacturing wood biomass fuel. The department must administer the credit in this section in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of manufacturing wood biomass fuel immediately preceding the effective date of this section.

(3) "Wood biomass fuel" has the same meaning as in RCW 82.29A.135.

(4) The credit in this section may only be claimed on a return filed electronically using the department's online tax filing service.

NEW SECTION. Sec. 302. A new section is added to chapter 82.04 RCW to read as follows:

ALUMINUM SMELTERS. (1)(a) In computing the tax imposed under RCW 82.04.270 on the business of making wholesale sales of aluminum manufactured by the seller, an aluminum smelter is entitled to a credit as determined in (b) of this subsection (1).

(b) The amount of the credit under this subsection (1) is determined by multiplying 0.4 by the tax otherwise due on the business of making wholesale sales by the taxpayer, during the reporting period, of aluminum manufactured by the taxpayer. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of making wholesale sales, during the reporting period, of aluminum by the manufacturer, immediately preceding the effective date of this section.

(2)(a) In computing the tax imposed under RCW 82.04.240 on the business of manufacturing aluminum, an aluminum smelter is entitled to a credit as determined in (b) of this subsection (2).

(b) The amount of the credit under this subsection (2) is determined by multiplying 0.4 by the tax otherwise due during the reporting period on the business of manufacturing aluminum, which includes the activities of both manufacturers and processors for hire. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of manufacturing aluminum.

(3) A person claiming a credit under this section must file a complete annual report with the department under RCW 82.32.534. However, if legislation is enacted after 2013 that replaces the annual report under RCW 82.32.534 with the annual survey under RCW 82.32.585, a person claiming a credit under this section must file a complete annual survey with the department under RCW 82.32.585.

(4) The credits in this section may only be claimed on a return filed electronically using the department's online tax filing service.

(5) No credit may be claimed under this section for reporting periods beginning January 1, 2017.

NEW SECTION. Sec. 303. A new section is added to chapter 82.04 RCW to read as follows:

WHOLESALE/MANUFACTURING OF SOLAR ENERGY SYSTEMS. (1)(a) In computing the tax imposed under RCW 82.04.270 on the business of making wholesale sales of qualifying solar energy systems or qualifying components by the manufacturer of the system or component, a person is entitled to a credit as determined in (b) of this subsection (1).

(b) The amount of the credit under this subsection (1) is determined by multiplying 0.43183 by the tax otherwise due, during the reporting period, on the business of making wholesale sales of qualifying solar energy products or qualifying components, manufactured by the person. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of making wholesale sales, during the reporting period, of qualifying solar energy products or qualifying components, manufactured by the taxpayer.

(2)(a) In computing the tax imposed under RCW 82.04.240 on the business of manufacturing qualifying solar energy systems or qualifying components, a person is entitled to a credit as determined in (b) of this subsection (2).

(b) The amount of the credit under this subsection (2) is determined by multiplying 0.43183 by the tax otherwise due on the business of manufacturing qualifying solar energy systems or qualifying components during the reporting period. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have

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been under the tax rate in effect for the business of manufacturing qualifying solar energy products or qualifying components during the reporting period.

(3) The definitions in this subsection apply throughout this section.

(a) "Compound semiconductor solar wafers" means a semiconductor solar wafer composed of elements from two or more different groups of the periodic table.

(b) "Module" means the smallest nondivisible self-contained physical structure housing interconnected photovoltaic cells and providing a single direct current electrical output.

(c) "Photovoltaic cell" means a device that converts light directly into electricity without moving parts.

(d) "Qualifying component" means the following products to be used exclusively in components of qualifying solar energy systems: Solar grade silicon, silicon solar wafers, silicon solar cells, thin film solar devices, or compound semiconductor solar wafers.

(e) "Qualifying solar energy system" means a solar energy system using photovoltaic modules or stirling converters.

(f) "Silicon solar cells" means a photovoltaic cell manufactured from a silicon solar wafer.

(g) "Silicon solar wafers" means a silicon wafer manufactured for solar conversion purposes.

(h) "Solar energy system" means any device or combination of devices or elements that rely upon direct sunlight as an energy source for use in the generation of electricity.

(i) "Solar grade silicon" means high purity silicon used exclusively in components of solar energy systems using photovoltaic modules to capture direct sunlight. "Solar grade silicon" does not include silicon used in semiconductors.

(j) "Stirling converter" means a device that produces electricity by converting heat from a solar source utilizing a stirling engine.

(k) "Thin film solar devices" means a nonparticipating substrate on which various semiconducting materials are deposited to produce a photovoltaic cell that is used to generate electricity.

(4) A person claiming a credit under this section must file a complete annual report with the department under RCW 82.32.534. However, if legislation is enacted after 2013 that replaces the annual report under RCW 82.32.534 with the annual survey under RCW 82.32.585, a person claiming a credit under this section must file a complete annual survey with the department under RCW 82.32.585.

(5) No credit may be claimed under this section for reporting periods beginning July 1, 2014.

(6) The credit in this section may only be claimed on a return filed electronically using the department's online tax filing service.

NEW SECTION. Sec. 304. A new section is added to chapter 82.04 RCW to read as follows:

SPLITTING/PROCESSING DRIED PEAS AND MANUFACTURERS OF FLOUR AND OIL. (1) In computing the tax imposed under RCW 82.04.240 on the business of splitting or processing dried peas or of manufacturing wheat into flour; barley into pearl barley; soybeans into soybean oil; canola into canola oil, canola meal, or canola by-products; or sunflower seeds into sunflower oil; a person is entitled to a credit as determined in subsection (2) of this section.

(2) The amount of the credit under this section is determined by multiplying 0.71488 by the tax otherwise due on the manufacturing of the product or products described in subsection (1) of this section during the reporting period. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of manufacturing the product or products described in subsection (1) of this section during the reporting period.

(3) The credit in this section may only be claimed on a return filed electronically using the department's online tax filing service.

NEW SECTION. Sec. 305. A new section is added to chapter 82.04 RCW to read as follows:

PRESCRIPTION DRUG RESELLING AT RETAIL AND PRESCRIPTION DRUG WAREHOUSING AND RESELLING AT WHOLESALE. (1)(a) The credit under this subsection from the gross proceeds of retail sales of prescription drugs is determined by multiplying 0.70701 by:

(i) The gross proceeds of retail sales of prescription drugs by the eligible person during the reporting period; or

(ii) If the eligible person is entitled to one or more credits under any other statute in this chapter in computing the tax imposed under RCW 82.04.250 on the business of making retail sales of prescription drugs, the difference resulting from subtracting all other deductible amounts from the gross proceeds of retail sales of prescription drugs by the eligible person during the reporting period.

