

FORTY FOURTH DAY

House Chamber, Olympia, Tuesday, February 21, 2012

The House was called to order at 9:55 a.m. by the Speaker (Representative Pollet presiding).

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

RESOLUTION

HOUSE RESOLUTION NO. 4670, by Representatives Armstrong and Condotta

WHEREAS, In 1951 the Federal Office of Defense Mobilization requested that aluminum production be increased in the United States for wartime uses; and

WHEREAS, The Pacific Northwest had an outstanding regional supply of hydropower as a result of the foresight of the Bonneville Power Administration (BPA) and the Chelan County Public Utility District (CPUD); and

WHEREAS, The Federal government approved the construction of the first post-World War II smelter on the banks of the Columbia River outside Malaga, Washington, because of the abundance of affordable hydropower and the willingness of BPA and the Chelan PUD to partner with the manufacturer, as well as support from community leaders and the Wenatchee World; and

WHEREAS, Under the impetus of national defense and consumer demands, the manufacturer pushed to complete construction of the Wenatchee Works Aluminum Smelter in the shortest amount of time possible, installing two and one-half miles of railroad track, more than three miles of surface road and constructing two prebake carbon potlines with an overhead ore conveyor belt, an electrical rectifier station, a rodding room, a pig and ingot casting building, and a carbon plant within 13 months; and

WHEREAS, For 60 years the smelter has been operated successfully, employing between 400 and 900 people in the Wenatchee Valley throughout its operation; today operating three potlines and directly contributing more than 52 million dollars to Chelan and Douglas counties in payroll and benefits for 460 employees and creating an additional 1,300 indirect jobs; and

WHEREAS, Throughout the years the Wenatchee Works smelter has continually worked to upgrade safety and environmental systems, to improve air and water quality, reducing its carbon footprint by over 25 percent since the 1990s and setting plant safety records during its 2011 third potline restart; and

WHEREAS, The smelter operators are committed to being an outstanding community partner through financial and volunteer support of nonprofits, schools, and other community organizations in the Wenatchee Valley, providing more than 125,000 volunteer hours locally and contributing more than 1.4 million dollars in grants and other local giving since 2002; and

WHEREAS, Along with its sister plant in Ferndale, the Wenatchee Works plant was honored by the state chapter of the Association of Fundraising Professionals as 2011 Outstanding Philanthropic Corporation for its history of community partnerships; and

WHEREAS, The 460 men and women of the plant work around the clock 365 days a year to consistently produce more than 140,000 metric tons of high-quality, recyclable aluminum ingot that is used in

products ranging from aluminum bats and bicycles, to strong and light-weight automotive and airplane parts; and

WHEREAS, On June 26, 2012, at 10:14 a.m. the Wenatchee Works plant will celebrate the 60th anniversary of its first aluminum ingot poured;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State House of Representatives officially recognize and congratulate the Wenatchee Works plant and its employees for 60 years of community and economic contribution to the Wenatchee Valley and the State of Washington; and

BE IT FURTHER RESOLVED, That a copy of this Resolution be immediately transferred by the Chief Clerk to Wenatchee Works Plant Manager Don Walton; Wenatchee Aluminum Trades Council President Kelley Woodard; and to Cal Fitzsimmons, Editor of the Wenatchee World.

The Speaker (Representative Pollet presiding) stated the question before the House to be adoption of House Resolution No. 4670

HOUSE RESOLUTION NO. 4670 was adopted

RESOLUTION

HOUSE RESOLUTION NO. 4671, by Representative Hunt

WHEREAS, The Olympia Symphony Orchestra began community concerts in the 1920s and began regular concerts as a community-based volunteer symphony orchestra at the end of World War II; and

WHEREAS, The Olympia Symphony Orchestra was officially incorporated as a nonprofit community orchestra on October 23, 1952; and

WHEREAS, The Olympia Symphony Orchestra has passed the baton to many gifted Maestros over the intervening years, including Carl Moldrem, Les Armstrong, Fred P. Schlichting, Irv Wright, Ian K. Edlund, Jonathan Shames, and, most recently, the Symphony has flourished under the outstanding leadership of Maestro Hue Edwards; and

WHEREAS, The Olympia Symphony Orchestra has provided years of education, entertainment, and the many benefits of community cultural enhancement to tens of thousands of residents of Southwest Washington during the course of hundreds of concerts over tens of years; and

WHEREAS, At the behest and invitation of the Governor of the State of Washington, the Olympia Symphony Orchestra has provided for the enjoyment of Capitol area residents for the past six years, by performing a free symphonic concert on the lawn of the Capitol Campus on the last Sunday of each July; and

WHEREAS, The past sixty years of community enrichment has involved thousands of South Sound volunteers donating their skills and talents by acting in their capacity as board members, musicians, students, audience participants, donors, and other lovers of symphonic music; and

WHEREAS, As the Olympia Symphony Orchestra turns sixty years of age this October, it takes its place as one of the longest continuously performing community-based orchestras in the State of Washington. The Olympia Symphony Orchestra Board, Maestro Hue

Edwards, the staff, musicians, and the thousands of supporters are to be congratulated, on this their 60th Birthday;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State House of Representatives recognize the service of the Olympia Symphony Orchestra, and extend its sincerest wish that the next 60 years will bring as much enjoyment and great music to the capital community as the last 60 years. "BRAVO" to the Olympia Symphony Orchestra!

The Speaker (Representative Pollet presiding) stated the question before the House to be adoption of House Resolution No. 4671.

HOUSE RESOLUTION NO. 4671 was adopted.

INTRODUCTION & FIRST READING

HB 2789 by Representatives Reykdal, Orcutt, Stanford and Wilcox

AN ACT Relating to creating a cooperative process between cities and the department of revenue for local business licensing simplification; adding a new section to chapter 19.02 RCW; and adding a new chapter to Title 35 RCW.

Referred to Committee on Business & Financial Services.

HB 2790 by Representative Orcutt

AN ACT Relating to making technical changes to licensing and trade name laws and conforming amendments; 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, 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 new sections; repealing RCW 19.02.220, 19.02.810, 19.80.065, and 43.24.160; providing effective dates; and providing an expiration date.

Referred to Committee on Business & Financial Services.

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

REPORTS OF STANDING COMMITTEES

February 17, 2012

ESSB 5895 Prime Sponsor, Committee on Ways & Means: Regarding certificated employee evaluations. Reported by Committee on Education

MAJORITY recommendation: Do pass. Signed by Representatives Santos, Chair; Lytton, Vice Chair; Dammeier, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Dahlquist, Assistant Ranking Minority Member; Angel; Billig; Fagan; Finn; Haigh; Hargrove;

Klippert; Ladenburg; Maxwell; McCoy; Parker; Probst and Wilcox.

MINORITY recommendation: Do not pass. Signed by Representative Hunt.

Referred to Committee on Ways & Means.

February 17, 2012

SB 6131 Prime Sponsor, Senator Chase: Regarding the regulation of mercury. Reported by Committee on Environment

MAJORITY recommendation: Do pass. Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Fitzgibbon; Hansen; Jinkins; Morris; Pollet; Takko; Taylor and Wylie.

Passed to Committee on Rules for second reading.

February 17, 2012

SSB 6414 Prime Sponsor, Committee on Energy, Natural Resources & Marine Waters: Creating a review process to determine whether a proposed electric generation project or conservation resource qualifies to meet a target under RCW 19.285.040. Reported by Committee on Environment

MAJORITY recommendation: Do pass. Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Fitzgibbon; Hansen; Jinkins; Pollet; Takko; Taylor and Wylie.

MINORITY recommendation: Do not pass. Signed by Representative Morris.

Passed to Committee on Rules for second reading.

February 16, 2012

SSB 6423 Prime Sponsor, Committee on Transportation: Concerning the definition of farm vehicle. Reported by Committee on Transportation

MAJORITY recommendation: Do pass. Signed by Representatives Clibborn, Chair; Billig, Vice Chair; Liias, Vice Chair; Armstrong, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Angel; Asay; Finn; Fitzgibbon; Hansen; Johnson; Klippert; Kristiansen; Ladenburg; McCune; Moeller; Morris; Moscoso; Reykdal; Rivers; Rodne; Shea; Takko; Upthegrove and Zeiger.

Passed to Committee on Rules for second reading.

The Speaker (Representative Pollet presiding) called upon Representative Sullivan to preside.

1st SUPPLEMENTAL REPORTS OF STANDING COMMITTEES

February 20, 2012

February 20, 2012

2SSB 5355 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections: Regarding notice requirements for special

meetings of public agencies. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 42.30.080 and 2005 c 273 s 1 are each amended to read as follows:

(1) A special meeting may be called at any time by the presiding officer of the governing body of a public agency or by a majority of the members of the governing body by delivering written notice personally, by mail, by fax, or by electronic mail to each member of the governing body(~~;~~ and).

(2) Notice of a special meeting called under subsection (1) of this section shall be:

(a) Delivered to each local newspaper of general circulation and ~~((to each))~~ local radio or television station ~~((which))~~ that has on file with the governing body a written request to be notified of such special meeting or of all special meetings;

(b) Posted on the agency's web site, if any, unless an agency has insufficient qualified personnel, as defined by a job description or existing contract, to update the web site; and

(c) Prominently displayed at the main entrance of the agency's principal location and the meeting site if it is not held at the agency's principal location.

Such notice must be delivered ~~((personally, by mail, by fax, or by electronic mail))~~ or posted, as applicable, at least twenty-four hours before the time of such meeting as specified in the notice.

(3) The call and notices required under subsections (1) and (2) of this section shall specify the time and place of the special meeting and the business to be transacted. Final disposition shall not be taken on any other matter at such meetings by the governing body. ~~((Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the clerk or secretary of the governing body a written waiver of notice. Such waiver may be given by telegram, by fax, or electronic mail. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.))~~

(4) The notices provided in this section may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, when time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage."

Correct the title.

Strike everything after the enacting clause and insert the following:

"Sec. 2. RCW 42.30.080 and 2005 c 273 s 1 are each amended to read as follows:

(1) A special meeting may be called at any time by the presiding officer of the governing body of a public agency or by a majority of the members of the governing body by delivering written notice personally, by mail, by fax, or by electronic mail to each member of the governing body(~~;~~ and).

(2) Notice of a special meeting called under subsection (1) of this section shall be:

(a) Delivered to each local newspaper of general circulation and ~~((to each))~~ local radio or television station ~~((which))~~ that has on file with the governing body a written request to be notified of such special meeting or of all special meetings;

(b) Posted on the agency's web site, if the agency has a web site and, if a local government, the agency employs more than ten full-time equivalent employees; and

(c) Prominently displayed at the main entrance of the agency's principal location and the meeting site if it is not held at the agency's principal location.

Such notice must be delivered ~~((personally, by mail, by fax, or by electronic mail))~~ or posted, as applicable, at least twenty-four hours before the time of such meeting as specified in the notice.

(3) The call and notices required under subsections (1) and (2) of this section shall specify the time and place of the special meeting and the business to be transacted. Final disposition shall not be taken on any other matter at such meetings by the governing body. ~~((Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the clerk or secretary of the governing body a written waiver of notice. Such waiver may be given by telegram, by fax, or electronic mail. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.))~~

(4) The notices provided in this section may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, when time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage."

Correct the title.

Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Alexander; Darneille; Dunshee; Hurst; McCoy and Miloscia.

MINORITY recommendation: Do not pass. Signed by Representatives Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member and Condotta.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 5401

Prime Sponsor, Senator Chase: Authorizing use of sales and use tax proceeds for certain public facilities in innovation partnership zones for economic development purposes. Reported by Committee on Community & Economic Development & Housing

MAJORITY recommendation: Do pass. Signed by Representatives Kenney, Chair; Finn, Vice Chair; Maxwell; Ryu; Santos and Walsh.

MINORITY recommendation: Do not pass. Signed by Representatives Smith, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member and Ahern.

Referred to Committee on Ways & Means.

February 20, 2012

E2SSB 5539

Prime Sponsor, Committee on Ways & Means: Concerning Washington's motion picture competitiveness. Reported by Committee on Community & Economic Development & Housing

MAJORITY recommendation: Do pass. Signed by Representatives Kenney, Chair; Finn, Vice Chair; Smith, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Ahern; Maxwell; Ryu and Walsh.

MINORITY recommendation: Without recommendation. Signed by Representative Santos.

Referred to Committee on Ways & Means.

February 20, 2012

SSB 5627 Prime Sponsor, Committee on Judiciary:
Concerning service members' civil relief.
Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 5997 Prime Sponsor, Committee on Energy, Natural Resources & Marine Waters: Regarding the Olympic natural resources center. Reported by Committee on Higher Education

MAJORITY recommendation: Do pass. Signed by Representatives Seaquist, Chair; Carlyle, Vice Chair; Haler, Ranking Minority Member; Hasegawa; Pollet; Reykdal; Sells; Springer and Wylie.

MINORITY recommendation: Without recommendation. Signed by Representatives Parker, Assistant Ranking Minority Member; Asay; Buys; Crouse; Fagan; Warnick and Zeiger.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 6095 Prime Sponsor, Senator Kohl-Welles: Making technical corrections to gender-based terms. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Hansen; Kirby; Nealey; Orwall; Rivers and Roberts.

MINORITY recommendation: Do not pass. Signed by Representatives Shea, Assistant Ranking Minority Member; Chandler and Klippert.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 6121 Prime Sponsor, Committee on Higher Education & Workforce Development: Requiring the office of student financial assistance to provide a financial aid counseling curriculum for institutions of higher education. Reported by Committee on Higher Education

MAJORITY recommendation: Do pass. Signed by Representatives Seaquist, Chair; Carlyle, Vice Chair; Haler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Asay; Buys; Crouse; Fagan; Hasegawa; Pollet; Reykdal; Sells; Springer; Warnick; Wylie and Zeiger.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 6167

Prime Sponsor, Committee on Human Services & Corrections: Regarding dissemination of criminal identification system information. Reported by Committee on Community & Economic Development & Housing

MAJORITY recommendation: Do pass. Signed by Representatives Kenney, Chair; Finn, Vice Chair; Smith, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Ahern; Maxwell; Ryu; Santos and Walsh.

Passed to Committee on Rules for second reading.

February 20, 2012

ESSB 6180 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections: Reducing costs and inefficiencies in elections. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander; Condotta; Darneille; Dunshee; Hurst; McCoy and Miloscia.

Referred to Committee on Ways & Means.

February 20, 2012

SSB 6187 Prime Sponsor, Committee on Judiciary: Concerning health care claims against state and governmental health care providers arising out of tortious conduct. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 6218 Prime Sponsor, Senator Frockt: Concerning escrow licensing requirement exceptions relating to the practice of law. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 6359 Prime Sponsor, Committee on Economic Development, Trade & Innovation: Modifying provisions related to the office of regulatory assistance. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 43.42.010 and 2011 c 149 s 2 are each amended to read as follows:

(1) The office of regulatory assistance is created in the office of financial management and must be administered by the office of the governor to help improve the regulatory system and assist citizens, businesses, and project proponents.

(2) The governor must appoint a director. The director may employ a deputy director and a confidential secretary and such staff as are necessary, or contract with another state agency pursuant to chapter 39.34 RCW for support in carrying out the purposes of this chapter.

(3) The office must offer to:

(a) Act as the central point of contact for the project proponent in communicating about defined issues;

(b) Conduct project scoping as provided in RCW 43.42.050;

(c) Verify that the project proponent has all the information needed to correctly apply for all necessary permits;

(d) Provide general coordination services;

(e) Coordinate the efficient completion among participating agencies of administrative procedures, such as collecting fees or providing public notice;

(f) Maintain contact with the project proponent and the permit agencies to promote adherence to agreed schedules;

(g) Assist in resolving any conflict or inconsistency among permit requirements and conditions;

(h) Coordinate, to the extent practicable, with relevant federal permit agencies and tribal governments;

(i) Facilitate meetings;

(j) Manage a fully coordinated permit process, as provided in RCW 43.42.060; and

(k) Help local jurisdictions comply with the requirements of chapter 36.70B RCW ~~((by providing information about best permitting practices methods to improve communication with, and solicit early involvement of, state agencies when needed, and~~

~~(l) Maintain and furnish information as provided in RCW 43.42.040)).~~

(4) The office must also:

(a) Provide information to local jurisdictions about best permitting practices, methods to improve communication with, and solicit early involvement of, state agencies when needed, and effective means of assessing and communicating expected project timelines and costs;

(b) Maintain and furnish information as provided in RCW 43.42.040; and

(c) Provide the following by September 1, 2009, and biennially thereafter, to the governor and the appropriate committees of the legislature:

~~((A))~~ (i) A performance report including:

~~((B))~~ (A) Information regarding use of the office's voluntary cost-reimbursement services as provided in RCW 43.42.070;

~~((C))~~ (B) The number and type of projects or initiatives where the office provided services ~~((and the resolution provided by the office on any conflicts that arose on such projects;~~

~~(iii) The agencies involved on specific projects;~~

~~(iv) Specific information on any difficulty encountered in provision of services, implementation of programs or processes, or use of tools;~~ and

~~(v) Trend reporting that allows comparisons between statements of goals and performance targets and the achievement of those goals and targets;~~ and

~~(b) Recommendations on system improvements including recommendations regarding:~~

~~(i) Measurement of overall system performance;~~

~~(ii) Changes needed to make cost reimbursement, a fully~~

~~coordinated permit process, multiagency permitting teams, and other processes effective; and~~

~~(iii) Resolving any conflicts or inconsistencies arising from differing statutory or regulatory authorities, roles and missions of agencies, timing and sequencing of permitting and procedural requirements as identified by the office in the course of its duties)) including the key agencies with which the office partnered;~~

(C) Specific information on any difficulty encountered in providing services or implementing programs, processes, or assistance tools; and

(D) Trend reporting that allows comparisons between statements of goals and performance targets and the achievement of those goals and targets; and

(ii) Recommendations on system improvements including, but not limited to, recommendations on improving environmental permitting by making it more time efficient and cost-effective for all participants in the process.

Sec. 2. RCW 43.42.050 and 2009 c 97 s 5 are each amended to read as follows:

(1) Upon request of a project proponent, the office ~~((shall))~~ must determine the level of project scoping needed by the project proponent, taking into consideration the complexity of the project and the experience of those expected to be involved in the project application and review process. The director may require the attendance at a scoping meeting of any state or local agency.

(2) Project scoping ~~((shall))~~ must consider the complexity, size, and needs for assistance of the project and ~~((shall))~~ must address as appropriate:

(a) The permits that are required for the project;

(b) The permit application forms and other application requirements of the participating permit agencies;

(c) The specific information needs and issues of concern of each participant and their significance;

(d) Any statutory or regulatory conflicts that might arise from the differing authorities and roles of the permit agencies;

(e) Any natural resources, including federal or state listed species, that might be adversely affected by the project and might cause an alteration of the project or require mitigation; and

(f) The anticipated time required for permit decisions by each participating permit agency, including the estimated time required to determine if the permit application is complete, to conduct environmental review, and to review and process the application. In determining the estimated time required, full consideration must be given to achieving the greatest possible efficiencies through any concurrent studies and any consolidated applications, hearings, and comment periods.

(3) The outcome of the project scoping ~~((shall))~~ must be documented in writing, furnished to the project proponent, and be made available to the public.

(4) The project scoping ~~((shall))~~ must be completed prior to the passage of sixty days of the project proponent's request for a project scoping unless the director finds that better results can be obtained by delaying the project scoping meeting or meetings to ensure full participation.

(5) Upon completion of the project scoping, the participating permit agencies ~~((shall))~~ must proceed under their respective authorities. The agencies may remain in communication with the office as needed.

(6) This section does not create an independent cause of action, affect any existing cause of action, or establish time limits for purposes of RCW 64.40.020.

Sec. 3. RCW 43.42.060 and 2009 c 421 s 8 and 2009 c 97 s 6 are each reenacted and amended to read as follows:

(1) A project proponent may submit a written request to the director of the office for participation in a fully coordinated permit process. Designation as a fully coordinated project requires that:

(a) The project proponent enters into a cost-reimbursement agreement pursuant to RCW 43.42.070;

(b) The project has a designation under chapter 43.157 RCW; or

(c) The director determine that (i)(A) the project raises complex coordination, permit processing, or substantive permit review issues; or (B) if completed, the project would provide substantial benefits to the state; and (ii) the office, as well as the participating permit review agencies, have sufficient capacity within existing resources to undertake the full coordination process without reimbursement and without seriously affecting other services.

(2) A project proponent who requests designation as a fully coordinated permit process project must provide the office with a full description of the project. The office may request any information from the project proponent that is necessary to make the designation under this section, and may convene a scoping meeting or a work plan meeting of the likely participating permit agencies.

(3) When a project is designated for the fully coordinated permit process, the office ~~((shall))~~ must serve as the main point of contact for the project proponent and participating agencies with regard to the permit process for the project as a whole. Each participating agency must designate a single point of contact for coordinating with the office. The office ~~((shall))~~ must keep an up-to-date project management log and schedule illustrating required procedural steps in the permitting process, and highlighting substantive issues as appropriate that must be resolved in order for the project to move forward. In carrying out these responsibilities, the office ~~((shall))~~ must:

(a) Ensure that the project proponent has been informed of all the information needed to apply for the permits that are included in the coordinated permit process;

(b) Coordinate the timing of review for those permits by the respective participating permit agencies;

(c) Facilitate communication between project proponents, consultants, and agency staff to promote timely permit decisions;

(d) Assist in resolving any conflict or inconsistency among the permit requirements and conditions that are expected to be imposed by the participating permit agencies; and

(e) Make contact, at least once, with any local, tribal, or federal jurisdiction that is responsible for issuing a permit for the project and invite them to participate in the coordinated permit process or to receive periodic updates in the project.

(4) Within thirty days, or longer with agreement of the project proponent, of the date that the office designates a project for the fully coordinated permit process, it shall convene a work plan meeting with the project proponent and the participating permit agencies to develop a coordinated permit process schedule. The meeting agenda ~~((shall))~~ may include ~~((at least))~~ any of the following:

(a) Review of the permits that are required for the project;

(b) A review of the permit application forms and other application requirements of the agencies that are participating in the coordinated permit process;

(c) An estimation of the timelines that will be used by each participating permit agency to make permit decisions, including the estimated time periods required to determine if the permit applications are complete and to review or respond to each application or submittal of new information.

(i) The estimation must also include the estimated number of revision cycles for the project, or the typical number of revision cycles for projects of similar size and complexity.

(ii) In the development of this timeline, full attention ~~((shall))~~ must be given to achieving the maximum efficiencies possible through concurrent studies and consolidated applications, hearings, and comment periods.

(iii) Estimated action or response times for activities of the office that are required before or trigger further action by a participant must also be included;

(d) Available information regarding the timing of any public hearings that are required to issue permits for the project and a determination of the feasibility of coordinating or consolidating any of those required public hearings; and

(e) A discussion of fee arrangements for the coordinated permit process, including an estimate of the costs allowed by statute, any reimbursable agency costs, and billing schedules, if applicable.

(5) Each agency ~~((shall))~~ must send at least one representative qualified to discuss the applicability and timelines associated with all permits administered by that agency or jurisdiction. At the request of the project proponent, the office ~~((shall))~~ must notify any relevant local or federal agency or federally recognized Indian tribe of the date of the meeting and invite that agency's participation in the process.

(6) Any accelerated time period for the consideration of a permit application ~~((shall))~~ must be consistent with any statute, rule, or regulation, or adopted state policy, standard, or guideline that requires the participation of other agencies, federally recognized Indian tribes, or interested persons in the application process.

(7) If a permit agency or the project proponent foresees, at any time, that it will be unable to meet the estimated timelines or other obligations under the agreement, it ~~((shall))~~ must notify the office of the reasons for the problem and offer potential solutions or an amended timeline for resolving the problem. The office ~~((shall))~~ must notify the participating permit agencies and the project proponent and, upon agreement of all parties, adjust the schedule, or, if necessary, schedule another work plan meeting.