(b) The credit under this subsection from the gross proceeds of wholesale sales of prescription drugs is determined by multiplying 0.71488 by:

(i) The gross proceeds of wholesale sales of prescription drugs by the eligible person during the reporting period; or

(ii) If the eligible person is entitled to one or more credits under any other statute in this chapter in computing the tax imposed under RCW 82.04.270 on the business of making wholesale sales of prescription drugs, the difference resulting from subtracting all other deductible amounts from the gross proceeds of wholesale sales of prescription drugs by the eligible person during the reporting period.

(2) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Eligible person" means a person who:

(i) Is registered with the federal drug enforcement administration and licensed by the state board of pharmacy;

(ii) Buys prescription drugs from a manufacturer or another wholesaler and resells the drugs to persons selling at retail or to hospitals, clinics, health care providers, or other providers of health care services; and

(iii) Owns or operates a warehouse inside or outside of this state where the person's prescription drugs are stored pending delivery to buyers.

(b) "Prescription drugs" means drugs intended for human use pursuant to a prescription.

(c) "Prescription" and "drug" have the same meaning as in RCW 82.08.0281.

(3) The credit in this section may only be claimed on a return filed electronically using the department's online tax filing service.

NEW SECTION. Sec. 306. A new section is added to chapter 82.04 RCW to read as follows:

MEAT PRODUCTS--PROCESSING PERISHABLE AND WHOLESALE SALES OF QUALIFYING. (1)(a) In computing the tax imposed under RCW 82.04.270 on the business of making wholesale sales of qualifying meat products, an eligible person is entitled to a credit as determined in (b) of this subsection (1).

(b) The amount of the credit under this subsection (1) is determined by multiplying 0.71488 by the tax otherwise due on wholesale sales of qualifying meat products made during the reporting period by the eligible person. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of making wholesale sales of qualifying meat products during the reporting period.

(2)(a) In computing the tax imposed under RCW 82.04.240 on the business of processing perishable meat products, a person is entitled to a credit as determined in (b) of this subsection (2).

(b) The amount of the credit under this subsection (2) is determined by multiplying 0.71488 by:

(i) The value of the meat product processed by the person for the reporting period, in the case of manufacturers, or, in the case of processors for hire, the gross income of the business for the reporting period from processing meat products for hire; or

(ii) If the person is entitled to one or more credits under any other statute in this chapter in computing the tax imposed under RCW 82.04.240 on the business of processing perishable meat products, the difference resulting from subtracting all other deductible amounts from the value of the meat product processed by the person for the reporting period, in the case of manufacturers, or, in the case of processors for hire, the gross income of the business for the reporting period from processing meat products for hire.

(3) The definitions in this subsection apply throughout this section.

(a) "Eligible person" means any person who sells perishable meat products at wholesale or any person who takes an animal or a perishable meat product, processes it, and sells the resulting qualifying meat product at wholesale.

(b) "Meat product" means a product derived in whole or in part from any part of an animal carcass, except products derived from seafood or insects. The term includes only products that are intended for human consumption as food or animal consumption as feed.

(c) "Perishable meat product" means a meat product having a high risk of spoilage within a period of thirty days without refrigeration or freezing.

(d) "Processed," "processes," or "processing" means to engage in one or more of the following activities: Slaughtering an animal, breaking an animal carcass or part of an animal carcass into any type of smaller unit, or engaging in any other manufacturing activity when perishable meat is either the finished product or an ingredient or component of the finished product.

(e) "Qualifying meat product" means:

(i) With respect to any person, a perishable meat product; and

(ii) Any meat product, perishable or not, that is the result of the seller taking an animal or a perishable meat product, processing it, and selling the resulting meat product at wholesale, even if meat is only a component of the finished product.

(4) The credit in this section may only be claimed on a return filed electronically using the department's online tax filing service.

NEW SECTION. Sec. 307. A new section is added to chapter 82.04 RCW to read as follows:

MANUFACTURING, WHOLESALING, AND
RETAILING--SEAFOOD PRODUCTS AND DAIRY
PRODUCTS--MANUFACTURING AND
WHOLESALING--FRESH FRUITS AND VEGETABLES.

(1)(a) In computing the tax imposed under RCW 82.04.240 on qualifying manufacturing activities, a person is entitled to a credit as determined in (b) of this subsection (1).

(b) The amount of the credit under this subsection is determined by multiplying 0.71488 by the tax otherwise due on the manufacturing of eligible products by the person during the reporting period. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of manufacturing eligible products during the reporting period.

(2) In computing the tax imposed under RCW 82.04.250 on the business of making qualifying retail sales, a person is entitled to a credit as determined in (b) of this subsection (2).

(a) The amount of the credit under this subsection (2) is determined by multiplying 0.70701 by the tax otherwise due on making qualifying retail sales by the person during the reporting period. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of making qualifying retail sales during the reporting period.

(b) Persons claiming a credit under this subsection (2) must keep and preserve records for the period required by RCW 82.32.070 establishing that the qualifying retail sales were for eligible products that were transported by the purchaser in the ordinary course of business out of this state.

(3) In computing the tax imposed under RCW 82.04.270 on the business of making qualifying wholesale sales, a person is entitled to a credit as determined in (b) of this subsection (3).

(a) The amount of the credit under this subsection (3) is determined by multiplying 0.71488 by the tax otherwise due on making qualifying wholesale sales by the person during the reporting period. The department must administer the credit in this subsection in a way that results in a tax liability that is comparable to what it would have been under the tax rate in effect for the business of making qualifying wholesale sales during the reporting period.

(b) Persons claiming a credit under this subsection (3) must keep and preserve records for the period required by RCW 82.32.070 establishing that the qualifying wholesale sales were for eligible products transported by the purchaser in the ordinary course of business out of this state.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Eligible product" means:

(i) Seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing;

(ii) Dairy products that as of September 20, 2001, are identified in 21 C.F.R., chapter 1, parts 131, 133, and 135, including by-products from the manufacturing process, such as whey and casein; and

(iii) Fruits and vegetables that have been manufactured by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables.

(b) "Qualifying manufacturing" means manufacturing an eligible product.

(c) "Qualifying retail sales" means retail sales of an eligible product described in (a)(i) or (ii) of this subsection (4) by the manufacturer of the product, but only when the product is delivered to purchasers who transport the product out of this state in the ordinary course of business.

(d) "Qualifying wholesale sales" means wholesale sales of an eligible product described in (a) of this subsection (4) by the manufacturer of the product, but only when the product is delivered to purchasers who transport the product out of this state in the ordinary course of business.

(5) The credit in this section may only be claimed on a return filed electronically using the department's online tax filing service.

PART IV MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 401. The department of revenue must convene a group of affected stakeholders to develop recommendations to further reduce, refine, and simplify the number of tax classifications under chapter 82.04 RCW, the business and occupation tax. By January 1, 2014, and in compliance with RCW 43.01.036, the department must report the group's recommendations to the governor, the senate committee on trade and economic development, and the house of representatives committee on technology and economic development.