(8) The project proponent may withdraw from the coordinated permit process by submitting to the office a written request that the process be terminated. Upon receipt of the request, the office ~~((shall))~~ must notify each participating permit agency that a coordinated permit process is no longer applicable to the project.

Sec. 4. RCW 43.42.070 and 2010 c 162 s 4 are each amended to read as follows:

(1) The office may enter into cost-reimbursement agreements with a project proponent to recover from the project proponent the reasonable costs incurred by the office in carrying out the provisions of ~~((RCW 43.42.050, 43.42.060, 43.42.090, and 43.42.092))~~ this chapter. The agreement must include provisions for covering the costs incurred by the permit agencies that are participating in the cost-reimbursement project and carrying out permit processing or project review tasks referenced in the cost-reimbursement agreement.

(2) The office must maintain policies or guidelines for coordinating cost-reimbursement agreements with participating agencies, project proponents, and ~~((outside))~~ independent consultants. Policies or guidelines must ensure that, in developing cost-reimbursement agreements, conflicts of interest are eliminated. ~~((Contracts with independent consultants hired by the office under this section must be based on competitive bids that are awarded for each agreement from a prequalified consultant roster.))~~ The policies must also support effective use of cost-reimbursement resources to address staffing and capacity limitations as may be relevant within the office or participating permit agencies.

(3) For fully coordinated permit processes and priority economic recovery projects selected pursuant to this section, the office must coordinate the negotiation of all cost-reimbursement agreements executed under RCW 43.21A.690, 43.30.490, 43.70.630, 43.300.080, and 70.94.085. The office, project proponent, and ~~((the))~~ participating permit agencies must be signatories to the cost-reimbursement agreement or agreements. Each participating permit agency must manage performance of its portion of the cost-reimbursement agreement. Independent consultants hired under a cost-reimbursement agreement ~~((shall))~~ must report directly to the hiring office or participating permit agency. Any cost-reimbursement agreement must require that final decisions are made by the participating permit agency and not by a hired independent consultant.

(4) For ~~((a fully coordinated project using cost reimbursement, the office and participating permit agencies must include a cost-reimbursement work plan, including deliverables and schedules for invoicing and reimbursement in the fully coordinated project work plan described in RCW 43.42.060. Upon request, the office must verify that the agencies have met the obligations contained in the cost-reimbursement work plan and agreement. The cost reimbursement agreement must identify the tasks of each agency and the maximum costs for work conducted under the agreement. The agreement must include a schedule that states:~~

- ~~— (a) The estimated number of weeks for initial review of the permit application for comparable projects;~~
- ~~— (b) The anticipated number of revision cycles;~~
- ~~— (c) The estimated number of weeks for review of subsequent revision submittals;~~
- ~~— (d) The estimated number of billable hours of employee time;~~
- ~~— (e) The rate per hour; and~~
- ~~— (f) A process for revision of the agreement if necessary.~~

~~(5) If a permit agency or the project proponent foresees, at any time, that it will be unable to meet its obligations under the cost-reimbursement agreement and fully coordinated project work plan, it must notify the office and state the reasons, along with proposals for resolving the problems and potentially amending the timelines. The office must notify the participating permit agencies and the project proponent and, upon agreement of all parties, adjust the schedule, or, if necessary, coordinate revision of the cost-reimbursement agreement and fully coordinated project work plan))~~ any project using cost reimbursement, the cost-reimbursement agreement must require the office and participating permit agencies to develop and periodically update a project work plan, which the office must provide on the internet and share with each party to the agreement.

(5)(a) The cost-reimbursement agreement must identify the proposed project, the desired outcomes, and the maximum costs for work to be conducted under the agreement. The desired outcomes must refer to the decision-making process and may not prejudice or predetermine whether decisions will be to approve or deny any required permit or other application. Each participating permit agency must agree to give priority to the cost-reimbursement project but may in no way reduce or eliminate regulatory requirements as part of the priority review.

(b) Reasonable costs are determined based on time and materials estimates with a provision for contingencies, or set as a flat fee tied to a reasonable estimate of staff hours required.

(c) The cost-reimbursement agreement may include deliverables and schedules for invoicing and reimbursement. The office may require advance payment of some or all of the agreed reimbursement, to be held in reserve and distributed to participating permit agencies and the office upon approval of invoices by the project proponent. The project proponent has thirty days to request additional information or challenge an invoice. If an invoice is challenged, the office must respond and attempt to resolve the challenge within thirty days. If the office is unable to resolve the challenge within thirty days, the challenge must be submitted to the office of financial management. A decision on such a challenge must be made by the office of financial management and approved by the director of the office of financial management and is binding on the parties.

(d) Upon request, the office must verify whether participating permit agencies have met the obligations contained in the project work plan and cost-reimbursement agreement.

(6) If a party to the cost-reimbursement agreement foresees, at any time, that it will be unable to meet its obligations under the agreement, it must notify the office and state the reasons, along with proposals for resolving the problems. The office must notify the other parties to the cost-reimbursement agreement and seek to resolve the problems by adjusting invoices, deliverables, or the project work plan, or through some other accommodation.

Sec. 5. RCW 43.42.095 and 2010 c 162 s 5 are each amended to read as follows:

The multiagency permitting team account is created in the ~~((state treasury. All receipts from solicitations authorized in RCW 43.42.092 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for covering the initial administrative costs of multiagency permitting teams and such other costs associated with the teams as may arise that are not recoverable through cost reimbursement or cost sharing mechanisms))~~ custody of the state treasurer. All receipts from cost-reimbursement agreements authorized in RCW 43.42.070 and solicitations authorized in RCW 43.42.092 must be deposited into the account. Expenditures from the account may be used only for covering staffing, consultant, technology, and other administrative costs of multiagency permitting teams and other costs associated with multiagency project review and management that may arise. Only the director of the office of regulatory assistance or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

Sec. 6. RCW 43.79A.040 and 2011 1st sp.s. c 37 s 603 are each amended to read as follows:

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

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

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

(4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The Washington promise scholarship account, the college savings program account, the Washington advanced college tuition payment program account, the accessible communities account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the students with dependents grant account, the basic health plan self-insurance reserve account, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the Washington international exchange scholarship endowment fund, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family leave insurance account, the food animal veterinarian conditional scholarship account, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the multiagency permitting team account,

the pilotage account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the sulfur dioxide abatement account, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account (earnings from the Washington horse racing commission operating account must be credited to the Washington horse racing commission class C purse fund account), the life sciences discovery fund, the Washington state heritage center account, the reduced cigarette ignition propensity account, and the reading achievement account.

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

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

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

Sec. 7. RCW 43.84.092 and 2011 1st sp.s. c 16 s 6, 2011 1st sp.s. c 7 s 22, 2011 c 369 s 6, 2011 c 339 s 1, 2011 c 311 s 9, 2011 c 272 s 3, 2011 c 120 s 3, and 2011 c 83 s 7 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, the county sales and use tax equalization account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight congestion relief account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the health system capacity account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety account, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the motor vehicle fund, the motorcycle safety education account, ~~(the multiagency permitting team account,)~~ the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public transportation systems account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental

pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state economic development commission account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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

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

NEW SECTION. Sec. 8. A new section is added to chapter 43.42 RCW to read as follows:

Within available funds, the office of regulatory assistance may certify permit processes at the local level as streamlined processes. In developing the certification program, the director must work with local jurisdictions to establish the criteria and the process for certification. Jurisdictions with permit processes certified as streamlined may receive priority in receipt of state funds for infrastructure projects.

Sec. 9. RCW 43.155.070 and 2009 c 518 s 16 are each amended to read as follows:

(1) To qualify for loans or pledges under this chapter the board must determine that a local government meets all of the following conditions:

(a) The city or county must be imposing a tax under chapter 82.46 RCW at a rate of at least one-quarter of one percent;

(b) The local government must have developed a capital facility plan; and

(c) The local government must be using all local revenue sources which are reasonably available for funding public works, taking into consideration local employment and economic factors.

(2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 must have adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development

regulations before requesting or receiving a loan or loan guarantee under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 which has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 is not prohibited from receiving a loan or loan guarantee under this chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before submitting a request for a loan or loan guarantee.

(3) In considering awarding loans for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board (~~shall~~) must consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

(4) The board (~~shall~~) must develop a priority process for public works projects as provided in this section. The intent of the priority process is to maximize the value of public works projects accomplished with assistance under this chapter. The board (~~shall~~) must attempt to assure a geographical balance in assigning priorities to projects. The board (~~shall~~) must consider at least the following factors in assigning a priority to a project:

(a) Whether the local government receiving assistance has experienced severe fiscal distress resulting from natural disaster or emergency public works needs;

(b) Except as otherwise conditioned by RCW 43.155.110, whether the entity receiving assistance is a Puget Sound partner, as defined in RCW 90.71.010;

(c) Whether the project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310;

(d) Whether the project is critical in nature and would affect the health and safety of a great number of citizens;

(e) Whether the applicant's permitting process has been certified as streamlined by the office of regulatory assistance;

(f) Whether the applicant has developed and adhered to guidelines regarding its permitting process for those applying for development permits consistent with section 1(2), chapter 231, Laws of 2007;

(~~(f)~~) (g) The cost of the project compared to the size of the local government and amount of loan money available;

(~~(g)~~) (h) The number of communities served by or funding the project;

(~~(h)~~) (i) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

(~~(i)~~) (j) Whether the project is the acquisition, expansion, improvement, or renovation by a local government of a public water system that is in violation of health and safety standards, including the cost of extending existing service to such a system;

(~~(j)~~) (k) Except as otherwise conditioned by RCW 43.155.120, and effective one calendar year following the development of model evergreen community management plans and ordinances under RCW 35.105.050, whether the entity receiving assistance has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030;

(~~(k)~~) (l) The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local capacity to increase local economic activity in communities that have low economic growth; and

(~~(l)~~) (m) Other criteria that the board considers advisable.

(5) Existing debt or financial obligations of local governments (~~shall~~) may not be refinanced under this chapter. Each local government applicant (~~shall~~) must provide documentation of attempts to secure additional local or other sources of funding for

each public works project for which financial assistance is sought under this chapter.

(6) Before November 1st of each even-numbered year, the board ~~((shall))~~ must develop and submit to the appropriate fiscal committees of the senate and house of representatives a description of the loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section during the preceding fiscal year and a prioritized list of projects which are recommended for funding by the legislature, including one copy to the staff of each of the committees. The list ~~((shall))~~ must include, but not be limited to, a description of each project and recommended financing, the terms and conditions of the loan or financial guarantee, the local government jurisdiction and unemployment rate, demonstration of the jurisdiction's critical need for the project and documentation of local funds being used to finance the public works project. The list ~~((shall))~~ must also include measures of fiscal capacity for each jurisdiction recommended for financial assistance, compared to authorized limits and state averages, including local government sales taxes; real estate excise taxes; property taxes; and charges for or taxes on sewerage, water, garbage, and other utilities.

(7) The board ~~((shall))~~ may not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds for a specific list of public works projects. The legislature may remove projects from the list recommended by the board. The legislature ~~((shall))~~ may not change the order of the priorities recommended for funding by the board.

(8) Subsection (7) of this section does not apply to loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section.

(9) Loans made for the purpose of capital facilities plans ~~((shall be))~~ are exempted from subsection (7) of this section.

(10) To qualify for loans or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter 70.95 RCW.

(11) After January 1, 2010, any project designed to address the effects of storm water or wastewater on Puget Sound may be funded under this section only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

Sec. 10. RCW 43.160.060 and 2008 c 327 s 5 are each amended to read as follows:

(1) The board is authorized to make direct loans to political subdivisions of the state and to federally recognized Indian tribes for the purposes of assisting the political subdivisions and federally recognized Indian tribes in financing the cost of public facilities, including development of land and improvements for public facilities, project-specific environmental, capital facilities, land use, permitting, feasibility, and marketing studies and plans; project design, site planning, and analysis; project debt and revenue impact analysis; as well as the construction, rehabilitation, alteration, expansion, or improvement of the facilities. A grant may also be authorized for purposes designated in this chapter, but only when, and to the extent that, a loan is not reasonably possible, given the limited resources of the political subdivision or the federally recognized Indian tribe and the finding by the board that financial circumstances require grant assistance to enable the project to move forward. However, no more than twenty-five percent of all financial assistance approved by the board in any biennium may consist of grants to political subdivisions and federally recognized Indian tribes.

(2) Application for funds ~~((shall))~~ must be made in the form and manner as the board may prescribe. In making grants or loans the board ~~((shall))~~ must conform to the following requirements:

~~((4))~~ (a) The board ~~((shall))~~ may not provide financial assistance:

~~((a))~~ (i) For a project the primary purpose of which is to facilitate or promote a retail shopping development or expansion.

~~((b))~~ (ii) For any project that evidence exists would result in a development or expansion that would displace existing jobs in any other community in the state.

~~((c))~~ (iii) For a project the primary purpose of which is to facilitate or promote gambling.

~~((d))~~ (iv) For a project located outside the jurisdiction of the applicant political subdivision or federally recognized Indian tribe.

~~((2))~~ (b) The board ~~((shall))~~ may only provide financial assistance:

~~((a))~~ (i) For a project demonstrating convincing evidence that a specific private development or expansion is ready to occur and will occur only if the public facility improvement is made that:

~~((i))~~ (A) Results in the creation of significant private sector jobs or significant private sector capital investment as determined by the board and is consistent with the state comprehensive economic development plan developed by the Washington economic development commission pursuant to chapter 43.162 RCW, once the plan is adopted; and

~~((ii))~~ (B) Will improve the opportunities for the successful maintenance, establishment, or expansion of industrial or commercial plants or will otherwise assist in the creation or retention of long-term economic opportunities;

~~((b))~~ (ii) For a project that cannot meet the requirement of ~~((a))~~ (b)(i) of this subsection but is a project that:

~~((i))~~ (A) Results in the creation of significant private sector jobs or significant private sector capital investment as determined by the board and is consistent with the state comprehensive economic development plan developed by the Washington economic development commission pursuant to chapter 43.162 RCW, once the plan is adopted;

~~((ii))~~ (B) Is part of a local economic development plan consistent with applicable state planning requirements;

~~((iii))~~ (C) Can demonstrate project feasibility using standard economic principles; and

~~((iv))~~ (D) Is located in a rural community as defined by the board, or a rural county;

~~((e))~~ (iii) For site-specific plans, studies, and analyses that address environmental impacts, capital facilities, land use, permitting, feasibility, marketing, project engineering, design, site planning, and project debt and revenue impacts, as grants not to exceed fifty thousand dollars.

~~((3))~~ (c) The board ~~((shall))~~ must develop guidelines for local participation and allowable match and activities.

~~((4))~~ (d) An application must demonstrate local match and local participation, in accordance with guidelines developed by the board.

~~((5))~~ (e) An application must be approved by the political subdivision and supported by the local associate development organization or local workforce development council or approved by the governing body of the federally recognized Indian tribe.

~~((6))~~ (f) The board may allow de minimis general system improvements to be funded if they are critically linked to the viability of the project.

~~((7))~~ (g) An application must demonstrate convincing evidence that the median hourly wage of the private sector jobs created after the project is completed will exceed the countywide median hourly wage.

~~((8))~~ (h) The board ~~((shall))~~ must prioritize each proposed project according to:

~~((a))~~ (i) The relative benefits provided to the community by the jobs the project would create, not just the total number of jobs it would create after the project is completed, but also giving

consideration to the unemployment rate in the area in which the jobs would be located;

~~((b))~~ (ii) The rate of return of the state's investment, including, but not limited to, the leveraging of private sector investment, anticipated job creation and retention, and expected increases in state and local tax revenues associated with the project;

~~((e))~~ (iii) Whether the proposed project offers a health insurance plan for employees that includes an option for dependents of employees;

~~((d))~~ (iv) Whether the public facility investment will increase existing capacity necessary to accommodate projected population and employment growth in a manner that supports infill and redevelopment of existing urban or industrial areas that are served by adequate public facilities. Projects should maximize the use of existing infrastructure and provide for adequate funding of necessary transportation improvements; ~~(and~~

~~(e))~~ (v) Whether the applicant's permitting process has been certified as streamlined by the office of regulatory assistance; and

(vi) Whether the applicant has developed and adhered to guidelines regarding its permitting process for those applying for development permits consistent with section 1(2), chapter 231, Laws of 2007.

~~((9))~~ (i) A responsible official of the political subdivision or the federally recognized Indian tribe ~~(shall)~~ must be present during board deliberations and provide information that the board requests.

(3) Before any financial assistance application is approved, the political subdivision or the federally recognized Indian tribe seeking the assistance must demonstrate to the community economic revitalization board that no other timely source of funding is available to it at costs reasonably similar to financing available from the community economic revitalization board."

Correct the title.

Strike everything after the enacting clause and insert the following:

"**Sec. 11.** RCW 43.42.010 and 2011 c 149 s 2 are each amended to read as follows:

(1) The office of regulatory assistance is created in the office of financial management and must be administered by the office of the governor to help improve the regulatory system and assist citizens, businesses, and project proponents.

(2) The governor must appoint a director. The director may employ a deputy director and a confidential secretary and such staff as are necessary, or contract with another state agency pursuant to chapter 39.34 RCW for support in carrying out the purposes of this chapter.

(3) The office must offer to:

(a) Act as the central point of contact for the project proponent in communicating about defined issues;

(b) Conduct project scoping as provided in RCW 43.42.050;

(c) Verify that the project proponent has all the information needed to correctly apply for all necessary permits;

(d) Provide general coordination services;

(e) Coordinate the efficient completion among participating agencies of administrative procedures, such as collecting fees or providing public notice;

(f) Maintain contact with the project proponent and the permit agencies to promote adherence to agreed schedules;

(g) Assist in resolving any conflict or inconsistency among permit requirements and conditions;

(h) Coordinate, to the extent practicable, with relevant federal permit agencies and tribal governments;

(i) Facilitate meetings;

(j) Manage a fully coordinated permit process, as provided in RCW 43.42.060; and

(k) Help local jurisdictions comply with the requirements of chapter 36.70B RCW ~~((by providing information about best permitting practices methods to improve communication with, and solicit early involvement of, state agencies when needed; and~~

~~(l) Maintain and furnish information as provided in RCW 43.42.040).~~

(4) The office must also:

(a) Provide information to local jurisdictions about best permitting practices, methods to improve communication with, and solicit early involvement of, state agencies when needed, and effective means of assessing and communicating expected project timelines and costs;

(b) Maintain and furnish information as provided in RCW 43.42.040; and

(c) Provide the following by September 1, 2009, and biennially thereafter, to the governor and the appropriate committees of the legislature:

~~((a))~~ (i) A performance report including:

~~((b))~~ (A) Information regarding use of the office's voluntary cost-reimbursement services as provided in RCW 43.42.070;

~~((c))~~ (B) The number and type of projects or initiatives where the office provided services ~~((and the resolution provided by the office on any conflicts that arose on such projects;~~

~~(iii) The agencies involved on specific projects;~~

~~(iv) Specific information on any difficulty encountered in provision of services, implementation of programs or processes, or use of tools; and~~

~~(v) Trend reporting that allows comparisons between statements of goals and performance targets and the achievement of those goals and targets; and~~

~~(b) Recommendations on system improvements including recommendations regarding:~~

~~(i) Measurement of overall system performance;~~

~~(ii) Changes needed to make cost reimbursement, a fully coordinated permit process, multiagency permitting teams, and other processes effective; and~~

~~(iii) Resolving any conflicts or inconsistencies arising from differing statutory or regulatory authorities, roles and missions of agencies, timing and sequencing of permitting and procedural requirements as identified by the office in the course of its duties))~~

including the key agencies with which the office partnered;

(C) Specific information on any difficulty encountered in providing services or implementing programs, processes, or assistance tools; and

(D) Trend reporting that allows comparisons between statements of goals and performance targets and the achievement of those goals and targets; and

(ii) Recommendations on system improvements including, but not limited to, recommendations on improving environmental permitting.

Sec. 12. RCW 43.42.050 and 2009 c 97 s 5 are each amended to read as follows:

(1) Upon request of a project proponent, the office ~~((shall))~~ must determine the level of project scoping needed by the project proponent, taking into consideration the complexity of the project and the experience of those expected to be involved in the project application and review process. The director may require the attendance at a scoping meeting of any state or local agency.

(2) Project scoping ~~((shall))~~ must consider the complexity, size, and needs for assistance of the project and ~~((shall))~~ must address as appropriate:

(a) The permits that are required for the project;

(b) The permit application forms and other application requirements of the participating permit agencies;

(c) The specific information needs and issues of concern of each participant and their significance;

(d) Any statutory or regulatory conflicts that might arise from the differing authorities and roles of the permit agencies;

(e) Any natural resources, including federal or state listed species, that might be adversely affected by the project and might cause an alteration of the project or require mitigation; and

(f) The anticipated time required for permit decisions by each participating permit agency, including the estimated time required to determine if the permit application is complete, to conduct environmental review, and to review and process the application. In determining the estimated time required, full consideration must be given to achieving the greatest possible efficiencies through any concurrent studies and any consolidated applications, hearings, and comment periods.

(3) The outcome of the project scoping ~~((shall))~~ must be documented in writing, furnished to the project proponent, and be made available to the public.

(4) The project scoping ~~((shall))~~ must be completed prior to the passage of sixty days of the project proponent's request for a project scoping unless the director finds that better results can be obtained by delaying the project scoping meeting or meetings to ensure full participation.

(5) Upon completion of the project scoping, the participating permit agencies ~~((shall))~~ must proceed under their respective authorities. The agencies may remain in communication with the office as needed.

(6) This section does not create an independent cause of action, affect any existing cause of action, or establish time limits for purposes of RCW 64.40.020.

Sec. 13. RCW 43.42.060 and 2009 c 421 s 8 and 2009 c 97 s 6 are each reenacted and amended to read as follows:

(1) A project proponent may submit a written request to the director of the office for participation in a fully coordinated permit process. Designation as a fully coordinated project requires that:

(a) The project proponent enters into a cost-reimbursement agreement pursuant to RCW 43.42.070;

(b) The project has a designation under chapter 43.157 RCW; or

(c) The director determine that (i)(A) the project raises complex coordination, permit processing, or substantive permit review issues; or (B) if completed, the project would provide substantial benefits to the state; and (ii) the office, as well as the participating permit review agencies, have sufficient capacity within existing resources to undertake the full coordination process without reimbursement and without seriously affecting other services.

(2) A project proponent who requests designation as a fully coordinated permit process project must provide the office with a full description of the project. The office may request any information from the project proponent that is necessary to make the designation under this section, and may convene a scoping meeting or a work plan meeting of the likely participating permit agencies.

(3) When a project is designated for the fully coordinated permit process, the office ~~((shall))~~ must serve as the main point of contact for the project proponent and participating agencies with regard to the permit process for the project as a whole. Each participating agency must designate a single point of contact for coordinating with the office. The office ~~((shall))~~ must keep an up-to-date project management log and schedule illustrating required procedural steps in the permitting process, and highlighting substantive issues as appropriate that must be resolved in order for the project to move forward. In carrying out these responsibilities, the office ~~((shall))~~ must:

(a) Ensure that the project proponent has been informed of all the information needed to apply for the permits that are included in the coordinated permit process;

(b) Coordinate the timing of review for those permits by the respective participating permit agencies;

(c) Facilitate communication between project proponents, consultants, and agency staff to promote timely permit decisions;

(d) Assist in resolving any conflict or inconsistency among the permit requirements and conditions that are expected to be imposed by the participating permit agencies; and

(e) Make contact, at least once, with any local, tribal, or federal jurisdiction that is responsible for issuing a permit for the project and invite them to participate in the coordinated permit process or to receive periodic updates in the project.

(4) Within thirty days, or longer with agreement of the project proponent, of the date that the office designates a project for the fully coordinated permit process, it shall convene a work plan meeting with the project proponent and the participating permit agencies to develop a coordinated permit process schedule. The meeting agenda ~~((shall))~~ may include ~~((at least))~~ any of the following:

(a) Review of the permits that are required for the project;

(b) A review of the permit application forms and other application requirements of the agencies that are participating in the coordinated permit process;

(c) An estimation of the timelines that will be used by each participating permit agency to make permit decisions, including the estimated time periods required to determine if the permit applications are complete and to review or respond to each application or submittal of new information.

(i) The estimation must also include the estimated number of revision cycles for the project, or the typical number of revision cycles for projects of similar size and complexity.

(ii) In the development of this timeline, full attention ~~((shall))~~ must be given to achieving the maximum efficiencies possible through concurrent studies and consolidated applications, hearings, and comment periods.

(iii) Estimated action or response times for activities of the office that are required before or trigger further action by a participant must also be included;

(d) Available information regarding the timing of any public hearings that are required to issue permits for the project and a determination of the feasibility of coordinating or consolidating any of those required public hearings; and

(e) A discussion of fee arrangements for the coordinated permit process, including an estimate of the costs allowed by statute, any reimbursable agency costs, and billing schedules, if applicable.

(5) Each agency ~~((shall))~~ must send at least one representative qualified to discuss the applicability and timelines associated with all permits administered by that agency or jurisdiction. At the request of the project proponent, the office ~~((shall))~~ must notify any relevant local or federal agency or federally recognized Indian tribe of the date of the meeting and invite that agency's participation in the process.

(6) Any accelerated time period for the consideration of a permit application ~~((shall))~~ must be consistent with any statute, rule, or regulation, or adopted state policy, standard, or guideline that requires the participation of other agencies, federally recognized Indian tribes, or interested persons in the application process.

(7) If a permit agency or the project proponent foresees, at any time, that it will be unable to meet the estimated timelines or other obligations under the agreement, it ~~((shall))~~ must notify the office of the reasons for the problem and offer potential solutions or an amended timeline for resolving the problem. The office ~~((shall))~~ must notify the participating permit agencies and the project proponent and, upon agreement of all parties, adjust the schedule, or, if necessary, schedule another work plan meeting.

(8) The project proponent may withdraw from the coordinated permit process by submitting to the office a written request that the process be terminated. Upon receipt of the request, the office ~~((shall))~~ must notify each participating permit agency that a coordinated permit process is no longer applicable to the project.

Sec. 14. RCW 43.42.070 and 2010 c 162 s 4 are each amended to read as follows:

(1) The office may enter into cost-reimbursement agreements with a project proponent to recover from the project proponent the reasonable costs incurred by the office in carrying out the provisions of ~~((RCW 43.42.050, 43.42.060, 43.42.090, and 43.42.092))~~ this chapter. The agreement must include provisions for covering the costs incurred by the permit agencies that are participating in the cost-reimbursement project and carrying out permit processing or project review tasks referenced in the cost-reimbursement agreement.

(2) The office must maintain policies or guidelines for coordinating cost-reimbursement agreements with participating agencies, project proponents, and ~~((outside))~~ independent consultants. Policies or guidelines must ensure that, in developing cost-reimbursement agreements, conflicts of interest are eliminated. ~~((Contracts with independent consultants hired by the office under this section must be based on competitive bids that are awarded for each agreement from a prequalified consultant roster.))~~ The policies must also support effective use of cost-reimbursement resources to address staffing and capacity limitations as may be relevant within the office or participating permit agencies.

(3) For fully coordinated permit processes and priority economic recovery projects selected pursuant to this section, the office must coordinate the negotiation of all cost-reimbursement agreements executed under RCW 43.21A.690, 43.30.490, 43.70.630, 43.300.080, and 70.94.085. The office, project proponent, and ~~((the))~~ participating permit agencies must be signatories to the cost-reimbursement agreement or agreements. Each participating permit agency must manage performance of its portion of the cost-reimbursement agreement. Independent consultants hired under a cost-reimbursement agreement ~~((shall))~~ must report directly to the hiring office or participating permit agency. Any cost-reimbursement agreement must require that final decisions are made by the participating permit agency and not by a hired independent consultant.

(4) For ~~((a fully coordinated project using cost reimbursement, the office and participating permit agencies must include a cost-reimbursement work plan, including deliverables and schedules for invoicing and reimbursement in the fully coordinated project work plan described in RCW 43.42.060. Upon request, the office must verify that the agencies have met the obligations contained in the cost-reimbursement work plan and agreement. The cost reimbursement agreement must identify the tasks of each agency and the maximum costs for work conducted under the agreement. The agreement must include~~ a ~~schedule that states:~~

- ~~— (a) The estimated number of weeks for initial review of the permit application for comparable projects;~~
- ~~— (b) The anticipated number of revision cycles;~~
- ~~— (c) The estimated number of weeks for review of subsequent revision~~ submittals;
- ~~— (d) The estimated number of billable hours of employee time;~~
- ~~— (e) The rate per hour; and~~
- ~~— (f) A process for revision of the agreement if necessary.~~

~~(5) If a permit agency or the project proponent foresees, at any time, that it will be unable to meet its obligations under the cost-reimbursement agreement and fully coordinated project work plan, it must notify the office and state the reasons, along with proposals for resolving the problems and potentially amending the timelines. The office must notify the participating permit agencies and the project proponent and, upon agreement of all parties, adjust the schedule, or, if necessary, coordinate revision of the cost reimbursement agreement and fully coordinated project work plan))~~ any project using cost reimbursement, the cost-reimbursement agreement must require the office and participating permit agencies to develop and periodically update a project work plan, which the office must provide on the internet and share with each party to the agreement.

(5)(a) The cost-reimbursement agreement must identify the proposed project, the desired outcomes, and the maximum costs for work to be conducted under the agreement. The desired outcomes must refer to the decision-making process and may not prejudice or predetermine whether decisions will be to approve or deny any required permit or other application. Each participating permit agency must agree to give priority to the cost-reimbursement project but may in no way reduce or eliminate regulatory requirements as part of the priority review.

(b) Reasonable costs are determined based on time and materials estimates with a provision for contingencies, or set as a flat fee tied to a reasonable estimate of staff hours required.

(c) The cost-reimbursement agreement may include deliverables and schedules for invoicing and reimbursement. The office may require advance payment of some or all of the agreed reimbursement, to be held in reserve and distributed to participating permit agencies and the office upon approval of invoices by the project proponent. The project proponent has thirty days to request additional information or challenge an invoice. If an invoice is challenged, the office must respond and attempt to resolve the challenge within thirty days. If the office is unable to resolve the challenge within thirty days, the challenge must be submitted to the office of financial management. A decision on such a challenge must be made by the office of financial management and approved by the director of the office of financial management and is binding on the parties.

(d) Upon request, the office must verify whether participating permit agencies have met the obligations contained in the project work plan and cost-reimbursement agreement.

(6) If a party to the cost-reimbursement agreement foresees, at any time, that it will be unable to meet its obligations under the agreement, it must notify the office and state the reasons, along with proposals for resolving the problems. The office must notify the other parties to the cost-reimbursement agreement and seek to resolve the problems by adjusting invoices, deliverables, or the project work plan, or through some other accommodation.

Sec. 15. RCW 43.42.095 and 2010 c 162 s 5 are each amended to read as follows:

The multiagency permitting team account is created in the ~~((state treasury. All receipts from solicitations authorized in RCW 43.42.092 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for covering the initial administrative costs of multiagency permitting teams and such other costs associated with the teams as may arise that are not recoverable through cost reimbursement or cost sharing mechanisms))~~ custody of the state treasurer. All receipts from cost-reimbursement agreements authorized in RCW 43.42.070 and solicitations authorized in RCW 43.42.092 must be deposited into the account. Expenditures from the account may be used only for covering staffing, consultant, technology, and other administrative costs of multiagency permitting teams and other costs associated with multiagency project review and management that may arise. Only the director of the office of regulatory assistance or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

Sec. 16. RCW 43.79A.040 and 2011 1st sp.s. c 37 s 603 are each amended to read as follows:

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

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

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

(4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The Washington promise scholarship account, the college savings program account, the Washington advanced college tuition payment program account, the accessible communities account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the students with dependents grant account, the basic health plan self-insurance reserve account, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the Washington international exchange scholarship endowment fund, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family leave insurance account, the food animal veterinarian conditional scholarship account, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the multiagency permitting team account, the pilotage account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the sulfur dioxide abatement account, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account (earnings from the Washington horse racing commission operating account must be credited to the Washington horse racing commission class C purse fund account), the life sciences discovery fund, the Washington state heritage center account, the reduced cigarette ignition propensity account, and the reading achievement account.

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

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

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

Sec. 17. RCW 43.84.092 and 2011 1st sp.s. c 16 s 6, 2011 1st sp.s. c 7 s 22, 2011 c 369 s 6, 2011 c 339 s 1, 2011 c 311 s 9, 2011 c 272 s 3, 2011 c 120 s 3, and 2011 c 83 s 7 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, the county sales and use tax equalization account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight congestion relief account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the health system capacity

account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety account, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the motor vehicle fund, the motorcycle safety education account, ~~((the multiagency permitting team account.))~~ the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public transportation systems account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state economic development commission account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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

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

NEW SECTION. Sec. 18. A new section is added to chapter 43.42 RCW to read as follows:

Within available funds, the office of regulatory assistance may certify permit processes at the local level as streamlined processes. In developing the certification program, the director must work with local jurisdictions to establish the criteria and the process for certification. Jurisdictions with permit processes certified as streamlined may receive priority in receipt of state funds for infrastructure projects.

Sec. 19. RCW 43.155.070 and 2009 c 518 s 16 are each amended to read as follows:

(1) To qualify for loans or pledges under this chapter the board must determine that a local government meets all of the following conditions:

(a) The city or county must be imposing a tax under chapter 82.46 RCW at a rate of at least one-quarter of one percent;

(b) The local government must have developed a capital facility plan; and

(c) The local government must be using all local revenue sources which are reasonably available for funding public works, taking into consideration local employment and economic factors.

(2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 must have adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving a loan or loan guarantee under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 which has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 is not prohibited from receiving a loan or loan guarantee under this chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before submitting a request for a loan or loan guarantee.

(3) In considering awarding loans for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board ~~((shall))~~ must consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

(4) The board ~~((shall))~~ must develop a priority process for public works projects as provided in this section. The intent of the priority process is to maximize the value of public works projects accomplished with assistance under this chapter. The board ~~((shall))~~ must attempt to assure a geographical balance in assigning priorities to projects. The board ~~((shall))~~ must consider at least the following factors in assigning a priority to a project:

(a) Whether the local government receiving assistance has experienced severe fiscal distress resulting from natural disaster or emergency public works needs;

(b) Except as otherwise conditioned by RCW 43.155.110, whether the entity receiving assistance is a Puget Sound partner, as defined in RCW 90.71.010;

(c) Whether the project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310;

(d) Whether the project is critical in nature and would affect the health and safety of a great number of citizens;

(e) Whether the applicant's permitting process has been certified as streamlined by the office of regulatory assistance;

~~(f)~~ (f) Whether the applicant has developed and adhered to guidelines regarding its permitting process for those applying for development permits consistent with section 1(2), chapter 231, Laws of 2007;

~~(g)~~ (g) The cost of the project compared to the size of the local government and amount of loan money available;

~~(h)~~ (h) The number of communities served by or funding the project;

~~(i)~~ (i) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

~~(j)~~ (j) Whether the project is the acquisition, expansion, improvement, or renovation by a local government of a public water system that is in violation of health and safety standards, including the cost of extending existing service to such a system;

~~(k)~~ (k) Except as otherwise conditioned by RCW 43.155.120, and effective one calendar year following the development of model evergreen community management plans and ordinances under RCW 35.105.050, whether the entity receiving assistance has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030;

~~(l)~~ (l) The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local capacity to increase local economic activity in communities that have low economic growth; and

~~(m)~~ (m) Other criteria that the board considers advisable.

(5) Existing debt or financial obligations of local governments ~~(shall)~~ may not be refinanced under this chapter. Each local government applicant ~~(shall)~~ must provide documentation of attempts to secure additional local or other sources of funding for each public works project for which financial assistance is sought under this chapter.

(6) Before November 1st of each even-numbered year, the board ~~(shall)~~ must develop and submit to the appropriate fiscal committees of the senate and house of representatives a description of the loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section during the preceding fiscal year and a prioritized list of projects which are recommended for funding by the legislature, including one copy to the staff of each of the committees. The list ~~(shall)~~ must include, but not be limited to, a description of each project and recommended financing, the terms and conditions of the loan or financial guarantee, the local government jurisdiction and unemployment rate, demonstration of the jurisdiction's critical need for the project and documentation of local funds being used to finance the public works project. The list ~~(shall)~~ must also include measures of fiscal capacity for each jurisdiction recommended for financial assistance, compared to authorized limits and state averages, including local government sales taxes; real estate excise taxes; property taxes; and charges for or taxes on sewerage, water, garbage, and other utilities.

(7) The board ~~(shall)~~ may not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds for a specific list of public works projects. The legislature may remove projects from the list recommended by the board. The legislature ~~(shall)~~ may not change the order of the priorities recommended for funding by the board.

(8) Subsection (7) of this section does not apply to loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section.

(9) Loans made for the purpose of capital facilities plans ~~(shall be)~~ are exempted from subsection (7) of this section.

(10) To qualify for loans or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter 70.95 RCW.

(11) After January 1, 2010, any project designed to address the effects of storm water or wastewater on Puget Sound may be funded under this section only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

Sec. 20. RCW 43.160.060 and 2008 c 327 s 5 are each amended to read as follows:

~~(1)~~ (1) The board is authorized to make direct loans to political subdivisions of the state and to federally recognized Indian tribes for the purposes of assisting the political subdivisions and federally recognized Indian tribes in financing the cost of public facilities, including development of land and improvements for public facilities, project-specific environmental, capital facilities, land use, permitting, feasibility, and marketing studies and plans; project design, site planning, and analysis; project debt and revenue impact analysis; as well as the construction, rehabilitation, alteration, expansion, or improvement of the facilities. A grant may also be authorized for purposes designated in this chapter, but only when, and to the extent that, a loan is not reasonably possible, given the limited resources of the political subdivision or the federally recognized Indian tribe and the finding by the board that financial circumstances require grant assistance to enable the project to move forward. However, no more than twenty-five percent of all financial assistance approved by the board in any biennium may consist of grants to political subdivisions and federally recognized Indian tribes.

~~(2)~~ (2) Application for funds ~~(shall)~~ must be made in the form and manner as the board may prescribe. In making grants or loans the board ~~(shall)~~ must conform to the following requirements:

~~(a)~~ (a) The board ~~(shall)~~ may not provide financial assistance:

~~(i)~~ (i) For a project the primary purpose of which is to facilitate or promote a retail shopping development or expansion.

~~(ii)~~ (ii) For any project that evidence exists would result in a development or expansion that would displace existing jobs in any other community in the state.

~~(iii)~~ (iii) For a project the primary purpose of which is to facilitate or promote gambling.

~~(iv)~~ (iv) For a project located outside the jurisdiction of the applicant political subdivision or federally recognized Indian tribe.

~~(b)~~ (b) The board ~~(shall)~~ may only provide financial assistance:

~~(i)~~ (i) For a project demonstrating convincing evidence that a specific private development or expansion is ready to occur and will occur only if the public facility improvement is made that:

~~(A)~~ (A) Results in the creation of significant private sector jobs or significant private sector capital investment as determined by the board and is consistent with the state comprehensive economic development plan developed by the Washington economic development commission pursuant to chapter 43.162 RCW, once the plan is adopted; and

~~(B)~~ (B) Will improve the opportunities for the successful maintenance, establishment, or expansion of industrial or commercial plants or will otherwise assist in the creation or retention of long-term economic opportunities;

~~(ii)~~ (ii) For a project that cannot meet the requirement of ~~(a)~~ (a)(i) of this subsection but is a project that:

~~((#))~~ (A) Results in the creation of significant private sector jobs or significant private sector capital investment as determined by the board and is consistent with the state comprehensive economic development plan developed by the Washington economic development commission pursuant to chapter 43.162 RCW, once the plan is adopted;

~~((#))~~ (B) Is part of a local economic development plan consistent with applicable state planning requirements;

~~((#))~~ (C) Can demonstrate project feasibility using standard economic principles; and

~~((#))~~ (D) Is located in a rural community as defined by the board, or a rural county;

~~((#))~~ (iii) For site-specific plans, studies, and analyses that address environmental impacts, capital facilities, land use, permitting, feasibility, marketing, project engineering, design, site planning, and project debt and revenue impacts, as grants not to exceed fifty thousand dollars.

~~((#))~~ (c) The board ~~((shall))~~ must develop guidelines for local participation and allowable match and activities.

~~((#))~~ (d) An application must demonstrate local match and local participation, in accordance with guidelines developed by the board.

~~((#))~~ (e) An application must be approved by the political subdivision and supported by the local associate development organization or local workforce development council or approved by the governing body of the federally recognized Indian tribe.

~~((#))~~ (f) The board may allow de minimis general system improvements to be funded if they are critically linked to the viability of the project.

~~((#))~~ (g) An application must demonstrate convincing evidence that the median hourly wage of the private sector jobs created after the project is completed will exceed the countywide median hourly wage.

~~((#))~~ (h) The board ~~((shall))~~ must prioritize each proposed project according to:

~~((#))~~ (i) The relative benefits provided to the community by the jobs the project would create, not just the total number of jobs it would create after the project is completed, but also giving consideration to the unemployment rate in the area in which the jobs would be located;

~~((#))~~ (ii) The rate of return of the state's investment, including, but not limited to, the leveraging of private sector investment, anticipated job creation and retention, and expected increases in state and local tax revenues associated with the project;

~~((#))~~ (iii) Whether the proposed project offers a health insurance plan for employees that includes an option for dependents of employees;

~~((#))~~ (iv) Whether the public facility investment will increase existing capacity necessary to accommodate projected population and employment growth in a manner that supports infill and redevelopment of existing urban or industrial areas that are served by adequate public facilities. Projects should maximize the use of existing infrastructure and provide for adequate funding of necessary transportation improvements; ~~((and~~

~~((#))~~ (v) Whether the applicant's permitting process has been certified as streamlined by the office of regulatory assistance; and

~~((#))~~ (vi) Whether the applicant has developed and adhered to guidelines regarding its permitting process for those applying for development permits consistent with section 1(2), chapter 231, Laws of 2007.

~~((#))~~ (i) A responsible official of the political subdivision or the federally recognized Indian tribe ~~((shall))~~ must be present during board deliberations and provide information that the board requests.

(3) Before any financial assistance application is approved, the political subdivision or the federally recognized Indian tribe seeking the assistance must demonstrate to the community economic revitalization board that no other timely source of funding is available

to it at costs reasonably similar to financing available from the community economic revitalization board."

Correct the title.

Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Darneille; Dunshee; Hurst; McCoy and Miloscia.

MINORITY recommendation: Do not pass. Signed by Representatives Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander and Condotta.

Referred to Committee on General Government Appropriations & Oversight.

February 20, 2012

SSB 6472 Prime Sponsor, Committee on Financial Institutions, Housing & Insurance: Concerning disclosure of carbon monoxide alarms in real estate transactions. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 6494 Prime Sponsor, Committee on Human Services & Corrections: Improving truancy procedures by changing the applicability of mandatory truancy petition filing provisions to children under seventeen years of age, requiring initial petitions to contain information about the child's academic status, prohibiting issuance of a bench warrant at an initial truancy status hearing, and modifying school district reporting requirements after the court assumes jurisdiction in a truancy case. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass as amended.

On page 4, beginning on line 16, after "28A.225.030." strike all material through "section." on line 18

Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Referred to Committee on Ways & Means.

February 20, 2012

SSB 6507 Prime Sponsor, Committee on Ways & Means: Establishing the Walla Walla state veterans' home. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking

Minority Member; Alexander; Condotta; Darneille; Dunshee; McCoy and Miloscia.

Referred to Committee on Capital Budget.

February 20, 2012

SB 6523 Prime Sponsor, Senator Honeyford: Concerning resident curators of state properties. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander; Condotta; Darneille; Dunshee; Hurst; McCoy and Miloscia.

Referred to Committee on Capital Budget.

February 20, 2012

SB 6566 Prime Sponsor, Senator Litzow: Adjusting when a judgment lien on real property commences. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 20, 2012

SSJM 8016 Prime Sponsor, Committee on Economic Development, Trade & Innovation: Encouraging the beyond the border action plan on perimeter security and economic competitiveness and the action plan on regulatory cooperation between the United States and Canada. Reported by Committee on Community & Economic Development & Housing

MAJORITY recommendation: Do pass. Signed by Representatives Kenney, Chair; Finn, Vice Chair; Smith, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Ahern; Maxwell; Ryu; Santos and Walsh.

Passed to Committee on Rules for second reading.

2nd SUPPLEMENTAL REPORTS OF STANDING COMMITTEES

February 20, 2012

HB 2190 Prime Sponsor, Representative Clibborn: Making 2011-2013 supplemental transportation appropriations. Reported by Committee on Transportation

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Clibborn, Chair; Billig, Vice Chair; Liias, Vice Chair; Armstrong, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Angel; Asay; Eddy; Finn; Hansen; Jenkins; Johnson; Ladenburg; McCune; Moeller; Moscoso; Reykdal; Rivers; Ryu; Takko; Uptegrove and Zeiger.

MINORITY recommendation: Do not pass. Signed by Representatives Klippert; Kristiansen; Overstreet; Rodne and Shea.

Passed to Committee on Rules for second reading.

February 20, 2012

HB 2373 Prime Sponsor, Representative Van De Wege: Concerning the state's management of its recreational resources. Reported by Committee on Ways & Means

MAJORITY recommendation: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on General Government Appropriations & Oversight. Signed by Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Carlyle; Cody; Dickerson; Haigh; Hudgins; Hunt; Kagi; Kenney; Ormsby; Pettigrew; Seaquist; Springer and Sullivan.

MINORITY recommendation: Do not pass. Signed by Representatives Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Chandler; Haler; Hinkle; Parker; Ross; Schmick and Wilcox.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 5197 Prime Sponsor, Committee on Health & Long-Term Care: Concerning the delegation of nursing care tasks to home care aides. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chair; Jenkins, Vice Chair; Schmick, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Bailey; Clibborn; Green; Harris; Kelley; Moeller and Van De Wege.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 5217 Prime Sponsor, Committee on Higher Education & Workforce Development: Allowing appointment of student members on the boards of trustees of community colleges. Reported by Committee on Higher Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that decisions made by governing boards of each respective institution greatly impact the lives of students and that student participation in the decision-making process can provide insight into the impacts of actions by trustees that are not always measurable through reports and statistics. Students are on campus every day using services and experiencing aspects of the institution that board members may only see on paper, providing a unique and valuable perspective that should not be overlooked.

Students serving on governing boards of higher education have proven effective in Washington and in over thirty other states. For

over ten years students at Washington's four-year institutions of higher education have served as voting members on the board of trustees, regents, and the higher education coordinating board, providing greater depth in board deliberations and a well-educated conduit for students to voice ideas and concerns.

The student perspective at community colleges also brings the board closer to their community. Student populations at community colleges are the most diverse of any institution of higher education in the state. Being on campus and in class every day, students are exposed to a more diverse group than any member of the board representing any one group of the community.

Student positions on governing boards are also a valuable tool for developing leadership through experiential learning. Student members learn processes of institutional governance, become involved in campus projects, analyze policy proposals, and participate in board discussions and decision making.