NEW SECTION. Sec. 402. (1) Except as provided otherwise in this section, this act takes effect January 1, 2014.

(2) Section 208 of this act takes effect July 1, 2015.

(3) Section 401 of this act takes effect August 1, 2013.

NEW SECTION. Sec. 403. Section 207 of this act expires July 1, 2015.

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NEW SECTION. Sec. 404. The provisions of this act are to be liberally construed to effectuate the intent, policies, and purpose of this act to reduce the complexity of state and local business and occupation taxes and to make it easier for businesses to meet their local licensing and business and occupation tax filing obligations.

NEW SECTION. Sec. 405. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

On page 1, line 2 of the title, after "systems;" strike the remainder of the title and insert "amending RCW 35.102.030, 35.102.040, 35.102.140, 35.102.160, 82.04.060, 82.04.230, 82.04.255, 82.04.260, 82.04.280, 35.102.150, 48.14.080, 82.04.261, 82.04.270, 82.04.29002, 82.04.298, 82.04.334, 82.04.440, 82.04.4451, 82.04.4463, 82.04.460, 82.08.806, 82.32.045, and 82.45.195; reenacting and amending RCW 82.04.250 and 82.04.260; adding new sections to chapter 35.102 RCW; adding new sections to chapter 82.04 RCW; creating new sections; repealing RCW 82.04.272, 82.04.2909, 82.04.294, and 35.102.120; repealing 2010 c 114 s 104; repealing 2003 c 149 s 3; repealing 2010 c 106 s 206; repealing 2009 c 461 s 3; repealing 2006 c 300 s 7; repealing 2003 c 149 s 4; providing effective dates; and providing an expiration date."

WITHDRAWAL OF AMENDMENT

On motion of Senator Braun, the striking amendment by Senators Braun and Smith to Second Substitute Senate Bill No. 5688 was withdrawn.

MOTION

Senator Braun moved that the following striking amendment by Senators Braun and Holmquist Newbry be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The department of revenue must establish a work group to evaluate and develop recommendations on issues related to simplifying existing law in regards to city and state business and occupation tax uniformity, classifications, apportionment, and nexus. The work group must consist of members representing: The department of revenue; the association of Washington cities; Seattle, Bellevue, Bellingham, Tacoma, and Everett; policy groups that have evaluated the state's tax system; and statewide business organizations. Further, any city imposing a local business and occupation tax may opt to have members participate in the work group.

(2) By December 15, 2013, and in compliance with RCW 43.01.036, the department of revenue must submit a report to the appropriate legislative committees that details the work group's recommendations under this section."

Senators Braun, Fraser and Mullet spoke in favor of adoption of the striking amendment.

Senator Chase spoke against adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Braun and Holmquist Newbry to Second Substitute Senate Bill No. 5688.

The motion by Senator Braun carried and the striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 2 of the title, after "systems;" strike the remainder of the title and insert "and creating a new section."

MOTION

On motion of Senator Braun, the rules were suspended, Engrossed Second Substitute Senate Bill No. 5688 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Braun and Mullet spoke in favor of passage of the bill.

Senators Chase and Kohl-Welles spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5688.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5688 and the bill passed the Senate by the following vote: Yeas, 35; Nays, 14; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Cleveland, Dammeier, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, King, Litzow, Mullet, Padden, Parlette, Pearson, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Voting nay: Senators Chase, Conway, Darneille, Harper, Hasegawa, Hatfield, Keiser, Kline, Kohl-Welles, McAuliffe, Murray, Nelson, Ranker and Shin

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5688, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5684, by Senator King

Addressing the prevailing rate of wage paid on public works.

MOTION

On motion of Senator King, Substitute Senate Bill No. 5684 was substituted for Senate Bill No. 5684 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Hargrove moved that the following striking amendment by Senators Hargrove and King be adopted:

Strike everything after the enacting clause and insert the following:

Sec. 1. RCW 39.12.020 and 2007 c 169 s 1 are each amended to read as follows:

The hourly wages to be paid to laborers, workers, or mechanics, upon all public works and under all public building service maintenance contracts of the state or any county, municipality or political subdivision created by its laws, shall be not less than the prevailing rate of wage for an hour's work in the same trade or occupation in the locality within the state where such labor is performed. For a contract in excess of ten thousand dollars, a

contractor required to pay the prevailing rate of wage shall post in a location readily visible to workers at the job site: PROVIDED, That on road construction, sewer line, pipeline, transmission line, street, or alley improvement projects for which no field office is needed or established, a contractor may post the prevailing rate of wage statement at the contractor's local office, gravel crushing, concrete, or asphalt batch plant as long as the contractor provides a copy of the wage statement to any employee on request:

(1) A copy of a statement of intent to pay prevailing wages approved by the industrial statistician of the department of labor and industries under RCW 39.12.040; and

(2) The address and telephone number of the industrial statistician of the department of labor and industries where a complaint or inquiry concerning prevailing wages may be made.

This chapter shall not apply to workers or other persons regularly employed by the state, or any county, municipality, or political subdivision created by its laws; or to workers or other persons who only deliver and unload standard materials, supplies, or equipment to a staging or stockpiling area without installing, fabricating, incorporating, or consuming the materials or supplies on or at the job site, or using the equipment to perform work on or at the public work site.

Senators Hargrove and King spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Hargrove and King to Substitute Senate Bill No. 5684.

The motion by Senator Hargrove carried and the striking amendment was adopted by voice vote.

MOTION

On motion of Senator King, the rules were suspended, Engrossed Substitute Senate Bill No. 5684 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators King, Holmquist Newbry and Hargrove spoke in favor of passage of the bill.

Senators Conway and Chase spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5684.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5684 and the bill passed the Senate by the following vote: Yeas, 26; Nays, 23; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Braun, Brown, Carrell, Dammeier, Ericksen, Fain, Hargrove, Hewitt, Hill, Holmquist Newbry, Honeyford, King, Litzow, Padden, Parlette, Pearson, Rivers, Roach, Schoesler, Sheldon, Smith and Tom

Voting nay: Senators Billig, Chase, Cleveland, Conway, Darneille, Eide, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hobbs, Keiser, Kline, Kohl-Welles, McAuliffe, Mullet, Murray, Nelson, Ranker, Rolfes, Schlicher and Shin

ENGROSSED SUBSTITUTE SENATE BILL NO. 5684, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5716, by Senators Baumgartner, Honeyford, Benton, Ericksen, Delvin, Padden, Holmquist Newbry, Braun, Smith, Brown, Bailey and Roach

Requiring a summary of capital appropriations by legislative district to accompany each capital appropriations bill.

The measure was read the second time.