It is the intent of the legislature to enhance community college governance by fostering a more dynamic relationship between students and institutions through the encouragement of student participation in policy development and decision making at the district and state level.

Sec. 2. RCW 28B.50.100 and 2011 c 336 s 739 are each amended to read as follows:

There is hereby created a board of trustees for each college district as set forth in this chapter. Each board of trustees shall be composed of five trustees, except as provided in section 3 of this act, who shall be appointed by the governor for terms commencing October 1st of the year in which appointed. In making such appointments the governor shall give consideration to geographical diversity, and representing labor, business, women, and racial and ethnic minorities, in the membership of the boards of trustees. The boards of trustees for districts containing technical colleges shall include at least one member from business and one member from labor.

The successors of the trustees initially appointed shall be appointed by the governor to serve for a term of five years except that any person appointed to fill a vacancy occurring prior to the expiration of any term shall be appointed only for the remainder of the term. Each member shall serve until a successor is appointed and qualified.

Every trustee shall be a resident and qualified elector of the college district. No trustee may be an employee of the community and technical college system, a member of the board of directors of any school district, or a member of the governing board of any public or private educational institution.

Each board of trustees shall organize itself by electing a chair from its members. The board shall adopt a seal and may adopt such bylaws, rules, and regulations as it deems necessary for its own government. Three members of the board shall constitute a quorum, but a lesser number may adjourn from time to time and may compel the attendance of absent members in such manner as prescribed in its bylaws, rules, or regulations. The district president, or if there be none, the president of the college, shall serve as, or may designate another person to serve as, the secretary of the board, who shall not be deemed to be a member of the board.

Members of the boards of trustees may be removed for misconduct or malfeasance in office in the manner provided by RCW 28B.10.500.

NEW SECTION. Sec. 3. A new section is added to chapter 28B.50 RCW to read as follows:

(1) Boards of trustees for each college district, by majority vote, may establish a sixth trustee that shall be filled by a student. The governor shall select each student member from a list of candidates, of at least three and not more than five, submitted by the associated student governments or their equivalent of the college district. The student member shall hold his or her office for a term of one year,

beginning July 1st and ending June 30th, or until the student member's successor is appointed and qualified, whichever is later. The student member shall be a full-time student in good standing at a college within the college district at the time of appointment and throughout the student's term. If the student member fails to be enrolled at the college full-time or forfeits his or her academic standing, the student member is disqualified and a new student member must be appointed.

(2) A student appointed under this section shall excuse himself or herself from participation or voting on matters relating to the hiring, discipline, or tenure of faculty members and personnel or any other matters pertaining to collective bargaining agreements.

Sec. 4. RCW 28B.50.050 and 1991 c 238 s 30 are each amended to read as follows:

(1) There is hereby created the "state board for community and technical colleges", to consist of nine members who represent the geographic diversity of the state, and who shall be appointed by the governor, with the consent of the senate. At least two members shall reside east of the Cascade mountains. A tenth member may be added pursuant to subsection (3) of this section. In making these appointments, the governor shall attempt to provide geographic balance and give consideration to representing labor, business, women, and racial and ethnic minorities, among the membership of the board. At least one member of the board shall be from business and at least one member of the board shall be from labor. The current members of the state board for community college education on September 1, 1991, shall serve on the state board for community and technical colleges until their terms expire. Successors to these members shall be appointed according to the terms of this section. A ninth member shall be appointed by September 1, 1991, for a complete term.

(2) The successors of the members initially appointed shall be appointed for terms of four years except that a person appointed to fill a vacancy occurring prior to the expiration of any term shall be appointed only for the remainder of such term. Each member shall serve until the appointment and qualification of his or her successor. All members shall be citizens and bona fide residents of the state.

(3) By majority vote, the board may establish a tenth board member that shall be a community or technical college student. The student member shall be appointed by the governor, with the consent of the senate. The student member shall hold his or her office for a term of one year, beginning July 1st and ending June 30th, or until the student member's successor is appointed and qualified, whichever is later. The student member shall be enrolled at a community or technical college for at least six credits per quarter during the academic year, and in good standing within their college at the time of appointment and throughout the student's term. If the student member fails to be enrolled at the college for at least six credits per quarter during the academic year or forfeits his or her academic standing, the student member is disqualified and a new student member must be appointed. A student appointed under this section shall excuse himself or herself from participation or voting on matters relating to the hiring, discipline, or any other matters pertaining to faculty, personnel, or collective bargaining agreements.

(4) Members of the college board shall be compensated in accordance with RCW 43.03.240 and shall receive reimbursement for travel expenses in accordance with RCW 43.03.050 and 43.03.060 for each day actually spent in attending to the duties as a member of the college board.

(5) The members of the college board may be removed by the governor for inefficiency, neglect of duty, or malfeasance in office, in the manner provided by RCW 28B.10.500."

Correct the title.

Signed by Representatives Seaquist, Chair; Carlyle, Vice Chair; Haler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Asay; Buys; Crouse; Fagan; Hasegawa; Pollet; Reykdal; Sells; Springer; Warnick; Wylie and Zeiger.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 5259 Prime Sponsor, Senator Kline: Concerning the tax payment and reporting requirements of small wineries. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Carlyle; Chandler; Cody; Dickerson; Haigh; Haler; Hinkle; Hudgins; Hunt; Kagi; Kenney; Ormsby; Parker; Pettigrew; Ross; Schmick; Seaquist; Springer; Sullivan and Wilcox.

Passed to Committee on Rules for second reading.

February 21, 2012

E2SSB 5292 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections: Exempting certain structures that are constructed and maintained by irrigation districts and port districts from the definition of critical areas. Reported by Committee on Local Government

MAJORITY recommendation: Do pass as amended.

On page 2, beginning on line 10, after "areas." strike all material through "company." on line 14 and insert ""Fish and wildlife habitat conservation areas" do not include artificial features or constructs, including, but not limited to, irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that are within the boundaries of and are maintained by a port district, an irrigation district, or an irrigation company."

Signed by Representatives Takko, Chair; Fitzgibbon, Vice Chair; Angel, Ranking Minority Member; Asay, Assistant Ranking Minority Member; Rodne; Smith; Springer; Tharinger and Uptegrove.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 5412 Prime Sponsor, Committee on Labor, Commerce & Consumer Protection: Providing remedies for whistleblowers in the conveyance work industry. Reported by Committee on Labor & Workforce Development

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 70.87.020 and 2003 c 143 s 10 are each amended to read as follows:

(1) The purpose of this chapter is to provide for safety of life and limb, to promote safety awareness, and to ensure the safe design,

mechanical and electrical operation, and inspection of conveyances, and performance of conveyance work, and all such operation, inspection, and conveyance work subject to the provisions of this chapter shall be reasonably safe to persons and property and in conformity with the provisions of this chapter and the applicable statutes of the state of Washington, and all orders, and rules of the department. The use of unsafe and defective conveyances imposes a substantial probability of serious and preventable injury to employees and the public exposed to unsafe conditions. The prevention of these injuries and protection of employees and the public from unsafe conditions is in the best interest of the people of this state. It is the policy of the legislature that employees should be protected from workplace reprisal or retaliatory action for the opposition to or reporting in good faith of practices that may violate the provisions of this chapter and the rules promulgated hereunder, or of the safety, installation, repair, or maintenance policies of their employers. Personnel performing work covered by this chapter must, by documented training or experience or both, be familiar with the operation and safety functions of the components and equipment. Training and experience must include, but not be limited to, recognizing the safety hazards and performing the procedures to which the personnel performing conveyance work covered by this chapter are assigned in conformance with the requirements of this chapter. This chapter establishes the minimum standards for personnel performing conveyance work.

(2) This chapter is not intended to prevent the use of systems, methods, or devices of equivalent or superior quality, strength, fire resistance, code effectiveness, durability, and safety to those required by this chapter, provided that there is technical documentation to demonstrate the equivalency of the system, method, or device, as prescribed in this chapter and the rules adopted under this chapter.

(3) In any suit for damages allegedly caused by a failure or malfunction of the conveyance, conformity with the rules of the department is prima facie evidence that the conveyance work, operation, and inspection is reasonably safe to persons and property.

Sec. 2. RCW 70.87.010 and 2009 c 128 s 1 are each reenacted and amended to read as follows:

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

(1) "Advisory committee" means the elevator advisory committee as described in this chapter.

(2) "Alteration" means any change to equipment, including its parts, components, and/or subsystems, other than maintenance, repair, or replacement.

(3) "Automobile parking elevator" means an elevator: (a) Located in either a stationary or horizontally moving hoistway; (b) used exclusively for parking automobiles where, during the parking process, each automobile is moved either under its own power or by means of a power-driven transfer device onto and off the elevator directly into parking spaces or cubicles in line with the elevator; and (c) in which persons are not normally stationed on any level except the receiving level.

(4) "Belt manlift" means a power driven endless belt provided with steps or platforms and a hand hold for the transportation of personnel from floor to floor.

(5) "Casket lift" means a lift that (a) is installed at a mortuary, (b) is designed exclusively for carrying of caskets, (c) moves in guides in a basically vertical direction, and (d) serves two or more floors or landings.

(6) "Conveyance" means an elevator, escalator, dumbwaiter, belt manlift, automobile parking elevator, moving walk, and other elevating devices, as defined in this section.

(7) "Conveyance work" means the alteration, construction, dismantling, erection, installation, maintenance, relocation, and wiring of a conveyance.

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

(9) "Director" means the director of the department or his or her representative.

(10) "Dumbwaiter" means a hoisting and lowering mechanism equipped with a car (a) that moves in guides in a substantially vertical direction, (b) the floor area of which does not exceed nine square feet, (c) the inside height of which does not exceed four feet, (d) the capacity of which does not exceed five hundred pounds, and (e) that is used exclusively for carrying materials.

(11) "Elevator" means a hoisting or lowering machine equipped with a car or platform that moves in guides and serves two or more floors or landings of a building or structure;

(a) "Passenger elevator" means an elevator (i) on which passengers are permitted to ride and (ii) that may be used to carry freight or materials when the load carried does not exceed the capacity of the elevator;

(b) "Freight elevator" means an elevator (i) used primarily for carrying freight and (ii) on which only the operator, the persons necessary for loading and unloading, and other employees approved by the department are permitted to ride;

(c) "Sidewalk elevator" means a freight elevator that: (i) Operates between a sidewalk or other area outside the building and floor levels inside the building below the outside area, (ii) does not have a landing opening into the building at its upper limit of travel, and (iii) is not used to carry automobiles;

(d) "Hand elevator" means an elevator utilizing manual energy to move the car;

(e) "Inclined elevator" means an elevator that travels at an angle of inclination of seventy degrees or less from the horizontal;

(f) "Multideck elevator" means an elevator having two or more compartments located one immediately above the other;

(g) "Observation elevator" means an elevator designed to permit exterior viewing by passengers while the car is traveling;

(h) "Power elevator" means an elevator utilizing energy other than gravitational or manual to move the car;

(i) "Electric elevator" means an elevator where the energy is applied by means of an electric driving machine;

(j) "Hydraulic elevator" means an elevator where the energy is applied by means of a liquid under pressure in a cylinder equipped with a plunger or piston;

(k) "Direct-plunger hydraulic elevator" means a hydraulic elevator having a plunger or cylinder directly attached to the car frame or platform;

(l) "Electro-hydraulic elevator" means a direct-plunger elevator where liquid is pumped under pressure directly into the cylinder by a pump driven by an electric motor;

(m) "Maintained-pressure hydraulic elevator" means a direct-plunger elevator where liquid under pressure is available at all times for transfer into the cylinder;

(n) "Roped hydraulic elevator" means a hydraulic elevator having its plunger or piston connected to the car with wire ropes or indirectly coupled to the car by means of wire ropes and sheaves;

(o) "Rack and pinion elevator" means a power elevator, with or without a counterweight, that is supported, raised, and lowered by a motor or motors that drive a pinion or pinions on a stationary rack mounted in the hoistway;

(p) "Screw column elevator" means a power elevator having an uncounterweighted car that is supported, raised, and lowered by means of a screw thread;

(q) "Rooftop elevator" means a power passenger or freight elevator that operates between a landing at roof level and one landing below and opens onto the exterior roof level of a building through a horizontal opening;

(r) "Special purpose personnel elevator" means an elevator that is limited in size, capacity, and speed, and permanently installed in structures such as grain elevators, radio antenna, bridge towers, underground facilities, dams, power plants, and similar structures to

provide vertical transportation of authorized personnel and their tools and equipment only;

(s) "Workmen's construction elevator" means an elevator that is not part of the permanent structure of a building and is used to raise and lower workers and other persons connected with, or related to, the building project;

(t) "Boat launching elevator" means a conveyance that serves a boat launching structure and a beach or water surface and is used for the carrying or handling of boats in which people ride;

(u) "Limited-use/limited-application elevator" means a power passenger elevator where the use and application is limited by size, capacity, speed, and rise, intended principally to provide vertical transportation for people with physical disabilities.

(12) "Elevator contractor" means any person, firm, or company that possesses an elevator contractor license in accordance with this chapter and who is engaged in the business of performing conveyance work covered by this chapter.

(13) "Elevator contractor license" means a license that is issued to an elevator contractor who has met the qualification requirements established in RCW 70.87.240.

(14) "Elevator helper/apprentice" means a person who works under the general direction of a licensed elevator mechanic. A license is not required to be an elevator helper/apprentice.

(15) "Elevator mechanic" means any person who possesses an elevator mechanic license in accordance with this chapter and who is engaged in performing conveyance work covered by this chapter.

(16) "Elevator mechanic license" means a license that is issued to a person who has met the qualification requirements established in RCW 70.87.240.

(17) "Escalator" means a power-driven, inclined, continuous stairway used for raising and lowering passengers.

(18) "Existing installations" means an installation defined as an "installation, existing" in this chapter or in rules adopted under this chapter.

(19) "Inspector" means an elevator inspector of the department or an elevator inspector of a municipality having in effect an elevator ordinance pursuant to RCW 70.87.200.

(20) "License" means a written license, duly issued by the department, authorizing a person, firm, or company to carry on the business of performing conveyance work or to perform conveyance work covered by this chapter.

(21) "Licensee" means the elevator mechanic or elevator contractor.

(22) "Maintenance" means a process of routine examination, lubrication, cleaning, servicing, and adjustment of parts, components, and/or subsystems for the purpose of ensuring performance in accordance with this chapter. "Maintenance" includes repair and replacement, but not alteration.

(23) "Material hoist" means a hoist that is not a part of a permanent structure used to raise or lower materials during construction, alteration, or demolition. It is not applicable to the temporary use of permanently installed personnel elevators as material hoists.

(24) "Material lift" means a lift that (a) is permanently installed, (b) is comprised of a car or platform that moves in guides, (c) serves two or more floors or landings, (d) travels in a vertical or inclined position, (e) is an isolated, self-contained lift, (f) is not part of a conveying system, and (g) is installed in a commercial or industrial area not accessible to the general public or intended to be operated by the general public.

(25) "Moving walk" means a passenger carrying device (a) on which passengers stand or walk and (b) on which the passenger carrying surface remains parallel to its direction of motion.

(26) "One-man capacity manlift" means a single passenger, hand-powered counterweighted device, or electric-powered device, that travels vertically in guides and serves two or more landings.

(27) "Owner" means any person having title to or control of a conveyance, as guardian, trustee, lessee, or otherwise.

(28) "Permit" means a permit issued by the department: (a) To perform conveyance work, other than maintenance; or (b) to operate a conveyance.

(29) "Person" means this state, a political subdivision, any public or private corporation, any firm, or any other entity as well as an individual.

(30) "Personnel hoist" means a hoist that is not a part of a permanent structure, is installed inside or outside buildings during construction, alteration, or demolition, and used to raise or lower workers and other persons connected with, or related to, the building project. The hoist may also be used for transportation of materials.

(31) "Platform" means a rigid surface that is maintained in a horizontal position at all times when in use, and upon which passengers stand or a load is carried.

(32) "Private residence conveyance" means a conveyance installed in or on the premises of a single-family dwelling and operated for transporting persons or property from one elevation to another.

(33) "Public agency" means a county, incorporated city or town, municipal corporation, state agency, institution of higher education, political subdivision, or other public agency and includes any department, bureau, office, board, commission or institution of such public entities.

(34) "Repair" means the reconditioning or renewal of parts, components, and/or subsystems necessary to keep equipment in compliance with this chapter.

(35) "Replacement" means the substitution of a device, component, and/or subsystem in its entirety with a unit that is basically the same as the original for the purpose of ensuring performance in accordance with this chapter.

(36) "Single-occupancy farm conveyance" means a hand-powered counterweighted single-occupancy conveyance that travels vertically in a grain elevator and is located on a farm that does not accept commercial grain.

(37) "Stairway chair lift" means a lift that travels in a basically inclined direction and is designed for use by individuals with disabilities.

(38) "Wheelchair lift" means a lift that travels in a vertical or inclined direction and is designed for use by individuals with disabilities.

(39) "Employee" means any person employed by an elevator contractor.

(40) "Whistleblower" means any employee who in good faith reports practices or opposes practices that may violate the provisions of this chapter or the rules promulgated hereunder, or of the safety, installation, repair, or maintenance policies of his or her employer. The term also means (a) an employee who is believed to have reported such practices but who, in fact, has not reported such practices or (b) an employee who has assisted in the reporting of practices or has provided testimony or information in connection with the reporting of practices.

(41) "Workplace reprisal or retaliatory action" includes actions such as discharge or in any manner discrimination against any employee who has reported or filed any complaint or instituted or caused to be instituted any proceeding under or related to this chapter, or has testified or is about to testify in any such proceeding or because of the exercise by such employee on behalf of himself or herself or others of any right or responsibility afforded by this chapter.

NEW SECTION. Sec. 3. A new section is added to chapter 70.87 RCW to read as follows:

(1) It is an unfair practice under chapter 49.60 RCW for an elevator contractor to subject an employee who is a whistleblower to workplace reprisal or retaliatory action as a result of the employee being a whistleblower.

(2) The identity of a whistleblower who reports, in good faith, to the department or to a political subdivision that regulates conveyances, practices that may violate the provisions of this chapter or the rules promulgated hereunder must remain confidential. The provisions of RCW 4.24.500 through 4.24.520, providing certain protections to persons who communicate to government agencies, apply to such reports."

Correct the title.

Signed by Representatives Sells, Chair; Reykdal, Vice Chair; Green; Kenney; Miloscia; Moeller; Ormsby and Roberts.

MINORITY recommendation: Do not pass. Signed by Representatives Condotta, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Taylor and Warnick.

Passed to Committee on Rules for second reading.

February 20, 2012

E2SSB 5620 Prime Sponsor, Committee on Health & Long-Term Care: Requiring the certification of dental anesthesia assistants. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chair; Jinkins, Vice Chair; Schmick, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Bailey; Clibborn; Green; Harris; Kelley; Moeller and Van De Wege.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 5631 Prime Sponsor, Committee on Agriculture, Water & Rural Economic Development: Removing obsolete provisions in statutes administered by the department of agriculture. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys; Dunshee; Finn; Hinkle; Kretz; Lytton; Orcutt; Pettigrew and Van De Wege.

Passed to Committee on Rules for second reading.

February 21, 2012

ESB 5661 Prime Sponsor, Senator Nelson: Regarding derelict fishing gear. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys; Dunshee; Finn; Hinkle; Kretz; Lytton; Orcutt; Pettigrew and Van De Wege.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 5766 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections: Addressing fire protection district commissioners. Reported by Committee on Local Government

MAJORITY recommendation: Do pass as amended.

On page 1, line 11, after "~~(forty)~~" insert "eighty-four"

Signed by Representatives Takko, Chair; Fitzgibbon, Vice Chair; Angel, Ranking Minority Member; Asay, Assistant Ranking Minority Member; Rodne; Smith; Springer; Tharinger and Upthegrove.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 5966 Prime Sponsor, Committee on Health & Long-Term Care: Establishing the office of the health care authority ombudsman. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chair; Jinkins, Vice Chair; Schmick, Ranking Minority Member; Bailey; Clibborn; Green; Kelley; Moeller and Van De Wege.

MINORITY recommendation: Do not pass. Signed by Representatives Hinkle, Assistant Ranking Minority Member and Harris.

Passed to Committee on Rules for second reading.

February 21, 2012

ESSB 5978 Prime Sponsor, Committee on Health & Long-Term Care: Concerning medicaid fraud. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Eddy; Hansen; Kirby; Orwall and Roberts.

MINORITY recommendation: Do not pass. Signed by Representatives Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Nealey and Rivers.

Referred to Committee on Ways & Means.

February 20, 2012

SSB 5982 Prime Sponsor, Committee on Economic Development, Trade & Innovation: Creating the joint center for aerospace technology innovation. Reported by Committee on Higher Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The joint center for aerospace technology innovation is created to:

(a) Pursue joint industry-university research in computing, manufacturing efficiency, materials/structures innovation, and other new technologies that can be used in aerospace firms;

(b) Enhance the education of students in the engineering departments of the University of Washington, Washington State University, and other participating institutions through industry-focused research; and

(c) Work directly with existing small, medium-sized, and large aerospace firms and aerospace industry associations to identify

research needs and opportunities to transfer off-the-shelf technologies that would benefit such firms.

(2) The center shall be operated and administered as a multi-institutional education and research center, conducting research and development programs in various locations within Washington under the joint authority of the University of Washington and Washington State University. The initial administrative offices of the center shall be west of the crest of the Cascade mountains. In order to meet aerospace industry needs, the facilities and resources of the center must be made available to all four-year institutions of higher education as defined in RCW 28B.10.016. Resources include, but are not limited to, internships, on-the-job training, and research opportunities for undergraduate and graduate students and faculty.

(3) The powers of the center are vested in and shall be exercised by a board of directors. The board shall consist of nine members appointed by the governor. The governor shall appoint a nonvoting chair. Of the eight voting members, one member shall represent small aerospace firms, one member shall represent medium-sized firms, one member shall represent large aerospace firms, one member shall represent labor, two members shall represent aerospace industry associations, and two members shall represent higher education. The terms of the initial members shall be staggered.

(4) The board shall hire an executive director. The executive director shall hire such staff as the board deems necessary to operate the center. Staff support may be provided from among the cooperating institutions through cooperative agreements to the extent funds are available. The executive director may enter into cooperative agreements for programs and research with public and private organizations including state and nonstate agencies consistent with policies of the participating institutions.

(5) The board must:

(a) Work with aerospace industry associations and aerospace firms of all sizes to identify the research areas that will benefit the intermediate and long-term economic vitality of the Washington aerospace industry;

(b) Identify entrepreneurial researchers to join or lead research teams in the research areas specified in (a) of this subsection and the steps the University of Washington and Washington State University will take to recruit such researchers;

(c) Assist firms to integrate existing technologies into their operations and align the activities of the center with those of impact Washington and innovate Washington to enhance services available to aerospace firms;

(d) Develop internships, on-the-job training, research, and other opportunities and ensure that all undergraduate and graduate students enrolled in an aerospace engineering curriculum have direct experience with aerospace firms;

(e) Assist researchers and firms in safeguarding intellectual property while advancing industry innovation;

(f) Develop and strengthen university-industry relationships through promotion of faculty collaboration with industry, and sponsor, in collaboration with innovate Washington, at least one annual symposium focusing on aerospace research in the state of Washington;

(g) Encourage a full range of projects from small research projects that meet the specific needs of a smaller company to large scale, multipartner projects;

(h) Develop nonstate support of the center's research activities through leveraging dollars from federal and private for-profit and nonprofit sources;

(i) Leverage its financial impact through joint support arrangements on a project-by-project basis as appropriate;

(j) Establish mechanisms for soliciting and evaluating proposals and for making awards and reporting on technological progress, financial leverage, and other measures of impact;

(k) By June 30, 2013, develop an operating plan that includes the specific processes, methods, or mechanisms the center will use to accomplish each of its duties as set out in this subsection; and

(l) Report biennially to the legislature and the governor about the impact of the center's work on the state's economy and the aerospace sector, with projections of future impact, providing indicators of its impact, and outlining ideas for enhancing benefits to the state. The report must be coordinated with the governor's office, the Washington economic development commission, the department of commerce, and innovate Washington.