MOTION

On motion of Senator Baumgartner, the rules were suspended, Senate Bill No. 5716 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Baumgartner and Nelson spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5716.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5716 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

SENATE BILL NO. 5716, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5411, by Senators Rolfes, Holmquist Newbry, Hatfield, Honeyford and Conway

Requiring the ballot proposition to reduce the terms of office of port commissioners to be submitted at the next general election.

The measure was read the second time.

MOTION

On motion of Senator Rolfes, the rules were suspended, Senate Bill No. 5411 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Rolfes and Sheldon spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5411.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5411 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

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Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Absent: Senator Mullet

SENATE BILL NO. 5411, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 5:03 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

EVENING SESSION

The Senate was called to order at 5:47 p.m. by President Owen.

SECOND READING

SENATE BILL NO. 5751, by Senators Schoesler, Rivers, Smith, Braun, Baumgartner, Hasegawa, Parlette, Hewitt, Brown and Holmquist Newbry

Requiring an inventory of state fees.

The measure was read the second time.

MOTION

On motion of Senator Schoesler, the rules were suspended, Senate Bill No. 5751 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Schoesler spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5751.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5751 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

SENATE BILL NO. 5751, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5123, by Senators Ranker, Hatfield, Hobbs, Parlette and Conway

Establishing a farm internship program.

MOTIONS

On motion of Senator Ranker, Substitute Senate Bill No. 5123 was substituted for Senate Bill No. 5123 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Ranker, the rules were suspended, Substitute Senate Bill No. 5123 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Ranker and Holmquist Newbry spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5123.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5123 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

SUBSTITUTE SENATE BILL NO. 5123, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5699, by Senators Ericksen and Kline

Concerning electronic product recycling.

The measure was read the second time.

MOTION

Senator Ericksen moved that the following striking amendment by Senators Ericksen and Billig be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 70.95N.020 and 2006 c 183 s 2 are each amended to read as follows:

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

(1) "Authority" means the Washington materials management and financing authority created under RCW 70.95N.280.

(2) "Authorized party" means a manufacturer who submits an individual independent plan or the entity authorized to submit an independent plan for more than one manufacturer.

(3) "Board" means the board of directors of the Washington materials management and financing authority created under RCW 70.95N.290.

(4) "Collector" means an entity licensed to do business in the state that gathers unwanted covered electronic products from households, small businesses, school districts, small governments,

and charities for the purpose of recycling and meets minimum standards that may be developed by the department.

(5) "Contract for services" means an instrument executed by the authority and one or more persons or entities that delineates collection, transportation, and recycling services, in whole or in part, that will be provided to the citizens of the state within service areas as described in the approved standard plan.

(6) "Covered electronic product" includes a cathode ray tube or flat panel computer monitor having a viewable area greater than four inches when measured diagonally, a desktop computer, a laptop or a portable computer, or a cathode ray tube or flat panel television having a viewable area greater than four inches when measured diagonally that has been used in the state by any covered entity regardless of original point of purchase. "Covered electronic product" does not include: (a) A motor vehicle or replacement parts for use in motor vehicles or aircraft, or any computer, computer monitor, or television that is contained within, and is not separate from, the motor vehicle or aircraft; (b) monitoring and control instruments or systems; (c) medical devices; (d) products including materials intended for use as ingredients in those products as defined in the federal food, drug, and cosmetic act (21 U.S.C. Sec. 301 et seq.) or the virus-serum-toxin act of 1913 (21 U.S.C. Sec. 151 et seq.), and regulations issued under those acts; (e) equipment used in the delivery of patient care in a health care setting; (f) a computer, computer monitor, or television that is contained within a clothes washer, clothes dryer, refrigerator, refrigerator and freezer, microwave oven, conventional oven or range, dishwasher, room air conditioner, dehumidifier, or air purifier; or (g) hand-held portable voice or data devices used for commercial mobile services as defined in 47 U.S.C. Sec. 332 (d)(1).

(7) "Covered entity" means any household, charity, school district, small business, or small government located in Washington state.

(8) "Curbside service" means a collection service providing regularly scheduled pickup of covered electronic products from households or other covered entities in quantities generated from households.

(9) "Department" means the department of ecology.

(10) "Electronic product" includes a cathode ray tube or flat panel computer monitor having a viewable area greater than four inches when measured diagonally; a desktop computer; a laptop or a portable computer; or a cathode ray tube or flat screen television having a viewable area greater than four inches when measured diagonally.

(11) "Equivalent share" means the weight in pounds of covered electronic products identified for an individual manufacturer under this chapter as determined by the department under RCW 70.95N.200.

(12) "Household" means a single detached dwelling unit or a single unit of a multiple dwelling unit and appurtenant structures.

(13) "Independent plan" means a plan for the collection, transportation, and recycling of unwanted covered electronic products that is developed, implemented, and financed by an individual manufacturer or by an authorized party.

(14) "Manufacturer" means any person, in business or no longer in business but having a successor in interest, who, irrespective of the selling technique used, including by means of distance or remote sale:

(a) Manufactures or has manufactured a covered electronic product under its own brand names or under a brand it is licensed to use for sale in or into this state;

(b) Assembles or has assembled a covered electronic product that uses parts manufactured by others for sale in or into this state under the assembler's brand names;

(c) Resells or has resold in or into this state under its own brand names a covered electronic product produced by other suppliers,

including retail establishments that sell covered electronic products under their own brand names;

(d) Manufactures or manufactured a cobranded product for sale in or into this state that carries the name of both the manufacturer and a retailer;

(e) Imports or has imported a covered electronic product into the United States that is sold in or into this state. However, if the imported covered electronic product is manufactured by any person with a presence in the United States meeting the criteria of manufacturer under (a) through (d) of this subsection, that person is the manufacturer. For purposes of this subsection, "presence" means any person that performs activities conducted under the standards established for interstate commerce under the commerce clause of the United States Constitution; ~~((e))~~

(f) Sells at retail a covered electronic product acquired from an importer that is the manufacturer as described in (e) of this subsection, and elects to register in lieu of the importer as the manufacturer for those products; or

(g) Assumes the responsibilities of a manufacturer under this section. In the event the entity who assumes responsibility fails to comply, the manufacturer as defined under (a) through (f) of this subsection remains fully responsible.

(15) "New entrant" means: (a) A manufacturer of televisions that have been sold in the state for less than ten years; or (b) a manufacturer of desktop computers, laptop and portable computers, or computer monitors that have been sold in the state for less than five years. However, a manufacturer of both televisions and computers or a manufacturer of both televisions and computer monitors that is deemed a new entrant under either only (a) or (b) of this subsection is not considered a new entrant for purposes of this chapter.

(16) "Orphan product" means a covered electronic product that lacks a manufacturer's brand or for which the manufacturer is no longer in business and has no successor in interest.

(17) "Plan's equivalent share" means the weight in pounds of covered electronic products for which a plan is responsible. A plan's equivalent share is equal to the sum of the equivalent shares of each manufacturer participating in that plan.

(18) "Plan's return share" means the sum of the return shares of each manufacturer participating in that plan.

(19) "Premium service" means services such as at-location system upgrade services provided to covered entities and at-home pickup services offered to households. "Premium service" does not include curbside service.

(20) "Processor" means an entity engaged in disassembling, dismantling, or shredding electronic products to recover materials contained in the electronic products and prepare those materials for reclaiming or reuse in new products in accordance with processing standards established by this chapter and by the department. A processor may also salvage parts to be used in new products.

(21) "Product type" means one of the following categories: Computer monitors; desktop computers; laptop and portable computers; and televisions.

(22) "Program" means the collection, transportation, and recycling activities conducted to implement an independent plan or the standard plan.

(23) "Program year" means each full calendar year after the program has been initiated.

(24) "Recycling" means transforming or remanufacturing unwanted electronic products, components, and by-products into usable or marketable materials for use other than landfill disposal or incineration. "Recycling" does not include energy recovery or energy generation by means of combusting unwanted electronic products, components, and by-products with or without other waste. Smelting of electronic materials to recover metals for reuse in

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conformance with all applicable laws and regulations is not considered disposal or energy recovery.

(25) "Retailer" means a person who offers covered electronic products for sale at retail through any means including, but not limited to, remote offerings such as sales outlets, catalogs, or the internet, but does not include a sale that is a wholesale transaction with a distributor or a retailer.

(26) "Return share" means the percentage of covered electronic products by weight identified for an individual manufacturer, as determined by the department under RCW 70.95N.190.

(27) "Reuse" means any operation by which an electronic product or a component of a covered electronic product changes ownership and is used for the same purpose for which it was originally purchased.

(28) "Small business" means a business employing less than fifty people.

(29) "Small government" means a city in the state with a population less than fifty thousand, a county in the state with a population less than one hundred twenty-five thousand, and special purpose districts in the state.

(30) "Standard plan" means the plan for the collection, transportation, and recycling of unwanted covered electronic products developed, implemented, and financed by the authority on behalf of manufacturers participating in the authority.

(31) "Transporter" means an entity that transports covered electronic products from collection sites or services to processors or other locations for the purpose of recycling, but does not include any entity or person that hauls their own unwanted electronic products.

(32) "Unwanted electronic product" means a covered electronic product that has been discarded or is intended to be discarded by its owner.

(33) "White box manufacturer" means a person who manufactured unbranded covered electronic products offered for sale in the state within ten years prior to a program year for televisions or within five years prior to a program year for desktop computers, laptop or portable computers, or computer monitors.

(34) "Market share" means the percentage of covered electronic products by weight identified for an individual manufacturer, as determined by the department under RCW 70.95N.190.

(35) "Plan's market share" means the sum of the market shares of each manufacturer participating in that plan.

Sec. 2. RCW 70.95N.040 and 2006 c 183 s 4 are each amended to read as follows:

(1) By January 1, 2007, and annually thereafter, each manufacturer must register with the department.

(2) A manufacturer must submit to the department with each registration or annual renewal a fee to cover the administrative costs of this chapter as determined by the department under RCW 70.95N.230.

(3) The department shall review the registration or renewal application and notify the manufacturer if their registration does not meet the requirements of this section. Within thirty days of receipt of such a notification from the department, the manufacturer must file with the department a revised registration addressing the requirements noted by the department.

(4) The registration must include the following information:

(a) The name and contact information of the manufacturer submitting the registration;

(b) The manufacturer's brand names of covered electronic products, including all brand names sold in the state in the past, all brand names currently being sold in the state, and all brand names for which the manufacturer has legal responsibility under RCW 70.95N.100;

(c) The method or methods of sale used in the state; and

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(d) Whether the registrant will be participating in the standard plan or submitting an independent plan to the department for approval.

(5) The registrant shall submit any changes to the information provided in the registration to the department within fourteen days of such change.

(6) The department shall identify, using all reasonable means, manufacturers that are in business or that are no longer in business but that have a successor in interest by examining best available return share data, product advertisements, and other pertinent data. The department shall notify manufacturers that have been identified and for whom an address has been found of the requirements of this chapter, including registration and plan requirements under this section and RCW 70.95N.050.

Sec. 3. RCW 70.95N.050 and 2006 c 183 s 5 are each amended to read as follows:

(1) A manufacturer must participate in the standard plan administered by the authority, unless the manufacturer obtains department approval for an independent plan for the collection, transportation, and recycling of unwanted electronic products.

(2) An independent plan may be submitted by an individual manufacturer or by a group of manufacturers, provided that:

(a) For program years 2009 through 2014, each independent plan represents at least a five percent return share of covered electronic products. For program year 2015 and all subsequent program years, each independent plan represents at least a five percent market share of covered electronic products; and

(b) No manufacturer may participate in an independent plan if it is a new entrant or a white box manufacturer.

(3) An individual manufacturer submitting an independent plan to the department is responsible for collecting, transporting, and recycling its equivalent share of covered electronic products.

(4)(a) Manufacturers collectively submitting an independent plan are responsible for collecting, transporting, and recycling the sum of the equivalent shares of each participating manufacturer.

(b) Each group of manufacturers submitting an independent plan must designate a party authorized to file the plan with the department on their behalf. A letter of certification from each of the manufacturers designating the authorized party must be submitted to the department together with the plan.

(5) Each manufacturer in the standard plan or in an independent plan retains responsibility and liability under this chapter in the event that the plan fails to meet the manufacturer's obligations under this chapter.

Sec. 4. RCW 70.95N.090 and 2006 c 183 s 9 are each amended to read as follows:

(1) A program must provide collection services for covered electronic products of all product types and produced by any manufacturer that are reasonably convenient and available to all citizens of the state residing within its geographic boundaries, including both rural and urban areas. Each program must provide collection service in every county of the state. A program may provide collection services jointly with another plan or plans.

(a) For any city or town with a population of greater than ten thousand, each program shall provide a minimum of one collection site or alternate collection service described in subsection (3) of this section or a combination of sites and alternate service that together provide at least one collection opportunity for all product types. A collection site for a county may be the same as a collection site for a city or town in the county.

(b) Collection sites may include electronics recyclers and repair shops, recyclers of other commodities, reuse organizations, charities, retailers, government recycling sites, or other suitable locations.

(c) Collection sites must be staffed, open to the public at a frequency adequate to meet the needs of the area being served, and on an on-going basis.

(2) A program may limit the number of covered electronic products or covered electronic products by product type accepted per customer per day or per delivery at a collection site or service. All covered entities may use a collection site as long as the covered entities adhere to any restrictions established in the plans.

(3) A program may provide collection services in forms different than collection sites, such as curbside services, if those alternate services provide equal or better convenience to citizens and equal or increased recovery of unwanted covered electronic products.