NEW SECTION. Sec. 2. The joint center for aerospace technology innovation may solicit and receive gifts, grants, donations, sponsorships, or contributions from any federal, state, or local governmental agency or program or any private source, and expend the same for any purpose consistent with this chapter.

NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2012, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 4. Sections 1 and 2 of this act constitute a new chapter in Title 28B RCW."

Correct the title.

Signed by Representatives Seaquist, Chair; Carlyle, Vice Chair; Haler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Asay; Crouse; Fagan; Hasegawa; Pollet; Reykdal; Sells; Springer; Warnick; Wylie and Zeiger.

MINORITY recommendation: Do not pass. Signed by Representative Buys.

Referred to Committee on Ways & Means.

February 20, 2012

SSB 5984 Prime Sponsor, Committee on Ways & Means: Concerning local government financial soundness. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Carlyle; Chandler; Cody; Dickerson; Haigh; Hinkle; Hudgins; Hunt; Kagi; Kenney; Ormsby; Pettigrew; Seaquist; Springer and Sullivan.

MINORITY recommendation: Do not pass. Signed by Representatives Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Haler; Parker; Ross; Schmick and Wilcox.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 5995 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections: Authorizing urban growth area boundary modifications for industrial land by certain counties. Reported by Committee on Local Government

MAJORITY recommendation: Do pass as amended.

On page 7, line 35, after "fewer than" strike "one hundred eighty" and insert "two hundred"

Signed by Representatives Takko, Chair; Fitzgibbon, Vice Chair; Angel, Ranking Minority Member; Asay, Assistant Ranking Minority Member; Rodne; Smith; Springer; Tharinger and Upthegrove.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 5996 Prime Sponsor, Committee on Agriculture, Water & Rural Economic Development: Concerning contiguous land under the current use open space property tax programs. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys; Dunshee; Finn; Hinkle; Kretz; Lytton; Orcutt; Pettigrew and Van De Wege.

Referred to Committee on Ways & Means.

February 21, 2012

SSB 6025 Prime Sponsor, Committee on Judiciary: Eliminating the mandatory retirement provision for district judges. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Rodne, Ranking Minority Member; Eddy; Hansen; Kirby; Nealey and Orwall.

MINORITY recommendation: Do not pass. Signed by Representatives Goodman, Vice Chair; Shea, Assistant Ranking Minority Member; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 6030 Prime Sponsor, Senator Shin: Addressing license suspension clerical errors. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6044 Prime Sponsor, Committee on Energy, Natural Resources & Marine Waters: Concerning the supply of water by public utility districts bordered by the Columbia river to be used in pumped storage projects. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys; Dunshee; Finn; Hinkle; Kretz; Lytton; Orcutt; Pettigrew and Van De Wege.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 6046 Prime Sponsor, Senator Prentice: Addressing the powers and duties of the gambling commission. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander; Condotta; Darneille; Dunshee; Hurst; McCoy and Miloscia.

Passed to Committee on Rules for second reading.

February 20, 2012

ESSB 6078 Prime Sponsor, Committee on Energy, Natural Resources & Marine Waters: Implementing efficiencies in the management of the state's natural resources. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander; Condotta; Darneille; Hurst; McCoy and Miloscia.

MINORITY recommendation: Without recommendation. Signed by Representative Dunshee.

Referred to Committee on Capital Budget.

February 20, 2012

SB 6079 Prime Sponsor, Senator Schoesler: Exempting officers and employees of the Washington state institute for public policy from state civil service law. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander; Condotta; Darneille; Dunshee; Hurst; McCoy and Miloscia.

Referred to Committee on Ways & Means.

February 20, 2012

ESSB 6103 Prime Sponsor, Committee on Health & Long-Term Care: Concerning the practice of reflexology and massage therapy. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that protecting the public health and safety from the harms of human trafficking has become more difficult and complex, with severe consequences for the victims and the public. The purpose of this legislation is to provide additional tools so that the regulatory agency has authority to make reasonable inspections of the premises in which services subject to this chapter are being provided in order to determine whether the

services are being provided in compliance with this chapter and to support state investigations of human trafficking and other illicit activity.

Sec. 2. RCW 18.108.005 and 1997 c 297 s 1 are each amended to read as follows:

(1) The legislature finds it necessary to license the practice of massage and massage therapy and certify persons practicing reflexology in order to protect the public health and safety. It is the legislature's intent that only individuals who meet and maintain minimum standards of competence and conduct may provide services to the public.

(2) This chapter shall not be construed to:
(a) Require ((or prohibit)) individual or group policies or contracts of ((an insurance carrier, health care service contractor, or health maintenance organization)) a health carrier to provide, or prohibit such policies or contracts from providing, benefits or coverage for services and supplies provided by a person licensed under this chapter; _____ or

(b) Require that a health carrier contract with a person certified under this chapter.

Sec. 3. RCW 18.108.010 and 2007 c 272 s 1 are each amended to read as follows:

In this chapter, unless the context otherwise requires, the following meanings shall apply:

(1) "Board" means the Washington state board of massage.

(2) "Massage" and "massage therapy" mean a health care service involving the external manipulation or pressure of soft tissue for therapeutic purposes. Massage therapy includes techniques such as tapping, compressions, friction, reflexology, Swedish gymnastics or movements, gliding, kneading, shaking, and fascial or connective tissue stretching, with or without the aids of superficial heat, cold, water, lubricants, or salts. Massage therapy does not include diagnosis or attempts to adjust or manipulate any articulations of the body or spine or mobilization of these articulations by the use of a thrusting force, nor does it include genital manipulation.

(3) "Massage practitioner" means an individual licensed under this chapter.

(4) "Secretary" means the secretary of health or the secretary's designee.

(5) "Massage business" means the operation of a business where massages are given.

(6) "Animal massage practitioner" means an individual with a license to practice massage therapy in this state with additional training in animal therapy.

(7) "Intraoral massage" means the manipulation or pressure of soft tissue inside the mouth or oral cavity for therapeutic purposes.

(8) "Health carrier" means the same as the definition in RCW 48.43.005.

(9) "Certified reflexologist" means an individual who is certified under this chapter.

(10) "Reflexology" means a health care service that is limited to applying alternating pressure with thumb and finger techniques to reflexive areas of the lower one-third of the extremities, feet, hands, and outer ears based on reflex maps. Reflexology does not include the diagnosis of or treatment for specific diseases, or joint manipulations.

(11) "Reflexology business" means the operation of a business where reflexology services are provided.

Sec. 4. RCW 18.108.025 and 2008 c 25 s 1 are each amended to read as follows:

(1) In addition to any other authority provided by law, the board of massage may:

((+)) (a) Adopt rules in accordance with chapter 34.05 RCW necessary to implement massage practitioner licensure under this chapter, subject to the approval of the secretary;

~~((2))~~ (b) Define, evaluate, approve, and designate those massage schools, massage programs, and massage apprenticeship programs including all current and proposed curriculum, faculty, and health, sanitation, and facility standards from which graduation will be accepted as proof of an applicant's eligibility to take the massage licensing examination;

~~((3))~~ (c) Review approved massage schools and programs periodically;

~~((4))~~ (d) Prepare, grade, administer, and supervise the grading and administration of, examinations for applicants for massage licensure;

~~((5))~~ (e) Establish and administer requirements for continuing education, which shall be a prerequisite to renewing a massage practitioner license under this chapter; and

~~((6))~~ (f) Determine which states have educational and licensing requirements for massage practitioners equivalent to those of this state.

(2) The board shall establish by rule the standards and procedures for approving courses of study in massage therapy and may contract with individuals or organizations having expertise in the profession or in education to assist in evaluating courses of study. The standards and procedures set shall apply equally to schools and training within the United States of America and those in foreign jurisdictions.

Sec. 5. RCW 18.108.030 and 1995 c 198 s 15 are each amended to read as follows:

(1)(a) No person may practice or represent himself or herself as a massage practitioner without first applying for and receiving from the department a license to practice. However, this subsection does not prohibit a certified reflexologist from practicing reflexology.

~~((2))~~ (b) A person represents himself or herself as a massage practitioner when the person adopts or uses any title or any description of services that incorporates one or more of the following terms or designations: Massage, massage practitioner, massage therapist, massage therapy, therapeutic massage, massage technician, massage technology, massagist, masseur, masseuse, myotherapist or myotherapy, touch therapist, reflexologist except when used by a certified reflexologist, acupressurist, body therapy or body therapist, or any derivation of those terms that implies a massage technique or method.

(2)(a) No person may practice reflexology or represent himself or herself as a reflexologist by use of any title without first being certified as a reflexologist or licensed as a massage practitioner by the department.

(b) A person represents himself or herself as a reflexologist when the person adopts or uses any title in any description of services that incorporates one or more of the following terms or designations: Reflexologist, reflexology, foot pressure therapy, foot reflex therapy, or any derivation of those terms that implies a reflexology technique or method. However, this subsection does not prohibit a licensed massage practitioner from using any of these terms as a description of services.

(c) A person may not use the term "certified reflexologist" without first being certified by the department.

Sec. 6. RCW 18.108.040 and 2011 c 223 s 1 are each amended to read as follows:

(1)(a) It shall be unlawful to advertise the practice of massage using the term massage or any other term that implies a massage technique or method in any public or private publication or communication by a person not licensed by the secretary as a massage practitioner. However, this subsection does not prohibit a certified reflexologist from using the term reflexology or derivations of the term, subject to subsection (2)(b) of this section.

~~((2))~~ (b) Any person who holds a license to practice as a massage practitioner in this state may use the title "licensed massage practitioner" and the abbreviation "L.M.P.". No other persons may assume such title or use such abbreviation or any other word, letters,

signs, or figures to indicate that the person using the title is a licensed massage practitioner.

~~((3))~~ (c) A massage practitioner's name and license number must conspicuously appear on all of the massage practitioner's advertisements.

(2)(a) It is unlawful to advertise the practice of reflexology or use any other term that implies reflexology technique or method in any public or private publication or communication by a person not certified by the secretary as a reflexologist or licensed as a massage practitioner.

(b) A person certified as a reflexologist may not adopt or use any title or description of services, including for purposes of advertising, that incorporates one or more of the following terms or designations: Massage, masseuse, massager, massagist, masseur, myotherapist or myotherapy, touch therapist, body therapy or therapist, or any derivation of those terms that implies a massage technique or therapy unless the person is also licensed under this chapter as a massage practitioner.

(c) A reflexologist's name and certification number must conspicuously appear on all of the reflexologist's advertisements.

Sec. 7. RCW 18.108.045 and 2011 c 223 s 2 are each amended to read as follows:

A massage practitioner licensed under this chapter or a reflexologist certified under this chapter must conspicuously display his or her ~~(license)~~ credential in his or her principal place of business. If the licensed massage practitioner or certified reflexologist does not have a principal place of business or conducts business in any other location, he or she must have a copy of his or her ~~(license)~~ credential available for inspection while performing ~~((any activities related to massage therapy))~~ services within his or her authorized scope of practice.

Sec. 8. RCW 18.108.050 and 2002 c 277 s 2 are each amended to read as follows:

This chapter does not apply to:

(1) An individual giving massage or reflexology to members of his or her immediate family;

(2) The practice of a profession by individuals who are licensed, certified, or registered under other laws of this state and who are performing services within their authorized scope of practice;

(3) Massage or reflexology practiced at the athletic department of:

(a) Any institution maintained by the public funds of the state, or any of its political subdivisions;

~~((4) Massage practiced at the athletic department of)~~ (b) Any primary or secondary school or institution of higher education;

(c) Any school or college approved by the department of health by rule using recognized national professional standards; or

(d) Any nonprofit organization licensed under RCW 66.24.400 and 66.24.450;

~~((5))~~ (4) Students enrolled in an approved massage school, approved program, or approved apprenticeship program, practicing massage techniques, incidental to the massage school or program and supervised by the approved school or program. Students must identify themselves as a student when performing massage services on members of the public. Students may not be compensated for the massage services they provide;

~~((6))~~ (5) Students enrolled in an approved reflexology school, approved program, or approved apprenticeship program, practicing reflexology techniques, incidental to the reflexologist school or program and supervised by the approved school or program. Students must identify themselves as a student when performing reflexology services on members of the public. Students may not be compensated for the reflexology services they provide; or

(6) Individuals who have completed a somatic education training program approved by the secretary;

~~((7) Persons who limit their practice to reflexology. For purposes of this chapter, the practice of reflexology is limited to the hands, feet,~~

~~and outer ears. The services provided by those who limit their practice to reflexology are not designated or implied to be massage or massage therapy).~~

Sec. 9. RCW 18.108.060 and 1996 c 191 s 81 are each amended to read as follows:

Each applicant and license or certificate holder shall comply with administrative procedures, administrative requirements, and fees set by the secretary under RCW 43.70.250 and 43.70.280.

Sec. 10. RCW 18.108.070 and 1991 c 3 s 257 are each amended to read as follows:

~~(1)~~ The secretary shall issue a massage practitioner's license to an applicant who demonstrates to the secretary's satisfaction that the following requirements have been met:

~~((1))~~ ~~(a)~~ Effective June 1, 1988, successful completion of a course of study in an approved massage program or approved apprenticeship program;

~~((2))~~ ~~(b)~~ Successful completion of an examination administered or approved by the board; and

~~((3))~~ ~~(c)~~ Be eighteen years of age or older.

~~(In addition, applicants shall be subject to the grounds for denial or issuance of a conditional license under chapter 18.130 RCW.)~~

~~(2)~~ Beginning July 1, 2013, the secretary shall issue a reflexologist certification to an applicant who completes an application form that identifies the name and address of the applicant and the certification request, and demonstrates to the secretary's satisfaction that the following requirements have been met:

(a) Successful completion of a course of study in reflexologist program approved by the secretary;

(b) Successful completion of an examination administered or approved by the secretary; and

(c) Be eighteen years of age or older.

~~(3)~~ Applicants for a massage practitioner's license or for certification as a reflexologist shall be subject to the grounds for denial or issuance of a conditional credential under chapter 18.130 RCW.

~~(4)~~ The secretary may require any information and documentation that reasonably relates to the need to determine whether the massage practitioner or reflexologist applicant meets the criteria for licensure provided for in this chapter and chapter 18.130 RCW. The secretary shall establish by rule what constitutes adequate proof of meeting the criteria. ~~((The board shall give an appropriate alternate form of examination for persons who cannot read or speak English to determine equivalent competency.))~~

Sec. 11. RCW 18.108.073 and 1995 c 198 s 17 are each amended to read as follows:

~~(1)~~ ~~((The date and location of the examination shall be established by the secretary.))~~ Applicants ~~((who))~~ for the massage practitioner license examination must demonstrate to the secretary's satisfaction that the following requirements have been met ~~((shall be scheduled for the next examination following the filing of the application))~~:

~~(a)~~ ~~(i)~~ Effective June 1, 1988, successful completion of a course of study in an approved massage program; or

~~((b))~~ ~~(ii)~~ Effective June 1, 1988, successful completion of an apprenticeship program established by the board; and

~~((c))~~ ~~(b)~~ Be eighteen years of age or older.

~~(In addition, the secretary shall establish a deadline for receipt of completed and approved applications.))~~

(2) The board or its designee shall examine each massage practitioner applicant in a written examination determined most effective on subjects appropriate to the massage scope of practice. The subjects may include anatomy, kinesiology, physiology, pathology, principles of human behavior, massage theory and practice, hydrotherapy, hygiene, first aid, Washington law pertaining to the practice of massage, and such other subjects as the board may deem useful to test applicant's fitness to practice massage therapy. Such examinations shall be limited in purpose to determining whether

the applicant possesses the minimum skill and knowledge necessary to practice competently.

(3) All records of a massage practitioner candidate's performance shall be preserved for a period of not less than one year after the board has made and published decisions thereupon. All examinations shall be conducted by the board under fair and impartial methods as determined by the secretary.

~~(4)~~ ~~((A))~~ A massage practitioner applicant who fails to make the required grade in the first examination is entitled to take up to two additional examinations upon the payment of a fee for each subsequent examination determined by the secretary as provided in RCW 43.70.250. Upon failure of three examinations, the secretary may invalidate the original application and require such remedial education as is required by the board before admission to future examinations.

(5) The board may approve an examination prepared or administered, or both, by a private testing agency or association of licensing boards for use by ~~((an))~~ a massage practitioner applicant in meeting the licensing requirement.

NEW SECTION. Sec. 12. A new section is added to chapter 18.108 RCW to read as follows:

(1) Beginning July 1, 2013, applicants for the reflexology certification examination must demonstrate to the secretary's satisfaction that the following requirements have been met:

~~(a)~~ ~~(i)~~ Successful completion of a course of study in an approved reflexology program; or

~~(ii)~~ Successful completion of an apprenticeship program approved by the secretary; and

~~(b)~~ Be eighteen years of age or older.

(2) The secretary or his or her designee shall examine each reflexology applicant in a written examination determined most effective on subjects appropriate to the reflexology scope of practice. The subjects may include those that the secretary deems useful to test applicant's fitness to practice reflexology. Such examinations shall be limited in purpose to determining whether the applicant possesses the minimum skill and knowledge necessary to practice reflexology competently.

(3) All records of a reflexology candidate's performance shall be preserved for a period of not less than one year after the secretary has made and published decisions thereupon. All examinations shall be conducted under fair and impartial methods as determined by the secretary.

(4) A reflexology applicant who fails to make the required grade in the first examination is entitled to take up to two additional examinations upon the payment of a fee for each subsequent examination determined by the secretary as provided in RCW 43.70.250. Upon failure of three examinations, the secretary may invalidate the original application and require such remedial education as is required by the secretary before admission to future examinations.

(5) The secretary may approve an examination prepared or administered, or both, by a private testing agency or association of licensing boards for use by a reflexology applicant in meeting the certification requirement.

Sec. 13. RCW 18.108.095 and 1987 c 443 s 12 are each amended to read as follows:

~~((A))~~ A massage practitioner applicant holding a license in another state or foreign jurisdiction may be granted a Washington license without examination, if, in the opinion of the board, the other state's or foreign jurisdiction's examination and educational requirements are substantially equivalent to Washington's ~~((PROVIDED, That))~~. However, the applicant must demonstrate(s) to the satisfaction of the board a working knowledge of Washington law pertaining to the practice of massage. The applicant shall provide proof in a manner approved by the department that the examination and requirements are equivalent to Washington's.

Sec. 14. RCW 18.108.085 and 1996 c 154 s 1 are each amended to read as follows:

(1) In addition to any other authority provided by law, the secretary may:

(a) Adopt rules, in accordance with chapter 34.05 RCW necessary to implement this chapter;

(b) Set all license, certification, examination, and renewal fees in accordance with RCW 43.70.250;

(c) Establish forms and procedures necessary to administer this chapter;

(d) Issue a massage practitioner's license to any applicant who has met the education, training, and examination requirements for licensure and deny licensure to applicants who do not meet the requirements of this chapter; ~~(and)~~

(e) Issue a reflexology certification to any applicant who has met the requirements for certification and deny certification to applicants who do not meet the requirements of this chapter; and

~~(f) Hire clerical, administrative, and investigative staff as necessary to implement this chapter (~~and hire individuals licensed under this chapter to serve as examiners for any practical examinations~~).~~

(2) The Uniform Disciplinary Act, chapter 18.130 RCW, governs unlicensed and uncertified practice, the issuance and denial of licenses and certifications, and the disciplining of persons under this chapter. The secretary shall be the disciplining authority under this chapter.

(3) Any license or certification issued under this chapter to a person who is or has been convicted of violating RCW 9A.88.030, 9A.88.070, 9A.88.080, or 9A.88.090 or equivalent local ordinances shall automatically be revoked by the secretary upon receipt of a certified copy of the court documents reflecting such conviction. No further hearing or procedure is required, and the secretary has no discretion with regard to the revocation of the license or certification. The revocation shall be effective even though such conviction may be under appeal, or the time period for such appeal has not elapsed. However, upon presentation of a final appellate decision overturning such conviction, the license or certification shall be reinstated, unless grounds for disciplinary action have been found under chapter 18.130 RCW. No license or certification may be granted under this chapter to any person who has been convicted of violating RCW 9A.88.030, 9A.88.070, 9A.88.080, or 9A.88.090 or equivalent local ordinances within the eight years immediately preceding the date of application. For purposes of this subsection, "convicted" does not include a conviction that has been the subject of a pardon, annulment, or other equivalent procedure based on a finding of innocence, but does include convictions for offenses for which the defendant received a deferred or suspended sentence, unless the record has been expunged according to law.

(4) The secretary shall keep an official record of all proceedings under this chapter, a part of which record shall consist of a register of all applicants for licensure or certification under this chapter, with the result of each application.

NEW SECTION. Sec. 15. A new section is added to chapter 18.108 RCW to read as follows:

(1) The secretary may certify an applicant as a reflexologist without examination if the applicant:

(a) Has practiced reflexology as a licensed massage practitioner for at least five years prior to the effective date of this section or provides evidence satisfactory to the secretary that he or she has, prior to the effective date of this section, successfully completed a course of study in a reflexology program approved by the secretary; and

(b) Applies for certification by one year after the effective date of this section.

(2) An applicant holding a reflexology credential in another state or a territory of the United States may be certified to practice in this state without examination if the secretary determines that the other

jurisdiction's credentialing standards are substantially equivalent to the standards in this state.

NEW SECTION. Sec. 16. A new section is added to chapter 18.108 RCW to read as follows:

(1) For the purposes of ascertaining violations of this chapter and chapter 18.130 RCW, the secretary or authorized representative has the authority to inspect, within reasonable limits and in a reasonable manner, the premises of any massage or reflexology business establishment during hours such business is open. If the secretary is denied access to any premises or establishment the secretary may apply to any court of competent jurisdiction for a warrant authorizing access to such premises or establishment for such purposes. The court may, upon such application, issue a warrant for the purpose requested.

(2) This section does not require advance notice of an inspection.

NEW SECTION. Sec. 17. The following acts or parts of acts are each repealed:

(1) RCW 18.108.076 (Application of uniform disciplinary act) and 1987 c 150 s 60 & 1986 c 259 s 146; and

(2) RCW 18.108.130 (Exemptions) and 1975 1st ex.s. c 280 s 14.

Sec. 18. RCW 18.120.020 and 2010 c 286 s 14 are each amended to read as follows:

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

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be regulated or which proposes to substantially increase the scope of practice of the profession.

(2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter 18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ocularists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW; medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; health care assistants under chapter 18.135 RCW; massage practitioners under chapter 18.108 RCW; East Asian medicine practitioners licensed under chapter 18.06 RCW; persons registered under chapter 18.19 RCW; persons licensed as mental health counselors, marriage and family therapists, and social workers under chapter 18.225 RCW; dietitians and nutritionists certified by chapter

18.138 RCW; radiologic technicians under chapter 18.84 RCW; ~~(and)~~ nursing assistants registered or certified under chapter 18.88A RCW; and reflexologists certified under chapter 18.108 RCW.