(4) For rural areas without commercial centers or areas with widely dispersed population, a program may provide collection at the nearest commercial centers or solid waste sites, collection events, mail-back systems, or a combination of these options.

(5) For small businesses, small governments, charities, and school districts that may have large quantities of covered electronic products that cannot be handled at collection sites or curbside services, a program may provide alternate services. At a minimum, a program must provide for processing of these large quantities of covered electronic products at no charge to the small businesses, small governments, charities, and school districts.

Sec. 5. RCW 70.95N.110 and 2006 c 183 s 11 are each amended to read as follows:

(1) For program years 2009 through 2014, an independent plan and the standard plan must implement and finance an auditable, statistically significant sampling of covered electronic products entering its program every program year. The information collected must include a list of the brand names of covered electronic products by product type, the number of covered electronic products by product type, the weight of covered electronic products that are identified for each brand name or that lack a manufacturer's brand, the total weight of the sample by product type, and any additional information needed to assign return share.

(2) For program years 2009 through 2014, the sampling must be conducted in the presence of the department or a third-party organization approved by the department. The department may, at its discretion, audit the methodology and the results.

(3) After the fifth program year through the 2014 program year, the department may reassess the sampling required in this section. The department may adjust the frequency at which manufacturers must implement the sampling or may adjust the frequency at which manufacturers must provide certain information from the sampling. Prior to making any changes, the department shall notify the public, including all registered manufacturers, and provide a comment period. The department shall notify all registered manufacturers of any such changes.

Sec. 6. RCW 70.95N.140 and 2006 c 183 s 14 are each amended to read as follows:

(1) By March 1st of the second program year and each program year thereafter, the authority and each authorized party shall file with the department an annual report for the preceding program year.

(2) The annual report must include the following information:

(a) The total weight in pounds of covered electronic products collected and recycled, by county, during the preceding program year including documentation verifying collection and processing of that material. For program years 2009 through 2014, the report must also include the total weight in pounds, ~~(includes)~~ including orphan products. The report must also indicate and document the weight in pounds received from each nonprofit charitable organization primarily engaged in the business of reuse and resale used by the plan. The report must document the weight in pounds

that were received in large quantities from small businesses, small governments, charities and school districts as described in RCW 70.95N.090(5);

(b) The collection services provided in each county and for each city with a population over ten thousand including a list of all collection sites and services operating in the state in the prior program year and the parties who operated them;

(c) A list of processors used, the weight of covered electronic products processed by each direct processor, and a description of the processes and methods used to recycle the covered electronic products including a description of the processing and facility locations. The report must also include a list of subcontractors who further processed or recycled unwanted covered electronic products, electronic components, or electronic scrap ~~((described in section 26(1) of this act))~~, including facility locations;

~~(d) ((Other documentation as established under section 26(3) of this act;~~

~~(e))~~ Educational and promotional efforts that were undertaken; ~~((f))~~ (e) For program years 2009 through 2014, the results of sampling and sorting as required in RCW 70.95N.110, including a list of the brand names of covered electronic products by product type, the number of covered electronic products by product type, the weight of covered electronic products that are identified for each brand name or that lack a manufacturer's brand, and the total weight of the sample by product type;

~~((g))~~ (f) The list of manufacturers that are participating in the standard plan; and

~~((h))~~ (g) Any other information deemed necessary by the department.

(3) The department shall review each report within ninety days of its submission and shall notify the authority or authorized party of any need for additional information or documentation, or any deficiency in its program.

(4) All reports submitted to the department must be available to the general public through the internet. Proprietary information submitted to the department under this chapter is exempt from public disclosure under RCW 42.56.270.

Sec. 7. RCW 70.95N.180 and 2006 c 183 s 18 are each amended to read as follows:

(1) The department shall maintain on its web site the following information:

(a) The names of the manufacturers and the manufacturer's brands that are registered with the department under RCW 70.95N.040;

(b) The names of the manufacturers and the manufacturer's brands that are participating in an approved plan under RCW 70.95N.050;

(c) The names and addresses of the collectors and transporters that are listed in registrations filed with the department under RCW 70.95N.240;

(d) The names and addresses of the processors used to fulfill the requirements of the plans;

(e) For program years 2009 through 2015, return and equivalent shares for all manufacturers.

(2) The department shall update this web site information promptly upon receipt of a registration or a report.

Sec. 8. RCW 70.95N.190 and 2006 c 183 s 19 are each amended to read as follows:

(1) For program years 2009 through 2014, the department shall determine the return share for each manufacturer in the standard plan or an independent plan by dividing the weight of covered electronic products identified for each manufacturer by the total weight of covered electronic products identified for all manufacturers in the standard plan or an independent plan, then multiplying the quotient by one hundred.

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(2) For the first program year, the department shall determine the return share for such manufacturers using all reasonable means and based on best available information regarding return share data from other states and other pertinent data.

(3) For ~~((the second and each subsequent program year))~~ 2014, the department shall determine the return share for such manufacturers using all reasonable means and based on the most recent sampling of covered electronic products conducted in the state under RCW 70.95N.110.

(4) For program year 2015 and all subsequent program years, the department shall determine market share for all manufacturers using data reported by manufacturers under (a) of this subsection and publicly available data.

(a) By March 1st of each program year, each manufacturer must report to the department either:

(i) The total weight of covered electronic products sold by that manufacturer nationwide in the prior program year; or

(ii) The total weight of covered electronic products sold by that manufacturer within the state of Washington in the prior program year.

(b) The department shall determine each manufacturer's percentage of market share as follows:

(i) Multiply the total weight reported by each manufacturer under (a)(i) of this subsection by the quotient of Washington's population divided by the total population of the United States;

(ii) Add the result determined in (b)(i) of this subsection plus the total weight under (a)(ii) of this subsection; and

(iii) Divide both the weight in (a)(ii) of this subsection and the weight in (b)(i) of this subsection by the number calculated under (b)(ii) of this subsection.

(5) Data reported by manufacturers under subsection (4) of this section is exempt from public disclosure under chapter 42.56 RCW.

Sec. 9. RCW 70.95N.200 and 2006 c 183 s 20 are each amended to read as follows:

(1) For program years 2009 through 2015, the department shall determine the total equivalent share for each manufacturer in the standard plan or an independent plan by dividing the return share percentage for each manufacturer by one hundred, then multiplying the quotient by the total weight in pounds of covered electronic products collected for that program year, allowing as needed for the additional credit authorized in subsection (3) of this section. For program year 2016 and all subsequent program years, the department shall determine the total equivalent share for each manufacturer in the standard plan or an independent plan by dividing the market share percentage for each manufacturer by one hundred, then multiplying the quotient by the total weight in pounds of covered electronic products collected for that program year, allowing as needed for the additional credit authorized in subsection (3) of this section.

(2)(a) By June 1st of each program year, the department shall notify each manufacturer of the manufacturer's equivalent share of covered electronic products to be applied to the previous program year. The department shall also notify each manufacturer of how its equivalent share was determined.

(b) By June 1st of each program year, the department shall bill any authorized party or authority that has not attained its plan's equivalent share as determined under RCW 70.95N.220. The authorized party or authority shall remit payment to the department within sixty days from the billing date.

(c) By September 1st of each program year, the department shall pay any authorized party or authority that exceeded its plan's equivalent share.

(3) Plans that utilize the collection services of nonprofit charitable organizations that qualify for a taxation exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C.

Sec. 501(c)(3)) that are primarily engaged in the business of reuse and resale must be given an additional five percent credit to be applied toward a plan's equivalent share for pounds that are received for recycling from those organizations. The department may adjust the percentage of credit annually.

Sec. 10. RCW 70.95N.210 and 2006 c 183 s 21 are each amended to read as follows:

(1) By June 1, 2007, the department shall notify each manufacturer of its preliminary return share of covered electronic products for the first program year.

(2) For program years 2009 through 2014, preliminary return share of covered electronic products must be announced annually by June 1st of each program year for the next program year. For the 2015 program year and all subsequent program years, preliminary market share of covered electronic products must be sent out to each individual manufacturer annually by June 1st of each program year for the next program year.

(3) Manufacturers may challenge the preliminary return or market share by written petition to the department. The petition must be received by the department within thirty days of the date of publication of the preliminary return or market shares.

(4) The petition must contain a detailed explanation of the grounds for the challenge, an alternative calculation, and the basis for such a calculation, documentary evidence supporting the challenge, and complete contact information for requests for additional information or clarification.

(5) Sixty days after the publication of the preliminary return or market share, the department shall make a final decision on return or market share, having fully taken into consideration any and all challenges to its preliminary calculations.

(6) A written record of challenges received and a summary of the bases for the challenges, as well as the department's response, must be published at the same time as the publication of the final return share.

(7) By August 1, 2007, the department shall publish the final return shares for the first program year. For program years 2009 through 2014, by August 1st of each program year, the department shall publish the final return shares for use in the coming program year. For the 2015 program year and all subsequent program years, by August 1st of each program year, the department shall notify each manufacturer of its final market shares for use in the coming program year.

Sec. 11. RCW 70.95N.230 and 2006 c 183 s 23 are each amended to read as follows:

(1) The department shall adopt rules to determine the process for manufacturers to change plans under RCW 70.95N.080.

(2) The department shall establish annual registration and plan review fees for administering this chapter. An initial fee schedule must be established by rule and be adjusted no more often than once every two years. All fees charged must be based on factors relating to administering this chapter and be based on a sliding scale that is representative of annual sales of covered electronic products in the state, either by weight or unit, or by representative market share. Fees must be established in amounts to fully recover and not to exceed expenses incurred by the department to implement this chapter.

(3) The department shall establish an annual process for local governments and local communities to report their satisfaction with the services provided by plans under this chapter. This information must be used by the department in reviewing plan updates and revisions.

(4) The department may adopt rules as necessary for the purpose of implementing, administering, and enforcing this chapter.

Sec. 12. RCW 70.95N.290 and 2008 c 79 s 1 are each amended to read as follows:

(1)(a) The authority is governed by a board of directors. The board of directors is comprised of eleven participating manufacturers, appointed by the director of the department. For program years 2009 through 2014, five board positions are reserved for representatives of the top ten brand owners by return share of covered electronic products, and six board positions are reserved for representatives of other brands, including at least one board position reserved for a manufacturer who is also a retailer selling their own private label. The return share of covered electronic products used to determine the top ten brand owners for purposes of electing the board must be determined by the department by January 1, 2007. For program years 2015 and beyond, five board positions are reserved for representatives of the top ten brand owners by market share of covered electronic products, and six board positions are reserved for representatives of other brands, including at least one board position reserved for a manufacturer who is also a retailer selling its own private label. The market share of covered electronic products used to determine the top ten brand owners for purposes of electing the board must be determined by the department by October 1, 2015.

(b) The board must have representation from both television and computer manufacturers.

(2) The board shall select from its membership the chair of the board and such other officers as it deems appropriate.

(3) A majority of the board constitutes a quorum.

(4) The directors of the department of ~~((community, trade, and economic development))~~ commerce and the department of ecology serve as ex officio members. The state agency directors serving in ex officio capacity may each designate an employee of their respective departments to act on their behalf in all respects with regard to any matter to come before the authority. Ex officio designations must be made in writing and communicated to the authority director.

(5) The board shall create its own bylaws in accordance with the laws of the state of Washington.

(6) Any member of the board may be removed for misfeasance, malfeasance, or willful neglect of duty after notice and a public hearing, unless the notice and hearing are expressly waived in writing by the affected member.

(7) The members of the board serve without compensation but are entitled to reimbursement, solely from the funds of the authority, for expenses incurred in the discharge of their duties under this chapter.

Sec. 13. RCW 70.95N.300 and 2006 c 183 s 31 are each amended to read as follows:

(1) Manufacturers participating in the standard plan shall pay the authority to cover all administrative and operational costs associated with the collection, transportation, and recycling of covered electronic products within the state of Washington incurred by the standard program operated by the authority to meet the standard plan's equivalent share obligation as described in RCW 70.95N.280(5).

(2) The authority shall assess charges on each manufacturer participating in the standard plan and collect funds from each participating manufacturer for the manufacturer's portion of the costs in subsection (1) of this section. For program years 2009 through 2015, such apportionment ((shall)) must be based on return share, market share, any combination of return share and market share, or any other equitable method. For the 2016 program year and all subsequent program years, such apportionment must be based on market share. The authority's apportionment of costs to manufacturers participating in the standard plan may not include nor be based on electronic products imported through the state and subsequently exported outside the state. Charges assessed under this section must not be formulated in such a way as to create incentives to divert imported electronic products to ports or

distribution centers in other states. The authority shall adjust the charges to manufacturers participating in the standard plan as necessary in order to ensure that all costs associated with the identified activities are covered.

(3) The authority may require financial assurances or performance bonds for manufacturers participating in the standard plan, including but not limited to new entrants and white box manufacturers, when determining equitable methods for apportioning costs to ensure that the long-term costs for collecting, transporting, and recycling of a covered electronic product are borne by the appropriate manufacturer in the event that the manufacturer ceases to participate in the program.

(4) Nothing in this section authorizes the authority to assess fees or levy taxes directly on the sale or possession of electronic products.

(5) If a manufacturer has not met its financial obligations as determined by the authority under this section, the authority shall notify the department that the manufacturer is no longer participating in the standard plan.

(6) For program years 2009 through 2015, the authority shall submit its plan for assessing charges and apportioning cost on manufacturers participating in the standard plan to the department for review and approval along with the standard plan as provided in RCW 70.95N.060.