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include: (a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(9) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

Sec. 19. RCW 18.130.040 and 2011 c 41 s 11 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

- (i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;
- (ii) Midwives licensed under chapter 18.50 RCW;
- (iii) Ocularists licensed under chapter 18.55 RCW;
- (iv) Massage ~~(operators)~~ practitioners and businesses licensed under chapter 18.108 RCW;
- (v) Dental hygienists licensed under chapter 18.29 RCW;
- (vi) East Asian medicine practitioners licensed under chapter 18.06 RCW;
- (vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;
- (viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates--advanced, and social work associates--independent clinical under chapter 18.225 RCW;

(xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified under chapter 18.88A RCW;

(xiii) Health care assistants certified under chapter 18.135 RCW;

(xiv) Dietitians and nutritionists certified under chapter 18.138 RCW;

(xv) Chemical dependency professionals and chemical dependency professional trainees certified under chapter 18.205 RCW;

(xvi) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

(xvii) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

(xviii) Denturists licensed under chapter 18.30 RCW;

(xix) Orthotists and prosthetists licensed under chapter 18.200 RCW;

(xx) Surgical technologists registered under chapter 18.215 RCW;

(xxi) Recreational therapists ~~(under chapter 18.230 RCW)~~ under chapter 18.230 RCW;

(xxii) Animal massage practitioners certified under chapter 18.240 RCW;

(xxiii) Athletic trainers licensed under chapter 18.250 RCW;

(xxiv) Home care aides certified under chapter 18.88B RCW; ~~(and)~~

(xxv) Genetic counselors licensed under chapter 18.290 RCW; and

(xxvi) Reflexologists certified under chapter 18.108 RCW.

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW and licenses and registrations issued under chapter 18.260 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The board of pharmacy as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW; and

(xv) The board of naturopathy established in chapter 18.36A RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the Uniform Disciplinary Act, among the disciplining authorities listed in subsection (2) of this section.

NEW SECTION. Sec. 20. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 21. The department of health shall adopt any rules necessary to implement this act.

NEW SECTION. Sec. 22. Sections 1 through 19 of this act take effect July 1, 2013."

Correct the title.

Signed by Representatives Cody, Chair; Jinkins, Vice Chair; Schmick, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Bailey; Clibborn; Green; Harris; Kelley; Moeller and Van De Wege.

Referred to Committee on Health & Human Services Appropriations & Oversight.

February 20, 2012

SSB 6105 Prime Sponsor, Committee on Health & Long-Term Care: Concerning the prescription monitoring program. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

On page 2, line 17, after "requirements of" insert "subsections (1) through (3) of"

On page 2, line 31, after "RCW" insert ". The department, in collaboration with the veterinary board of governors, shall establish alternative data reporting requirements for veterinarians that allow veterinarians to report:

(i) By either electronic or non-electronic methods;

(ii) Only those data elements that are relevant to veterinary practices and necessary to accomplish the public protection goals of this chapter; and

(iii) No more frequently than once every three months and no less frequently than once every six months"

Signed by Representatives Cody, Chair; Jinkins, Vice Chair; Schmick, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Bailey; Clibborn; Green; Harris; Kelley; Moeller and Van De Wege.

Passed to Committee on Rules for second reading.

February 21, 2012

SB 6108 Prime Sponsor, Senator Harper: Clarifying the location at which the crime of theft of rental,

leased, lease-purchased, or loaned property occurs. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

SB 6133 Prime Sponsor, Senator Conway: Requiring training for eligibility for certain electrician certifications. Reported by Committee on Labor & Workforce Development

MAJORITY recommendation: Do pass. Signed by Representatives Sells, Chair; Reykdal, Vice Chair; Green; Kenney; Miloscia; Moeller; Ormsby and Roberts.

MINORITY recommendation: Do not pass. Signed by Representatives Condotta, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Taylor and Warnick.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6135 Prime Sponsor, Committee on Energy, Natural Resources & Marine Waters: Regarding enforcement of fish and wildlife violations. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys; Dunshee; Finn; Hinkle; Kretz; Lytton; Orcutt; Pettigrew and Van De Wege.

Referred to Committee on General Government Appropriations & Oversight.

February 20, 2012

2SSB 6140 Prime Sponsor, Committee on Ways & Means: Concerning local economic development financing. Reported by Committee on Community & Economic Development & Housing

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature finds that the issuance of taxable nonrecourse revenue bonds by the Washington economic development finance authority has provided a number of Washington firms with the financing necessary to grow and create jobs. The legislature further finds that municipal authority to issue taxable nonrecourse revenue bonds does not exist and that authorizing the local issuance of taxable bonds for economic development purposes will increase local capacity to strengthen businesses and create jobs.

(2) It is the purpose of this chapter to grant new authority for cities, counties, and port districts that created public corporations

under chapter 39.84 RCW prior to 2012, in order to build on the expertise with tax-exempt nonrecourse revenue bond financing developed by these municipalities. Therefore, these municipalities are permitted to create local economic development finance authorities to act as a financial conduit that, without using state or local government funds or lending the credit of the state or local governments, can issue taxable and nontaxable nonrecourse revenue bonds, and participate in federal, state, and local economic development programs to help facilitate access to needed capital by Washington businesses. It is also a primary purpose of this chapter to encourage the development of local innovative approaches to the problem of unmet capital needs. This chapter must be construed liberally to carry out its purposes and objectives.

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

(1) "Authority" means a local economic development finance authority created under this chapter. An authority is a public body within the meaning of RCW 39.53.010.

(2) "Board of directors" means the board of directors of an authority.

(3) "Bonds" means any bonds, notes, debentures, interim certificates, conditional sales or lease financing agreements, lines of credit, forward purchase agreements, investment agreements, and other banking or financial arrangements, guaranties, or other obligations issued by or entered into by the authority. Such bonds may be issued on either a tax-exempt or taxable basis.

(4) "Borrower" means one or more public or private persons or entities acting as lessee, purchaser, mortgagor, or borrower who has obtained or is seeking to obtain financing either from an authority or from an eligible banking organization that has obtained or is seeking to obtain funds from the authority to finance a project. A borrower may include a party who transfers the right of use and occupancy to another party by lease, sublease, or otherwise, or a party who is seeking or has obtained a financial guaranty from the authority.

(5) "Economic development activities" means activities related to: Manufacturing, processing, the commercialization of research, production, assembly, tooling, warehousing, exporting products made in Washington or services provided by Washington firms, airports, docks and wharves, mass commuting facilities, high-speed intercity rail facilities, public broadcasting, pollution control, solid waste disposal, federally qualified hazardous waste facilities, energy generating, conservation, or transmission facilities, sports facilities, industrial parks, and activities conducted within a federally designated enterprise or empowerment zone or geographic area of similar nature.

(6) "Eligible banking organization" means any organization subject to regulation by the director of the department of financial institutions, any national bank, federal savings and loan association, and federal credit union located within this state.

(7) "Eligible person" means an individual, partnership, corporation, or joint venture carrying on business, or proposing to carry on business, within the state and seeking financial assistance under this act.

(8) "Financial assistance" means the infusion of capital to persons for use in the development and exploitation of specific inventions and products.

(9) "Financing agreements" means, and includes without limitation, a contractual arrangement with an eligible person whereby an authority obtains rights from or in an invention or product or proceeds from an invention or product in exchange for the granting of financial and other assistance to the person.

(10) "Financing document" means an instrument executed by an authority and one or more persons or entities pertaining to the issuance of or security for bonds, or the application of the proceeds of bonds or other funds of, or payable to, the authority. A financing document may include, but need not be limited to, a lease, installment sale agreement, conditional sale agreement, mortgage, loan

agreement, trust agreement or indenture, security agreement, letter or line of credit, reimbursement agreement, insurance policy, guaranty agreement, or currency or interest rate swap agreement. A financing document also may be an agreement between the authority and an eligible banking organization which has agreed to make a loan to a borrower.

(11) "Investment grade credit rating" means a rating of at least BBB- by standard & poor's, Baa3 by moody's investors service, or BBB- by fitch.

(12) "Municipality" means a city, town, county, or port district of this state.

(13) "Ordinance" means any appropriate method of taking official action or adopting a legislative decision by any municipality, whether known as a resolution, ordinance, or otherwise.

(14) "Plan" means the general plan of economic development finance objectives developed and adopted by the authority, and updated from time to time, as required under RCW 43.163.090.

(15) "Product" means a product, device, technique, or process that is or may be exploitable commercially. "Product" does not refer to pure research, but does apply to products, devices, techniques, or processes that have advanced beyond the theoretic stage and are readily capable of being, or have been, reduced to practice.

(16) "Project costs" means costs of:

(a) Acquisition, lease, construction, reconstruction, remodeling, refurbishing, rehabilitation, extension, and enlargement of land, rights to land, buildings, structures, docks, wharves, fixtures, machinery, equipment, excavations, paving, landscaping, utilities, approaches, roadways and parking, handling and storage areas, and similar ancillary facilities, and any other real or personal property included in an economic development activity;

(b) Architectural, engineering, consulting, accounting, and legal costs related directly to the development, financing, acquisition, lease, construction, reconstruction, remodeling, refurbishing, rehabilitation, extension, and enlargement of an activity included under subsection (5) of this section, including costs of studies assessing the feasibility of an economic development activity;

(c) Finance costs, including the costs of credit enhancement and discounts, if any, the costs of issuing revenue bonds, and costs incurred in carrying out any financing document;

(d) Start-up costs, working capital, capitalized research and development costs, capitalized interest during construction and during the eighteen months after estimated completion of construction, and capitalized debt service or repair and replacement or other appropriate reserves;

(e) The refunding of any outstanding obligations incurred for any of the costs outlined in this subsection; and

(f) Other costs incidental to any of the costs listed in this subsection.

NEW SECTION. Sec. 3. (1) A municipality that formed a public corporation under chapter 39.84 RCW prior to January 1, 2012, may, if that public corporation is still in existence, enact an ordinance creating an economic development finance authority for the purposes authorized in this chapter. The ordinance creating the authority must approve a charter for the authority containing such provisions as are authorized by and not in conflict with this chapter. Any charter issued under this chapter must contain in substance the limitations set forth in section 4 of this act. In any suit, action, or proceeding involving the validity or enforcement of or relating to any contract of the authority, the authority is conclusively presumed to be established and authorized to transact business and exercise its powers under this chapter upon proof of the adoption of the ordinance creating the authority by the governing body. A copy of the ordinance duly certified by the clerk of the governing body of the municipality is admissible in evidence in any suit, action, or proceeding.

(2) An authority created by a municipality pursuant to this chapter may be dissolved by the municipality if: (a) The authority has no property to administer, other than funds or property, if any, to be paid or transferred to the municipality by which it was established; and (b) all the authority's outstanding obligations have been satisfied. Such a dissolution must be accomplished by the governing body of the municipality adopting an ordinance providing for the dissolution.

(3) The creating municipality may, at its discretion and at any time, alter or change the structure, organizational programs, or activities of an authority, including termination of the authority if contracts entered into by the authority are not impaired. Any net earnings of an authority, beyond those necessary for retirement of indebtedness incurred by it, do not inure to the benefit of any person other than the creating municipality. Upon dissolution of an authority, title to all property owned by the authority vests in the municipality.

(4) The ordinance creating an authority must include provisions establishing a board of directors to govern the affairs of the authority, what constitutes a quorum of the board of directors, and how the authority must conduct its affairs.

(5) For a period of ten years after any financing through an authority, it is illegal for a director, officer, agent, or employee of an authority to have, directly or indirectly, any financial interest in any property to be included in or any contract for property, services, or materials to be furnished or used in connection with any economic development activity financed through the authority. Violation of any provision of this section is a gross misdemeanor.

(6) The finances of any authority are subject to examination by the state auditor's office pursuant to RCW 43.09.260.

NEW SECTION. Sec. 4. (1) No municipality may give or lend any money or property in aid of an authority. The municipality that creates an authority must annually review any financial statements of the authority and at all times must have access to the books and records of the authority. No authority may issue revenue obligations under this chapter except upon the approval of both the municipality under the auspices of which it was created and the county, city, or town within whose planning jurisdiction the economic development activity to be financed lies. Upon receiving approval from these jurisdictions, an authority must, before bonds may be issued, obtain one of the following:

(a) A letter of credit supporting the creditworthiness of the borrower from a bank with an investment grade credit rating;

(b) Confirmation that the borrower has arranged for private placement of the bonds with an institutional investor; or

(c) Confirmation that the borrower has an investment grade credit rating of their own.

(2) An authority established under the terms of this chapter constitutes an authority and an instrumentality (within the meaning of those terms in the regulations of the United States treasury and the rulings of the internal revenue service prescribed pursuant to 26 U.S.C. Sec. 103 of the federal internal revenue code of 1986, as amended) may act on behalf of the municipality under whose auspices it is created for the specific public purposes authorized by this chapter. The authority is not a municipal corporation within the meaning of the state Constitution and the laws of the state, or a political subdivision within the meaning of the state Constitution and the laws of the state, including without limitation, Article VIII, section 7 of the Washington state Constitution. A municipality may not delegate to an authority any of the municipality's attributes of sovereignty including, without limitation, the power to tax, the power of eminent domain, and the police power.

NEW SECTION. Sec. 5. (1) An authority established pursuant to this chapter may develop and conduct a program or programs to provide nonrecourse revenue bond financing for the project costs for economic development activities.

(2) An authority is authorized to participate fully in federal and other governmental economic development finance programs and to take such actions as are necessary and consistent with this chapter to secure the benefits of those programs and to meet their requirements.

(3) An authority may develop and conduct a program that will stimulate and encourage the development of new products within Washington state by the infusion of financial aid for invention and innovation in situations in which the financial aid would not otherwise be reasonably available from commercial sources. The authority is authorized to provide nonrecourse revenue bond financing for this program.

(a) For the purposes of this program, the authority has the following powers and duties:

(i) To enter into financing agreements with eligible persons doing business in Washington state, upon terms and on conditions consistent with the purposes of this chapter, for the advancement of financial and other assistance to the persons for the development of specific products, procedures, and techniques, to be developed and produced in this state, and to condition the agreements upon contractual assurances that the benefits of increasing or maintaining employment and tax revenues remain in this state and accrue to it;

(ii) Own, possess, and take license in patents, copyrights, and proprietary processes and negotiate and enter into contracts and establish charges for the use of the patents, copyrights, and proprietary processes when the patents and licenses for products result from assistance provided by the authority;

(iii) Negotiate royalty payments to the authority on patents and licenses for products arising as a result of assistance provided by the authority;

(iv) Negotiate and enter into other types of contracts with eligible persons that assure that public benefits will result from the provision of services by the authority; provided that the contracts are consistent with the state Constitution;

(v) Encourage and provide technical assistance to eligible persons in the process of developing new products;

(vi) Refer eligible persons to researchers or laboratories for the purpose of testing and evaluating new products, processes, or innovations; and

(vii) To the extent permitted under its contract with eligible persons, to consent to a termination, modification, forgiveness, or other change of a term of a contractual right, payment, royalty, contract, or agreement of any kind to which the authority is a party.

(b) Eligible persons seeking financial and other assistance under this program must forward an application, together with an application fee prescribed by rule, to the authority. An investigation and report concerning the advisability of approving an application for assistance must be completed by the staff of the authority. The investigation and report may include, but is not limited to, facts about the company under consideration as its history, wage standards, job opportunities, stability of employment, past and present financial condition and structure, pro forma income statements, present and future markets and prospects, integrity of management as well as the feasibility of the proposed product and invention to be granted financial assistance, including the state of development of the product as well as the likelihood of its commercial feasibility. After receipt and consideration of the report set out in this subsection and after other action as is deemed appropriate, the application must be approved or denied by the authority. The applicant must be promptly notified of action by the authority.

(4) An authority may receive no appropriation of state funds. The department of commerce and the Washington economic development finance authority may assist a local economic development finance authority in organizing itself and in designing programs.

(5) An authority may use any funds legally available to it for any purpose specifically authorized by this chapter, or for otherwise improving economic development by assisting businesses and farm

enterprises that do not have access to capital at terms and rates comparable to large corporations due to the location of the business, the size of the business, the lack of financial expertise, or other appropriate reasons.

(6) An authority must coordinate its activities with those, including bond issuance activities, of the creating municipality and the public corporation created under chapter 39.84 RCW by the creating municipality.

NEW SECTION. Sec. 6. (1) An authority established pursuant to this chapter must adopt general operating procedures for the authority. The authority must also adopt operating procedures for individual programs as they are developed for obtaining funds and for providing funds to borrowers. These operating procedures must be adopted by resolution prior to the authority operating the applicable programs.

(2) The operating procedures must include, but are not limited to:

(a) Appropriate standards for securing loans and other financing the authority provides to borrowers, such as guarantees or collateral; and

(b) Strict standards for providing financing to borrowers, such as:

(i) The borrower is a responsible party with a high probability of being able to repay the financing provided by the authority;

(ii) The financing is reasonably expected to benefit the creating municipality by enabling a borrower to increase or maintain jobs or capital in the municipality;

(iii) The borrowers with the greatest needs or that provide the most public benefit are given higher priority by the authority; and

(iv) The financing is consistent with any plan adopted by the authority under the provisions of section 7 of this act.

NEW SECTION. Sec. 7. (1) Any authority established pursuant to this chapter must adopt a general plan of economic development finance objectives to be implemented by the authority during the period of the plan. The authority may exercise the powers authorized under this chapter prior to the adoption of the initial plan. In developing the plan, the authority must consider and set objectives for:

(a) Employment generation associated with the authority's programs;

(b) The application of funds to economic sectors and economic development activity evidencing need for improved access to capital markets and funding resources;

(c) Eligibility criteria for participants in authority programs;

(d) The use of funds and resources available from or through federal, state, local, and private sources and programs;

(e) New programs which serve a targeted need for financing assistance within the purposes of this chapter; and

(f) Opportunities to improve capital access as evidenced by programs existent in other localities or as they are made possible by results of private capital market circumstances.

(2) Upon adoption of the general plan the authority must conduct its programs in observance of the objectives established in the plan. The authority may periodically update the plan as determined necessary by the authority.

NEW SECTION. Sec. 8. In addition to carrying out the economic development finance activities and programs specifically authorized in this chapter, an authority may:

(1) Maintain an office or offices;

(2) Sue and be sued in its own name, and plead and be impleaded;

(3) Engage consultants, agents, attorneys, and advisers, contract with federal, state, and local governmental entities for services, and hire such employees, agents, and other personnel as the authority deems necessary, useful, or convenient to accomplish its purposes;

(4) Make and execute all manner of contracts, agreements and instruments, and financing documents with public and private parties as the authority deems necessary, useful, or convenient to accomplish its purposes;

(5) Acquire and hold real or personal property, or any interest therein, in the name of the authority, and to sell, assign, lease, encumber, mortgage, or otherwise dispose of the same in such manner as the authority deems necessary, useful, or convenient to accomplish its purposes;

(6) Open and maintain accounts in qualified public depositories and otherwise provide for the investment of any funds not required for immediate disbursement, and provide for the selection of investments;

(7) Appear in its own behalf before boards, commissions, departments, or agencies of federal, state, or local government;

(8) Procure such insurance in such amounts and from such insurers as the authority deems desirable including, but not limited to, insurance against any loss or damage to its property or other assets, public liability insurance for injuries to persons or property, and directors and officers liability insurance;

(9) Apply for and accept subventions, grants, loans, advances, and contributions from any source of money, property, labor, or other things of value, to be held, used, and applied as the authority deems necessary, useful, or convenient to accomplish its purposes;

(10) Establish guidelines for the participation by eligible banking organizations in programs conducted by the authority under this chapter;

(11) Act as an agent, by agreement, for federal, state, or local governmental entities to carry out the programs authorized in this chapter;

(12) Establish, revise, and collect such fees and charges as the authority deems necessary, useful, or convenient to accomplish its purposes;

(13) Make such expenditures as are appropriate for paying the administrative costs and expenses of the authority in carrying out the provisions of this chapter;

(14) Establish such reserves and special funds, and controls on deposits to and disbursements from them, as the authority deems necessary, useful, or convenient to accomplish its purposes;

(15) Prepare, publish, and distribute, with or without charge, such studies, reports, bulletins, and other material as the authority deems necessary, useful, or convenient to accomplish its purposes;

(16) Delegate any of its powers and duties if consistent with the purposes of this chapter;

(17) Adopt rules concerning its exercise of the powers authorized by this chapter; and

(18) Exercise any other power the authority deems necessary, useful, or convenient to accomplish its purposes and exercise the powers expressly granted in this chapter.

NEW SECTION. Sec. 9. Notwithstanding any other provision of this chapter, an authority may not:

(1) Give any municipal or state money or property or loan any municipal or state money or credit to or in aid of any individual, association, company, or corporation, or become directly or indirectly the owner of any stock in or bonds of any association, company, or corporation;

(2) Issue bills of credit or accept deposits of money for time or demand deposit, administer trusts, engage in any form or manner in, or in the conduct of, any private or commercial banking business, or act as a savings bank or savings and loan association other than as provided in this chapter;

(3) Be or constitute a bank or trust company within the jurisdiction or under the control of the director of financial institutions, the comptroller of the currency of the United States of America, or the treasury department thereof;

(4) Be or constitute a bank, broker, or dealer in securities within the meaning of, or subject to the provisions of, any securities, securities exchange, or securities dealers' law of the United States of America or the state;

(5) Engage in the financing of housing as provided for in chapter 43.180 RCW;

(6) Engage in the financing of health care facilities as provided for in chapter 70.37 RCW;

(7) Engage in financing higher education facilities as provided for in chapter 28B.07 RCW; or

(8) Exercise any of the powers authorized in this chapter or issue any revenue bonds with respect to any economic development activity unless the economic development activity is located wholly within the boundaries of the municipality under whose auspices the authority is created or unless the economic development activity comprises energy facilities or solid waste disposal facilities which provide energy for or dispose of solid waste from the municipality or the residents thereof.

NEW SECTION. Sec. 10. (1) An authority may issue its nonrecourse revenue bonds in order to obtain the funds to carry out the programs authorized in this chapter. The bonds must be special obligations of the authority, payable solely out of the special fund or funds established by the authority for their repayment.

(2) Any bonds issued under this chapter may be secured by a financing document between the authority and the purchasers or owners of such bonds or between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state.

(a) The financing document may pledge or assign, in whole or in part, the revenues and funds held or to be received by the authority, any present or future contract or other rights to receive the same, and the proceeds thereof.

(b) The financing document may contain such provisions for protecting and enforcing the rights, security, and remedies of bond owners as may be reasonable and proper including, without limiting the generality of the foregoing, provisions defining defaults and providing for remedies in the event of default which may include the acceleration of maturities, restrictions on the individual rights of action by bond owners, and covenants setting forth duties of and limitations on the authority in conduct of its programs and the management of its property.

(c) In addition to other security provided in this chapter or otherwise by law, bonds issued by the authority may be secured, in whole or in part, by financial guaranties, by insurance or by letters of credit issued to the authority or a trustee or any other person, by any bank, trust company, insurance or surety company, or other financial institution, within or without the state. The authority may pledge or assign, in whole or in part, the revenues and funds held or to be received by the authority, any present or future contract or other rights to receive the same, and the proceeds thereof, as security for such guaranties or insurance or for the reimbursement by the authority to any issuer of such letter of credit of any payments made under such letter of credit.

(3) Without limiting the powers of the authority contained in this chapter, in connection with each issue of its obligation bonds, the authority must create and establish one or more special funds including, but not limited to, debt service and sinking funds, reserve funds, project funds, and such other special funds as the authority deems necessary, useful, or convenient.

(4) Any security interest created against the unexpended bond proceeds and against the special funds created by the authority is immediately valid and binding against the money and any securities in which the money may be invested without authority or trustee possession. The security interest must be prior to any party having any competing claim against the moneys or securities, without filing or recording under Article 9A of the uniform commercial code, Title 62A RCW, and regardless of whether the party has notice of the security interest.

(5) The bonds may be issued as serial bonds, term bonds, or any other type of bond instrument consistent with the provisions of this

chapter. The bonds must bear such date or dates; mature at such time or times; bear interest at such rate or rates, either fixed or variable; be payable at such time or times; be in such denominations; be in such form; bear such privileges of transferability, exchangeability, and interchangeability; be subject to such terms of redemption; and be sold at public or private sale, in such manner, at such time or times, and at such price or prices as the authority determines. The bonds must be executed by the manual or facsimile signatures of the authority's chair and either its secretary or executive director, and may be authenticated by the trustee (if the authority determines to use a trustee) or any registrar which may be designated for the bonds by the authority.

(6) Bonds may be issued by the authority to refund other outstanding authority bonds, at or prior to maturity of, and to pay any redemption premium on, the outstanding bonds. Bonds issued for refunding purposes may be combined with bonds issued for the financing or refinancing of new projects. Pending the application of the proceeds of the refunding bonds to the redemption of the bonds to be redeemed, the authority may enter into an agreement or agreements with a corporate trustee regarding the interim investment of the proceeds and the application of the proceeds and the earnings on the proceeds to the payment of the principal of and interest on, and the redemption of, the bonds to be redeemed.

(7) The bonds of the authority may be negotiable instruments under Title 62A RCW.

(8) Neither the board of directors of the authority, nor its employees or agents, nor any person executing the bonds is personally liable on the bonds or subject to any personal liability or accountability by reason of the issuance of the bonds.

(9) The authority may purchase its bonds with any of its funds available for the purchase. The authority may hold, pledge, cancel, or resell the bonds subject to and in accordance with agreements with bond owners.

(10) The state finance committee must be notified in advance of the issuance of bonds by the authority in order to promote the orderly offering of obligations in the financial markets.

NEW SECTION. Sec. 11. (1) Bonds issued by an authority established under this chapter are not considered to constitute a debt of the state, of the municipality, or of any other municipal corporation, quasi-municipal corporation, subdivision, or agency of this state or to pledge any or all of the faith and credit of any of these entities. The revenue bonds are payable solely from both the revenues derived as a result of the economic development activities funded by the revenue bonds including, without limitation, amounts received under the terms of any financing document or by reason of any additional security furnished by beneficiaries of the economic development activity in connection with the financing thereof, and money and other property received from private sources. The issuance of bonds under this chapter do not obligate, directly, indirectly, or contingently, the state or any political subdivision of the state to levy any taxes or appropriate or expend any funds for the payment of the principal or the interest on the bonds. Each revenue bond must contain on its face, and any disclosure document prepared in conjunction with the offer and sale of bonds must include, statements to the effect that:

(a) Neither the state, the municipality, or any other municipal corporation, quasi-municipal corporation, subdivision, or agency of the state is obligated to pay the principal or the interest thereon;

(b) No tax funds or governmental revenue may be used to pay the principal or interest thereon; and

(c) Neither any or all of the faith and credit nor the taxing power of the state, the municipality, or any other municipal corporation, quasi-municipal corporation, subdivision, or agency thereof is pledged to the payment of the principal of or the interest on the revenue bond.

(2) Neither the proceeds of bonds issued under this chapter nor any money used or to be used to pay the principal of, premium, if any, or interest on the bonds constitute public money or property. All of such money must be kept segregated and set apart from funds of the state and any political subdivision of the state and are not subject to appropriation or allotment by the state or subject to the provisions of chapter 43.88 RCW.

(3) Contracts entered into by an authority must be entered into in the name of the authority and not in the name of the state or any political subdivision of the state. The obligations of the authority under such contracts are obligations only of the authority and are not, in any way, obligations of the municipality creating the authority or the state. An authority may incur only those financial obligations which will be paid from revenues received pursuant to financing documents, from fees or charges paid by beneficiaries of the economic development activities funded by the revenue bonds, or from the proceeds of revenue bonds.

NEW SECTION. Sec. 12. (1)(a) An authority may enter into financing documents with borrowers regarding bonds issued by the authority that may provide for the payment by each borrower of amounts sufficient, together with other revenues available to the authority, if any, to:

- (i) Pay the borrower's share of the fees established by the authority;
 - (ii) Pay the principal of, premium, if any, and interest on outstanding bonds of the authority issued in respect of such borrower as the same become due and payable; and
 - (iii) Create and maintain reserves required or provided for by the authority in connection with the issuance of such bonds.
- (b) The payments are not subject to supervision or regulation by any department, committee, board, body, bureau, or agency of the state.

(2) All money received by or on behalf of the authority with respect to this issuance of its bonds must be trust funds to be held and applied solely as provided in this chapter. The authority, in lieu of receiving and applying the moneys itself, may enter into trust agreement or indenture with one or more banks or trust companies having the power and authority to conduct trust business in the state to:

- (a) Perform all or any part of the obligations of the authority with respect to:
 - (i) Bonds issued by it;
 - (ii) The receipt, investment, and application of the proceeds of the bonds and money paid by a participant or available from other sources for the payment of the bonds;
 - (iii) The enforcement of the obligations of a borrower in connection with the financing or refinancing of any project; and
 - (iv) Other matters relating to the exercise of the authority's powers under this chapter;
- (b) Receive, hold, preserve, and enforce any security interest or evidence of security interest granted by a participant for purposes of securing the payment of the bonds; and
- (c) Act on behalf of the authority or the owners of bonds of the authority for purposes of assuring or enforcing the payment of the bonds, when due.

NEW SECTION. Sec. 13. (1) Any owner of bonds issued under this chapter by any authority, and the trustee under any trust agreement or indenture, may, either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce any of their respective rights, and may become the purchaser at any foreclosure sale if the person is the highest bidder, except to the extent the rights given are restricted by the authority in any bond resolution or trust agreement or indenture authorizing the issuance of the bonds.

(2) The bonds of an authority are securities in which all public officers and bodies of this state and all counties, cities, municipal corporations, and political subdivisions, all banks, eligible banking

organizations, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, insurance companies and associations, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys, or other funds belonging to them or within their control. However, a municipality under the auspices of which an authority was created and the county, city, or town within whose planning jurisdiction the economic development activity to be financed lies, may not invest in bonds issued by the authority.

NEW SECTION. Sec. 14. This chapter provides a complete, additional, and alternative method for accomplishing the purposes of this chapter and must be regarded as supplemental and additional to powers conferred by other laws. The issuance of bonds and refunding bonds under this chapter need not comply with the requirements of any other law applicable to the issuance of bonds.

NEW SECTION. Sec. 15. Insofar as the provisions of this chapter are inconsistent with the provisions of any general or special law, or parts thereof, the provisions of this chapter are controlling.

NEW SECTION. Sec. 16. Sections 1 through 15 of this act constitute a new chapter in Title 39 RCW.

NEW SECTION. Sec. 17. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

Signed by Representatives Kenney, Chair; Finn, Vice Chair; Smith, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Maxwell; Ryu; Santos and Walsh.

MINORITY recommendation: Do not pass. Signed by Representative Ahern.

Referred to Committee on Capital Budget.

February 21, 2012

ESB 6141 Prime Sponsor, Senator Kilmer: Creating a lifelong learning program. Reported by Committee on Labor & Workforce Development

MAJORITY recommendation: Do pass. Signed by Representatives Sells, Chair; Reykdal, Vice Chair; Green; Kenney; Miloscia; Moeller; Ormsby and Roberts.

MINORITY recommendation: Do not pass. Signed by Representatives Condotta, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Taylor and Warnick.

Passed to Committee on Rules for second reading.

February 20, 2012

ESSB 6147 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections: State jurisdiction over Indian tribes and Indian country. (REVISED FOR ENGROSSED: Concerning state jurisdiction over Indian tribes in Indian country.) Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 37.12 RCW to read as follows:

(1) The process by which the state may retrocede to the United States all or part of the civil and/or criminal jurisdiction previously acquired by the state over a federally recognized Indian tribe, and the Indian country of such tribe, must be accomplished in accordance with the requirements of this section.

(2) To initiate civil and/or criminal retrocession the duly authorized governing body of a tribe must submit a retrocession resolution to the governor accompanied by information about the tribe's plan regarding the tribe's exercise of jurisdiction following the proposed retrocession. The resolution must express the desire of the tribe for the retrocession by the state of all or any measures or provisions of the civil and/or criminal jurisdiction acquired by the state under this chapter over the Indian country and the members of such Indian tribe. Before a tribe submits a retrocession resolution to the governor, the tribe and affected municipalities are encouraged to collaborate in the adoption of interlocal agreements, or other collaborative arrangements, with the goal of ensuring that the best interests of the tribe and the surrounding communities are served by the retrocession process.

(3) Upon receiving a resolution under this section, the governor must within ninety days convene a government-to-government meeting with either the governing body of the tribe or duly authorized tribal representatives for the purpose of considering the tribe's retrocession resolution. The governor's office must consult with elected officials from the counties, cities, and towns proximately located to the area of the proposed retrocession.

(4) Within one year of the receipt of an Indian tribe's retrocession resolution the governor must issue a proclamation, if approving the request either in whole or in part. This one-year deadline may be extended by the mutual consent of the tribe and the governor, as needed. In addition, either the tribe or the governor may extend the deadline once for a period of up to six months. Within ten days of issuance of a proclamation approving the retrocession resolution, the governor must formally submit the proclamation to the federal government in accordance with the procedural requirements for federal approval of the proposed retrocession. In the event the governor denies all or part of the resolution, the reasons for such denial must be provided to the tribe in writing.

(5) Within one hundred twenty days of the governor's receipt of a tribe's resolution requesting civil and/or criminal retrocession, but prior to the governor's issuance of the proclamation approving or denying the tribe's resolution, the appropriate standing committees of the state house and senate may conduct public hearings on the tribe's request for state retrocession. The majority leader of the senate must designate the senate standing committee and the speaker of the house of representatives must designate the house standing committee. Following such public hearings, the designated legislative committees may submit advisory recommendations and/or comments to the governor regarding the proposed retrocession, but in no event are such legislative recommendations binding on the governor or otherwise of legal effect.

(6) The proclamation for retrocession does not become effective until it is approved by a duly designated officer of the United States government and in accordance with the procedures established by the United States for the approval of a proposed state retrocession.

(7) The provisions of RCW 37.12.010 are not applicable to a civil and/or criminal retrocession that is accomplished in accordance with the requirements of this section.

(8) The following definitions apply for the purposes of this section:

(a) "Civil retrocession" means the state's act of returning to the federal government the civil jurisdiction acquired over Indians and Indian country under federal Public Law 280, Act of August 15,

1953, 67 Stat. 588 (codified as amended at 18 U.S.C. Sec. 1162, 25 U.S.C. Secs. 1321-1326, and 28 U.S.C. Sec. 1360);

(b) "Criminal retrocession" means the state's act of returning to the federal government the criminal jurisdiction acquired over Indians and Indian country under federal Public Law 280, Act of August 15, 1953, 67 Stat. 588 (codified as amended at 18 U.S.C. Sec. 1162, 25 U.S.C. Secs. 1321-1326, and 28 U.S.C. Sec. 1360);

(c) "Indian tribe" means any federally recognized Indian tribe, nation, community, band, or group;

(d) "Indian country" means:

(i) All land within the limits of any Indian reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation;

(ii) All dependent Indian communities with the borders of the United States whether in the original or subsequently acquired territory thereof, and whether within or without the limits of a state; and

(iii) All Indian allotments, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

NEW SECTION. Sec. 2. A new section is added to chapter 37.12 RCW to read as follows:

A civil or criminal retrocession accomplished pursuant to the procedure set forth in section 1 of this act does not:

(1) Affect the state's civil jurisdiction over the civil commitment of sexually violent predators pursuant to chapter 71.09 RCW and the state must retain such jurisdiction notwithstanding the completion of the retrocession process authorized under section 1 of this act; and

(2) Abate any action or proceeding which has been filed with any court or agency of the state or local government preceding the effective date of the completion of a retrocession authorized under section 1 of this act.

NEW SECTION. Sec. 3. A new section is added to chapter 37.12 RCW to read as follows:

(1) The provisions of section 1 of this act do not affect the validity of any retrocession procedure commenced under RCW 37.12.100 through 37.12.140 prior to the effective date of this section.

(2) Any Indian tribe that has commenced but not completed the retrocession procedure authorized in RCW 37.12.100 through 37.12.140 may request retrocession under section 1 of this act in lieu of completing that procedure.

(3) Any Indian tribe that has completed the retrocession procedure authorized in RCW 37.12.100 through 37.12.140 may use the process authorized under section 1 of this act to request retrocession of any civil or criminal jurisdiction retained by the state under RCW 37.12.120 or 37.12.010.

(4) The provisions of RCW 37.12.120 are not applicable to a civil and/or criminal retrocession that is accomplished in accordance with the requirements of section 1 of this act."

Correct the title.

Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Darneille; Dunshee; Hurst; McCoy and Miloscia.

MINORITY recommendation: Do not pass. Signed by Representatives Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander and Condotta.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 6175

Prime Sponsor, Senator Pridemore: Establishing a government-to-government relationship between state government and federally recognized Indian

tribes. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Alexander; Darneille; Dunshee; Hurst; McCoy and Miloscia.

MINORITY recommendation: Do not pass. Signed by Representatives Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member and Condotta.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 6216 Prime Sponsor, Committee on Health & Long-Term Care: Providing immunity for nonprofit and charitable corporations that provide used eyeglasses for charitable purposes. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** A new section is added to chapter 4.24 RCW to read as follows:

(1) A charitable organization is not liable for any civil damages arising out of any act or omission, other than acts or omissions constituting gross negligence or willful or wanton misconduct, associated with providing previously owned eyeglasses or hearing instruments to a person if:

(a) The person is at least fourteen years of age; and

(b) The eyeglasses or hearing instruments are provided to the person without compensation or the expectation of compensation.

(2) The immunity provided by subsection (1) of this section applies to eyeglasses only if the eyeglasses are provided by a physician licensed under chapter 18.71 RCW, an osteopathic physician licensed under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW, or an optician licensed under chapter 18.34 RCW who has:

(a) Personally examined the person who will receive the eyeglasses and issued a prescription for the eyeglasses; or

(b) Personally consulted with the licensed physician, osteopathic physician, or optometrist who issued the prescription for the eyeglasses.

(3) The immunity provided by subsection (1) of this section applies to hearing instruments only if the hearing instruments are provided by a physician licensed under chapter 18.71 RCW, an osteopathic physician licensed under chapter 18.57 RCW, or hearing health care professional licensed under chapter 18.35 RCW who has:

(a) Personally examined the person who will receive the hearing instruments; or

(b) Personally consulted with the licensed physician, osteopathic physician, or hearing health care professional who has examined the person who will receive the hearing instruments.

(4) For purposes of this section, "charitable organization" means an organization:

(a) That regularly engages in or provides financial support for some form of benevolent or charitable activity with the purpose of doing good to others rather than for the convenience of its members;

(b) In which no part of the organization's income is distributable to its members, directors, or officers; and

(c) In which no member, director, officer, agent, or employee is paid, or directly receives, in the form of salary or other compensation, an amount beyond that which is just and reasonable compensation commonly paid for such services rendered and which has been fixed

and approved by the members, directors, or other governing body of the organization."

Correct the title.

Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 21, 2012

ESB 6217 Prime Sponsor, Senator Holmquist Newbry: Regarding irrigation district administration. Reported by Committee on Local Government

MAJORITY recommendation: Do pass. Signed by Representatives Takko, Chair; Fitzgibbon, Vice Chair; Angel, Ranking Minority Member; Asay, Assistant Ranking Minority Member; Rodne; Smith; Springer; Tharinger and Upthegrove.

Passed to Committee on Rules for second reading.

February 20, 2012

ESSB 6237 Prime Sponsor, Committee on Health & Long-Term Care: Creating a career pathway for medical assistants. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** The legislature finds that medical assistants are health professionals specifically trained to work in settings such as physicians' offices, clinics, group practices, and other health care facilities. These multiskilled personnel are trained to perform administrative and clinical procedures under the supervision of health care providers. Physicians value this unique versatility more and more because of the skills of medical assistants and their ability to contain costs and manage human resources efficiently. The demand for medical assistants is expanding rapidly. The efficient and effective delivery of health care in Washington will be improved by recognizing the valuable contributions of medical assistants, and providing statutory support for medical assistants in Washington state. The legislature further finds that rural and small medical practices and clinics may have limited access to formally trained medical assistants. The legislature further intends that the secretary of health develop recommendations for a career ladder that includes medical assistants.

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

(1) "Delegation" means direct authorization granted by a licensed health care practitioner to a medical assistant to perform the functions authorized in this chapter which fall within the scope of practice of the health care provider and the training and experience of the medical assistant.

(2) "Department" means the department of health.

(3) "Health care practitioner" means:

(a) A physician licensed under chapter 18.71 RCW;

(b) An osteopathic physician or surgeon licensed under chapter 18.57 RCW; or

(c) Acting within the scope of their respective licensure, a podiatric physician or surgeon licensed under chapter 18.22 RCW, a registered nurse or advanced registered nurse practitioner licensed under chapter 18.79 RCW, a naturopath licensed under chapter

18.36A RCW, a physician assistant licensed under chapter 18.71A RCW, an osteopathic physician assistant licensed under chapter 18.57A RCW, or an optometrist licensed under chapter 18.53 RCW.

(4) "Medical assistant-certified" means a person certified under section 5 of this act who assists a health care practitioner with patient care, executes administrative and clinical procedures, and performs functions as provided in section 6 of this act under the supervision of the health care practitioner.

(5) "Medical assistant-hemodialysis technician" means a person certified under section 5 of this act who performs hemodialysis and other functions pursuant to section 6 of this act under the supervision of a health care practitioner.

(6) "Medical assistant-phlebotomist" means a person certified under section 5 of this act who performs capillary, venous, and arterial invasive procedures for blood withdrawal and other functions pursuant to section 6 of this act under the supervision of a health care practitioner.

(7) "Medical assistant-registered" means a person registered under section 5 of this act who, pursuant to an endorsement by a health care practitioner, clinic, or group practice, assists a health care practitioner with patient care, executes administrative and clinical procedures, and performs functions as provided in section 6 of this act under the supervision of the health care practitioner.

(8) "Secretary" means the secretary of the department of health.

(9) "Supervision" means supervision of procedures permitted pursuant to this chapter by a health care practitioner who is physically present and is immediately available in the facility. The health care practitioner does not need to be present during procedures to withdraw blood, but must be immediately available.

NEW SECTION. Sec. 3. (1) No person may practice as a medical assistant-certified, medical assistant-hemodialysis technician, or medical assistant-phlebotomist unless he or she is certified under section 5 of this act.

(2) No person may practice as a medical assistant-registered unless he or she is registered under section 5 of this act.

NEW SECTION. Sec. 4. (1) The secretary shall adopt rules specifying the minimum qualifications for a medical assistant-certified, medical assistant-hemodialysis technician, and medical assistant-phlebotomist. The qualifications for a medical assistant-hemodialysis technician must be equivalent to the qualifications for hemodialysis technicians regulated pursuant to chapter 18.135 RCW as of January 1, 2012.

(2) The secretary shall adopt rules that establish the minimum requirements necessary for a health care practitioner, clinic, or group practice to endorse a medical assistant as qualified to perform the duties authorized by this chapter and be able to file an attestation of that endorsement with the department.

(3) The medical quality assurance commission, the board of osteopathic medicine and surgery, the podiatric medical board, the nursing care quality assurance commission, the board of naturopathy, and the optometry board shall each review and identify other specialty assistive personnel not included in this chapter and the tasks they perform. The department of health shall compile the information from each disciplining authority listed in this subsection and submit the compiled information to the legislature no later than December 15, 2012.

NEW SECTION. Sec. 5. (1)(a) The secretary shall issue a certification as a medical assistant-certified to any person who has satisfactorily completed a medical assistant training program approved by the secretary, passed an examination approved by the secretary, and met any additional qualifications established under section 4 of this act.

(b) The secretary shall issue an interim certification to any person who has met all of the qualifications in (a) of this subsection, except for the passage of the examination. A person holding an interim permit possesses the full scope of practice of a medical assistant-

certified. The interim permit expires upon passage of the examination or after one year, whichever occurs first, and may not be renewed.

(2) The secretary shall issue a certification as a medical assistant-hemodialysis technician to any person who meets the qualifications for a medical assistant-hemodialysis technician established under section 4 of this act.

(3) The secretary shall issue a certification as a medical assistant-phlebotomist to any person who meets the qualifications for a medical assistant-phlebotomist established under section 4 of this act.

(4)(a) The secretary shall issue a registration as a medical assistant-registered to any person who has a current endorsement from a health care practitioner, clinic, or group practice.

(b) In order to be endorsed under this subsection (4), a person must:

(i) Be endorsed by a health care practitioner, clinic, or group practice that meets the qualifications established under section 4 of this act; and

(ii) Have a current attestation of his or her endorsement to perform specific medical tasks signed by a supervising health care practitioner filed with the department. A medical assistant-registered may only perform the medical tasks listed in his or her current attestation of endorsement.

(c) A registration based on an endorsement by a health care practitioner, clinic, or group practice is not transferrable to another health care practitioner, clinic, or group practice.

(5) A certification issued under subsections (1) through (3) of this section is transferrable between different practice settings.

NEW SECTION. Sec. 6. (1) A medical assistant-certified may perform the following duties delegated by, and under the supervision of, a health care practitioner:

(a) Fundamental procedures:

(i) Wrapping items for autoclaving;

(ii) Procedures for sterilizing equipment and instruments;

(iii) Disposing of biohazardous materials; and

(iv) Practicing standard precautions.

(b) Clinical procedures:

(i) Performing aseptic procedures in a setting other than a hospital licensed under chapter 70.41 RCW;

(ii) Preparing of and assisting in sterile procedures in a setting other than a hospital under chapter 70.41 RCW;

(iii) Taking vital signs;

(iv) Preparing patients for examination;

(v) Capillary blood withdrawal, venipuncture, and intradermal, subcutaneous, and intramuscular injections; and

(vi) Observing and reporting patients' signs or symptoms.

(c) Specimen collection:

(i) Capillary puncture and venipuncture;

(ii) Obtaining specimens for microbiological testing; and

(iii) Instructing patients in proper technique to collect urine and fecal specimens.

(d) Diagnostic testing:

(i) Electrocardiography;

(ii) Respiratory testing; and

(iii) Tests waived under the federal clinical laboratory improvement amendments program on the effective date of this section. The department shall periodically update the tests authorized under this subsection (1)(d) based on changes made by the federal clinical laboratory improvement amendments program.

(e) Patient care:

(i) Telephone and in-person screening limited to intake and gathering of information without requiring the exercise of judgment based on clinical knowledge;

(ii) Obtaining vital signs;

(iii) Obtaining and recording patient history;

(iv) Preparing and maintaining examination and treatment areas;

(v) Preparing patients for, and assisting with, routine and specialty examinations, procedures, treatments, and minor office surgeries;

(vi) Maintaining medication and immunization records; and

(vii) Screening and following up on test results as directed by a health care practitioner.

(f)(i) Administering medications. A medical assistant-certified may only administer medications if the drugs are:

(A) Administered only by unit or single dosage, or by a dosage calculated by a health care practitioner. For purposes of this section, a combination vaccine shall be considered a unit dose;

(B) Limited to legend drugs, vaccines, and Schedule III-V controlled substances as authorized by a health care practitioner under the scope of his or her license and consistent with rules adopted by the secretary under (f)(ii) of this subsection; and

(C) Administered pursuant to a written order from a health care practitioner.

(ii) The secretary may, by rule, limit the drugs that may be administered under this subsection. The rules adopted under this subsection must limit the drugs based on risk, class, or route.

(g) Intravenous injections. A medical assistant-certified may administer intravenous injections for diagnostic or therapeutic agents if he or she meets minimum standards established by the secretary in rule. The minimum standards must be substantially similar to the qualifications for category D and F health care assistants as they exist on the effective date of this section.