(7)(a) Any manufacturer participating in the standard plan may appeal an assessment of charges or apportionment of costs levied by the authority under this section by written petition to the director of the department. The director of the department or the director's designee shall review all appeals within timelines established by the department and shall reverse any assessments of charges or apportionment of costs if the director finds that the authority's assessments or apportionment of costs was an arbitrary administrative decision, an abuse of administrative discretion, or is not an equitable assessment or apportionment of costs. The director shall make a fair and impartial decision based on sound data. If the director of the department reverses an assessment of charges, the authority must redetermine the assessment or apportionment of costs.

(b) Disputes regarding a final decision made by the director or director's designee may be challenged through arbitration. The director shall appoint one member to serve on the arbitration panel and the challenging party shall appoint one other. These two persons shall choose a third person to serve. If the two persons cannot agree on a third person, the presiding judge of the Thurston county superior court shall choose a third person. The decision of the arbitration panel shall be final and binding, subject to review by the superior court solely upon the question of whether the decision of the panel was arbitrary or capricious.

Sec. 14. RCW 42.56.270 and 2011 1st sp.s. c 14 s 15 are each amended to read as follows:

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

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

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

(3) Financial and commercial information and records supplied by private persons pertaining to export services provided under chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;

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(4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.325, 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency;

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

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

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

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

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

(10)(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), liquor license, gambling license, or lottery retail license;

(b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;

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

(12)(a) When supplied to and in the records of the department of commerce:

(i) Financial and proprietary information collected from any person and provided to the department of commerce pursuant to RCW 43.330.050(8); and

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

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

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

(d) If there is no written contact for a period of sixty days to the department of commerce from a person connected with siting, recruitment, expansion, retention, or relocation of that person's

business, information described in (a)(ii) of this subsection will be available to the public under this chapter;

(13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;

(14) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the life sciences discovery fund authority in applications for, or delivery of, grants under chapter 43.350 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information;

(15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;

(16) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085;

(17)(a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit;

(b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190;

(18) Financial, commercial, operations, and technical and research information and data submitted to or obtained by a health sciences and services authority in applications for, or delivery of, grants under RCW 35.104.010 through 35.104.060, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;

(19) Information gathered under chapter 19.85 RCW or RCW 34.05.328 that can be identified to a particular business;

(20) Financial and commercial information submitted to or obtained by the University of Washington, other than information the university is required to disclose under RCW 28B.20.150, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the University of Washington consolidated endowment fund or to result in private loss to the providers of this information; ~~((and))~~

(21) Financial, commercial, operations, and technical and research information and data submitted to or obtained by innovate Washington in applications for, or delivery of, grants and loans under chapter 43.333 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information; and

(22) Market share data submitted by a manufacturer under RCW 70.95N.190(4).

NEW SECTION. Sec. 15. This act takes effect January 1, 2014."

Senator Ericksen spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Ericksen and Billig to Senate Bill No. 5699.

The motion by Senator Ericksen carried and the striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "recycling;" strike the remainder of the title and insert "amending RCW 70.95N.020, 70.95N.040, 70.95N.050, 70.95N.090, 70.95N.110, 70.95N.140, 70.95N.180, 70.95N.190, 70.95N.200, 70.95N.210, 70.95N.230, 70.95N.290, 70.95N.300, and 42.56.270; and providing an effective date."

MOTION

On motion of Senator Ericksen, the rules were suspended, Engrossed Senate Bill No. 5699 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Ericksen and Ranker spoke in favor of passage of the bill.

Senator Chase spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5699.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5699 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 3; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carrell, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Chase, Frockt and Kohl-Welles

ENGROSSED SENATE BILL NO. 5699, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5425, by Senators Benton and Roach

Concerning the entering of monetary judgments against defendants under the residential and manufactured/mobile home landlord-tenant acts.

The measure was read the second time.

MOTION

On motion of Senator Benton, the rules were suspended, Senate Bill No. 5425 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Benton spoke in favor of passage of the bill.

Senator Nelson spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5425.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5425 and the bill passed the Senate by the following vote: Yeas, 28; Nays, 21; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Braun, Brown, Carrell, Dammeier, Ericksen, Fain, Hargrove, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, King, Litzow, Padden, Parlette, Pearson, Rivers, Roach, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Billig, Chase, Cleveland, Conway, Darneille, Eide, Fraser, Frockt, Harper, Hasegawa, Hatfield, Keiser, Kline, Kohl-Welles, McAuliffe, Mullet, Murray, Nelson, Ranker, Rolfes and Schlicher

SENATE BILL NO. 5425, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5624, by Senators McAuliffe, Litzow, Shin, Kohl-Welles, Hasegawa, Rolfes, Hobbs, Becker, Frockt, Chase, Eide and Conway

Aligning high-demand secondary STEM or career and technical education programs with applied baccalaureate programs.

MOTIONS

On motion of Senator Bailey, Second Substitute Senate Bill No. 5624 was substituted for Senate Bill No. 5624 and the second substitute bill was placed on the second reading and read the second time.

On motion of Senator Bailey, the rules were suspended, Second Substitute Senate Bill No. 5624 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators McAuliffe and Bailey spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5624.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5624 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carrell, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senator Benton

SECOND SUBSTITUTE SENATE BILL NO. 5624, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 6:19 p.m., on motion of Senator Fain, the Senate adjourned until 10:00 a.m. Wednesday, March 13, 2013.

BRAD OWEN, President of the Senate

HUNTER GOODMAN, Secretary of the Senate

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1007-S	Introduction & 1 st Reading.....	1	
1008	Introduction & 1 st Reading.....	1	
1013	Introduction & 1 st Reading.....	1	
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1068-S	Introduction & 1 st Reading.....	1	
1090-S	Introduction & 1 st Reading.....	1	
1108	Messages.....	1	
1114-S2	Messages.....	1	
1117-S	Introduction & 1 st Reading.....	2	
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1134-S2	Introduction & 1 st Reading.....	2	
1158-S2	Introduction & 1 st Reading.....	2	
1159	Introduction & 1 st Reading.....	2	
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1247-S	Introduction & 1 st Reading.....	2	
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1290-S	Introduction & 1 st Reading.....	2	
1301-S2	Introduction & 1 st Reading.....	2	
1302-S2	Introduction & 1 st Reading.....	3	
1306-S2	Introduction & 1 st Reading.....	3	
1314-S	Introduction & 1 st Reading.....	3	
1341-S	Introduction & 1 st Reading.....	3	
1348	Introduction & 1 st Reading.....	3	
1374-S2	Introduction & 1 st Reading.....	3	
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1395	Introduction & 1 st Reading.....	3	
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	1522-S2	Messages.....	1
	1526-S2	Introduction & 1 st Reading.....	5
	1527-S	Messages.....	1
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