(2) A medical assistant-hemodialysis technician may perform hemodialysis when delegated and supervised by a health care practitioner. A medical assistant-hemodialysis technician may also administer drugs and oxygen to a patient when delegated and supervised by a health care practitioner and pursuant to rules adopted by the secretary.

(3) A medical assistant-phlebotomist may perform capillary, venous, or arterial invasive procedures for blood withdrawal when delegated and supervised by a health care practitioner and pursuant to rules adopted by the secretary.

(4) A medical assistant-registered may perform the following duties delegated by, and under the supervision of, a health care practitioner:

(a) Fundamental procedures:

- (i) Wrapping items for autoclaving;
- (ii) Procedures for sterilizing equipment and instruments;
- (iii) Disposing of biohazardous materials; and
- (iv) Practicing standard precautions.

(b) Clinical procedures:

- (i) Preparing for sterile procedures;
- (ii) Taking vital signs;
- (iii) Preparing patients for examination; and
- (iv) Observing and reporting patients' signs or symptoms.

(c) Specimen collection:

- (i) Obtaining specimens for microbiological testing; and
- (ii) Instructing patients in proper technique to collect urine and fecal specimens.

(d) Patient care:

(i) Telephone and in-person screening limited to intake and gathering of information without requiring the exercise of judgment based on clinical knowledge;

- (ii) Obtaining vital signs;
- (iii) Obtaining and recording patient history;
- (iv) Preparing and maintaining examination and treatment areas;
- (v) Maintaining medication and immunization records; and
- (vi) Screening and following up on test results as directed by a health care practitioner.

(e) Tests waived under the federal clinical laboratory improvement amendments program on the effective date of this section. The department shall periodically update the tests authorized

under subsection (1)(d) of this section based on changes made by the federal clinical laboratory improvement amendments program.

(f) Administering vaccines, including combination vaccines.

NEW SECTION. Sec. 7. (1) Prior to delegation of any of the functions in section 6 of this act, a health care practitioner shall determine to the best of his or her ability each of the following:

(a) That the task is within that health care practitioner's scope of licensure or authority;

(b) That the task is indicated for the patient;

(c) The appropriate level of supervision;

(d) That no law prohibits the delegation;

(e) That the person to whom the task will be delegated is competent to perform that task; and

(f) That the task itself is one that should be appropriately delegated when considering the following factors:

(i) That the task can be performed without requiring the exercise of judgment based on clinical knowledge;

(ii) That results of the task are reasonably predictable;

(iii) That the task can be performed without a need for complex observations or critical decisions;

(iv) That the task can be performed without repeated clinical assessments; and

(v) That the task, if performed improperly, would not present life-threatening consequences or the danger of immediate and serious harm to the patient.

(2) Nothing in this section prohibits the use of protocols that do not involve clinical judgment and do not involve the administration of medications, other than vaccines.

NEW SECTION. Sec. 8. (1) In addition to any other authority provided by law, the secretary may:

(a) Adopt rules, in accordance with chapter 34.05 RCW, necessary to implement this chapter;

(b) Establish forms and procedures necessary to administer this chapter;

(c) Establish administrative procedures, administrative requirements, and fees in accordance with RCW 43.70.250 and 43.70.280. Until July 1, 2016, for purposes of setting fees under this section, the secretary shall consider persons registered or certified under this chapter and health care assistants, certified under chapter 18.135 RCW, as one profession;

(d) Hire clerical, administrative, and investigative staff as needed to implement and administer this chapter;

(e) Maintain the official department of health record of all applicants and credential holders; and

(f) Establish requirements and procedures for an inactive registration or certification.

(2) The uniform disciplinary act, chapter 18.130 RCW, governs unlicensed practice, the issuance and denial of a registration or certification, and the discipline of persons registered or certified under this chapter.

NEW SECTION. Sec. 9. (1) The department may not issue new certifications for category C, D, E, or F health care assistants on or after the effective date of this section. The department shall certify a category C, D, E, or F health care assistant who was certified prior to the effective date of this section as a medical assistant-certified when he or she renews his or her certification.

(2) The department may not issue new certifications for category G health care assistants on or after the effective date of this section. The department shall certify a category G health care assistant who was certified prior to the effective date of this section as a medical assistant-hemodialysis technician when he or she renews his or her certification.

(3) The department may not issue new certifications for category A or B health care assistants on or after the effective date of this section. The department shall certify a category A or B health care assistant who was certified prior to the effective date of this section as

a medical assistant-phlebotomist when he or she renews his or her certification.

NEW SECTION. Sec. 10. Nothing in this chapter prohibits or affects:

(1) A person licensed under this title performing services within his or her scope of practice;

(2) A person performing functions in the discharge of official duties on behalf of the United States government including, but not limited to, the armed forces, coast guard, public health service, veterans' bureau, or bureau of Indian affairs;

(3) A person trained by a federally approved end-stage renal disease facility who performs end-stage renal dialysis in the home setting;

(4) A person registered or certified under this chapter from performing blood-drawing procedures in the residences of research study participants when the procedures have been authorized by the institutional review board of a comprehensive cancer center or nonprofit degree-granting institution of higher education and are conducted under the general supervision of a physician; or

(5) A person participating in an externship as part of an approved medical assistant training program under the direct supervision of an on-site health care provider.

NEW SECTION. Sec. 11. Within existing resources, the secretary shall develop recommendations regarding a career path plan for medical assistants. The secretary shall consult with stakeholders, including, but not limited to, health care practitioner professional organizations, organizations representing health care workers, community colleges, career colleges, and technical colleges. The recommendations must include methods for including credit for prior learning. The purpose of the plan is to evaluate and map career paths for medical assistants and entry-level health care workers to transition by means of a career ladder into medical assistants or other health care professions. The recommendations must identify barriers to career advancement and career ladder training initiatives. The department shall report its recommendations to the legislature no later than December 15, 2012.

NEW SECTION. Sec. 12. An applicant with military training or experience satisfies the training or experience requirements of this chapter unless the secretary determines that the military training or experience is not substantially equivalent to the standards of this state.

Sec. 13. RCW 18.79.340 and 2003 c 258 s 2 are each amended to read as follows:

(1) "Nursing technician" means a nursing student employed in a hospital licensed under chapter 70.41 RCW, a clinic, or a nursing home licensed under chapter 18.51 RCW, who:

(a) Is currently enrolled in good standing in a nursing program approved by the commission and has not graduated; or

(b) Is a graduate of a nursing program approved by the commission who graduated:

(i) Within the past thirty days; or

(ii) Within the past sixty days and has received a determination from the secretary that there is good cause to continue the registration period, as defined by the secretary in rule.

(2) No person may practice or represent oneself as a nursing technician by use of any title or description of services without being registered under this chapter, unless otherwise exempted by this chapter.

(3) The commission may adopt rules to implement chapter 258, Laws of 2003.

Sec. 14. RCW 18.120.020 and 2010 c 286 s 14 are each amended to read as follows:

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

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be

regulated or which proposes to substantially increase the scope of practice of the profession.

(2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter 18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ophthalmologists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW; medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; health care assistants under chapter 18.135 RCW; massage practitioners under chapter 18.108 RCW; East Asian medicine practitioners licensed under chapter 18.06 RCW; persons registered under chapter 18.19 RCW; persons licensed as mental health counselors, marriage and family therapists, and social workers under chapter 18.225 RCW; dietitians and nutritionists certified by chapter 18.138 RCW; radiologic technicians under chapter 18.84 RCW; ~~(and)~~ nursing assistants registered or certified under chapter 18.88A RCW; and medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, and medical assistants- registered certified and registered under chapter 18.-- RCW (the new chapter created in section 19 of this act).

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include: (a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(9) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

Sec. 15. RCW 18.120.020 and 2012 c ... s 14 (section 14 of this act) are each amended to read as follows:

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

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be regulated or which proposes to substantially increase the scope of practice of the profession.

(2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter 18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ocularists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW; medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; ~~((health care assistants under chapter 18.135 RCW;))~~ massage practitioners under chapter 18.108 RCW; East Asian medicine practitioners licensed under chapter 18.06 RCW; persons registered under chapter 18.19 RCW; persons licensed as mental health

counselors, marriage and family therapists, and social workers under chapter 18.225 RCW; dietitians and nutritionists certified by chapter 18.138 RCW; radiologic technicians under chapter 18.84 RCW; nursing assistants registered or certified under chapter 18.88A RCW; and medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, and medical assistants-registered certified and registered under chapter 18.--- RCW (the new chapter created in section 19 of this act).

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include: (a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(9) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

Sec. 16. RCW 18.130.040 and 2011 c 41 s 11 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

(iv) Massage operators and businesses licensed under chapter 18.108 RCW;

(v) Dental hygienists licensed under chapter 18.29 RCW;

(vi) East Asian medicine practitioners licensed under chapter 18.06 RCW;

(vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates--advanced, and social work associates--independent clinical under chapter 18.225 RCW;

(xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified under chapter 18.88A RCW;

(xiii) Health care assistants certified under chapter 18.135 RCW;

(xiv) Dietitians and nutritionists certified under chapter 18.138 RCW;

(xv) Chemical dependency professionals and chemical dependency professional trainees certified under chapter 18.205 RCW;

(xvi) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

(xvii) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

(xviii) Denturists licensed under chapter 18.30 RCW;

(xix) Orthotists and prosthetists licensed under chapter 18.200 RCW;

(xx) Surgical technologists registered under chapter 18.215 RCW;

(xxi) Recreational therapists (~~(under chapter 18.230 RCW))~~ under chapter 18.230 RCW;

(xxii) Animal massage practitioners certified under chapter 18.240 RCW;

(xxiii) Athletic trainers licensed under chapter 18.250 RCW;

(xxiv) Home care aides certified under chapter 18.88B RCW; ~~(and)~~

(xxv) Genetic counselors licensed under chapter 18.290 RCW; and

(xxvi) Medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, and medical assistants-registered certified and registered under chapter 18.--- RCW (the new chapter created in section 19 of this act).

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW and licenses and registrations issued under chapter 18.260 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The board of pharmacy as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW; and

(xv) The board of naturopathy established in chapter 18.36A RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the Uniform Disciplinary Act, among the disciplining authorities listed in subsection (2) of this section.

Sec. 17. RCW 18.130.040 and 2012 c ... s 16 (section 16 of this act) are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

(iv) Massage operators and businesses licensed under chapter 18.108 RCW;

(v) Dental hygienists licensed under chapter 18.29 RCW;

(vi) East Asian medicine practitioners licensed under chapter 18.06 RCW;

(vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates--advanced, and social work associates--independent clinical under chapter 18.225 RCW;

(xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified under chapter 18.88A RCW;

~~(xiii) Health care assistants certified under chapter 18.135 RCW;~~

~~(xiv))~~ Dietitians and nutritionists certified under chapter 18.138 RCW;

~~((xv))~~ (xiv) Chemical dependency professionals and chemical dependency professional trainees certified under chapter 18.205 RCW;

~~((xvi))~~ (xv) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

~~((xvii))~~ (xvi) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

~~((xviii))~~ (xvii) Denturists licensed under chapter 18.30 RCW;

~~((xix))~~ (xviii) Orthotists and prosthetists licensed under chapter 18.200 RCW;

~~((xx))~~ (xix) Surgical technologists registered under chapter 18.215 RCW;

~~((xxi))~~ (xx) Recreational therapists under chapter 18.230 RCW;

~~((xxii))~~ (xxi) Animal massage practitioners certified under chapter 18.240 RCW;

~~((xxiii))~~ (xxii) Athletic trainers licensed under chapter 18.250 RCW;

~~((xxiv))~~ (xxiii) Home care aides certified under chapter 18.88B RCW;

~~((xxv))~~ (xxiv) Genetic counselors licensed under chapter 18.290 RCW; and

~~((xxvi))~~ (xxv) Medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, and medical assistants-registered certified and registered under chapter 18.--- RCW (the new chapter created in section 19 of this act).

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW and licenses and registrations issued under chapter 18.260 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The board of pharmacy as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW; and

(xv) The board of naturopathy established in chapter 18.36A RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the Uniform

Disciplinary Act, among the disciplining authorities listed in subsection (2) of this section.

Sec. 18. RCW 18.135.055 and 1996 c 191 s 83 are each amended to read as follows:

The health care facility or health care practitioner registering an initial or continuing certification pursuant to the provisions of this chapter shall comply with administrative procedures, administrative requirements, and fees determined by the secretary as provided in RCW 43.70.250 and 43.70.280. For the purposes of setting fees under this section, the secretary shall consider health care assistants and persons registered and certified under chapter 18.--- RCW (the new chapter created in section 19 of this act) as one profession.

All fees collected under this section shall be credited to the health professions account as required in RCW 43.70.320.

NEW SECTION. Sec. 19. Sections 1 through 12 of this act constitute a new chapter in Title 18 RCW.

NEW SECTION. Sec. 20. The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective July 1, 2016:

(1) RCW 18.135.010 (Practices authorized) and 2009 c 43 s 2, 2008 c 58 s 1, & 1984 c 281 s 1;

(2) RCW 18.135.020 (Definitions) and 2009 c 43 s 4, 2008 c 58 s 2, 2001 c 22 s 2, & 1997 c 133 s 1;

(3) RCW 18.135.025 (Rules--Legislative intent) and 1986 c 216 s 1;

(4) RCW 18.135.030 (Health care assistant profession--Duties--Requirements for certification--Rules) and 1999 c 151 s 201, 1994 sp.s. c 9 s 515, 1991 c 3 s 273, 1986 c 216 s 2, & 1984 c 281 s 4;

(5) RCW 18.135.035 (Requirements for certification--Military training or experience) and 2011 c 32 s 12;

(6) RCW 18.135.040 (Certification of health care assistants) and 2006 c 242 s 3 & 1984 c 281 s 3;

(7) RCW 18.135.050 (Certification by health care facility or practitioner--Roster--Recertification) and 1996 c 191 s 82, 1991 c 3 s 274, & 1984 c 281 s 5;

(8) RCW 18.135.055 (Registering an initial or continuing certification--Fees) and 2012 c ... s 18 (section 18 of this act), 1996 c 191 s 83, 1991 c 3 s 275, & 1985 c 117 s 1;

(9) RCW 18.135.060 (Conditions for performing authorized functions--Renal dialysis) and 2001 c 22 s 3, 2000 c 171 s 30, & 1993 c 13 s 1;

(10) RCW 18.135.062 (Renal dialysis training task force--Development of core competencies) and 2001 c 22 s 4;

(11) RCW 18.135.065 (Delegation--Duties of delegator and delegatee) and 2009 c 43 s 5, 2008 c 58 s 3, 1991 c 3 s 276, & 1986 c 216 s 4;

(12) RCW 18.135.070 (Complaints--Violations--Investigations--Disciplinary action) and 1993 c 367 s 11 & 1984 c 281 s 7;

(13) RCW 18.135.090 (Performance of authorized functions) and 1984 c 281 s 9;

(14) RCW 18.135.100 (Uniform Disciplinary Act) and 1993 c 367 s 12;

(15) RCW 18.135.110 (Blood-drawing procedures--Not prohibited by chapter--Requirements) and 2006 c 242 s 2; and

(16) RCW 18.135.120 (Administration of vaccines--Restrictions) and 2008 c 58 s 4.

NEW SECTION. Sec. 21. The secretary of health shall adopt any rules necessary to implement this act.

NEW SECTION. Sec. 22. Sections 1 through 12, 14, 16, and 18 of this act take effect July 1, 2013.

NEW SECTION. Sec. 23. Sections 15 and 17 of this act take effect July 1, 2016."

Correct the title.

Signed by Representatives Cody, Chair; Jinkins, Vice Chair; Schmick, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Bailey; Clibborn; Green; Harris; Kelley; Moeller and Van De Wege.

Referred to Committee on Health & Human Services Appropriations & Oversight.

February 21, 2012

ESSB 6251 Prime Sponsor, Committee on Judiciary: Regulating advertising of commercial sexual abuse of a minor. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

ESSB 6252 Prime Sponsor, Committee on Judiciary: Addressing commercial sexual abuse of a minor, promoting commercial sexual abuse of a minor, and promoting prostitution in the first degree. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6253 Prime Sponsor, Committee on Judiciary: Concerning seizure and forfeiture of property in commercial sexual abuse of a minor, promoting commercial sexual abuse of a minor, and promoting prostitution in the first degree crimes. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

ESB 6254 Prime Sponsor, Senator Delvin: Changing promoting prostitution provisions. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 9A.88.070 and 2007 c 368 s 13 are each amended to read as follows:

(1) A person is guilty of promoting prostitution in the first degree if he or she knowingly advances prostitution;

(a) By compelling a person by threat or force to engage in prostitution or profits from prostitution which results from such threat or force;

(b) By compelling a person with a mental incapacity or developmental disability that renders the person incapable of consent to engage in prostitution or profits from prostitution that results from such compulsion.

(2) Promoting prostitution in the first degree is a class B felony."

Correct the title.

Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

ESB 6255 Prime Sponsor, Senator Fraser: Concerning victims of human trafficking and promoting prostitution. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

SB 6256 Prime Sponsor, Senator Conway: Adding commercial sexual abuse of a minor to the list of criminal street gang-related offenses. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

ESB 6257 Prime Sponsor, Senator Roach: Addressing sexually explicit performance. (REVISED FOR ENGROSSED: Addressing a sexually explicit act.) Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 9.68A.101 and 2010 c 289 s 14 are each amended to read as follows:

(1) A person is guilty of promoting commercial sexual abuse of a minor if he or she knowingly advances commercial sexual abuse or a

sexually explicit act of a minor or profits from a minor engaged in sexual conduct or a sexually explicit act.

(2) Promoting commercial sexual abuse of a minor is a class A felony.

(3) For the purposes of this section:

(a) A person "advances commercial sexual abuse of a minor" if, acting other than as a minor receiving compensation for personally rendered sexual conduct or as a person engaged in commercial sexual abuse of a minor, he or she causes or aids a person to commit or engage in commercial sexual abuse of a minor, procures or solicits customers for commercial sexual abuse of a minor, provides persons or premises for the purposes of engaging in commercial sexual abuse of a minor, operates or assists in the operation of a house or enterprise for the purposes of engaging in commercial sexual abuse of a minor, or engages in any other conduct designed to institute, aid, cause, assist, or facilitate an act or enterprise of commercial sexual abuse of a minor.

(b) A person "profits from commercial sexual abuse of a minor" if, acting other than as a minor receiving compensation for personally rendered sexual conduct, he or she accepts or receives money or other property pursuant to an agreement or understanding with any person whereby he or she participates or will participate in the proceeds of commercial sexual abuse of a minor.

(c) A person "advances a sexually explicit act of a minor" if he or she causes or aids a sexually explicit act of a minor, procures or solicits customers for a sexually explicit act of a minor, provides persons or premises for the purposes of a sexually explicit act of a minor, or engages in any other conduct designed to institute, aid, cause, assist, or facilitate a sexually explicit act of a minor.

(d) A "sexually explicit act" is a public, private, or live photographed, recorded, or videotaped act or show intended to arouse or satisfy the sexual desires or appeal to the prurient interests of patrons and for which something of value is given or received.

(e) A "patron" is a person who pays or agrees to pay a fee to another person as compensation for a sexually explicit act of a minor or who solicits or requests a sexually explicit act of a minor in return for a fee.

(4) For purposes of this section, "sexual conduct" means sexual intercourse or sexual contact, both as defined in chapter 9A.44 RCW.

Sec. 2. RCW 9A.40.100 and 2011 c 111 s 1 are each amended to read as follows:

(1)(a) A person is guilty of trafficking in the first degree when:

(i) Such person:

(A) Recruits, harbors, transports, transfers, provides, obtains, or receives by any means another person knowing that force, fraud, or coercion as defined in RCW 9A.36.070 will be used to cause the person to engage in forced labor, involuntary servitude, a sexually explicit act, or a commercial sex act; or

(B) Benefits financially or by receiving anything of value from participation in a venture that has engaged in acts set forth in (a)(i)(A) of this subsection; and

(ii) The acts or venture set forth in (a)(i) of this subsection:

(A) Involve committing or attempting to commit kidnapping;

(B) Involve a finding of sexual motivation under RCW 9.94A.835;

(C) Involve the illegal harvesting or sale of human organs; or

(D) Result in a death.

(b) Trafficking in the first degree is a class A felony.

(2)(a) A person is guilty of trafficking in the second degree when such person:

(i) Recruits, harbors, transports, transfers, provides, obtains, or receives by any means another person knowing that force, fraud, or coercion as defined in RCW 9A.36.070 will be used to cause the person to engage in forced labor, involuntary servitude, a sexually explicit act, or a commercial sex act; or

(ii) Benefits financially or by receiving anything of value from participation in a venture that has engaged in acts set forth in (a)(i) of this subsection.

(b) Trafficking in the second degree is a class A felony.

(3) For purposes of this section, "sexually explicit act" means a public, private, or live photographed, recorded, or videotaped act or show intended to arouse or satisfy the sexual desires or appeal to the prurient interests of patrons."

Correct the title.

Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6258 Prime Sponsor, Committee on Judiciary: Concerning unaccompanied persons. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

2SSB 6263 Prime Sponsor, Committee on Ways & Means: Facilitating marine management planning. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.372.020 and 2010 c 145 s 3 are each amended to read as follows:

(1) The office of the governor shall chair a marine interagency team that is composed of representatives of each of the agencies in the governor's natural resources cabinet with management responsibilities for marine waters, including the independent agencies. A representative from a federal agency with lead responsibility for marine spatial planning must be invited to serve as a liaison to the team to help ensure consistency with federal actions and policy. The team must ~~((conduct the assessment authorized in section 4, chapter 145, Laws of 2010,))~~ assist state agencies under RCW 43.372.030 with the review and coordination of such planning with their existing and ongoing planning~~((;))~~ and conduct the marine management planning authorized in RCW 43.372.040.

(2) The team may not commence any activities authorized under RCW 43.372.030 and 43.372.040 until federal, private, or other ~~((nonstate))~~ funding is secured specifically for these activities.

Sec. 2. RCW 43.372.030 and 2010 c 145 s 5 are each amended to read as follows:

(1) ~~((Concurrently or prior to the assessment and planning activities provided in section 4, chapter 145, Laws of 2010 and RCW 43.372.040, and))~~ Subject to available federal, private, or other ~~((nonstate))~~ funding for this purpose, all state agencies with marine waters planning and management responsibilities are authorized to

include marine spatial data and marine spatial planning elements into their existing plans and ongoing planning.

(2) The director of the Puget Sound partnership under the direction of the leadership council created in RCW 90.71.220 must integrate marine spatial information and planning provisions into the action agenda. The information should be used to address gaps or improve the effectiveness of the spatial planning component of the action agenda, such as in addressing potential new uses such as renewable energy projects.

(3) The governor and the commissioner of public lands, working with appropriate marine management and planning agencies, should work cooperatively with the applicable west coast states, Canadian provinces, and with federal agencies, through existing cooperative entities such as the west coast governor's agreement on ocean health, the coastal and oceans task force, the Pacific coast collaborative, the Puget Sound federal caucus, and the United States and Canada cooperative agreement working group, to explore the benefits of developing joint marine spatial plans or planning frameworks in the shared waters of the Salish Sea, the Columbia river estuary, and in the exclusive economic zone waters. The governor and commissioner may approve the adoption of shared marine spatial plans or planning frameworks where they determine it would further policies of this chapter and chapter 43.143 RCW.

(4) On an ongoing basis, the director of the department of ecology shall work with other state agencies with marine management responsibilities, tribal governments, marine resources committees, local and federal agencies, and marine waters stakeholders to compile marine spatial information and to incorporate this information into ongoing plans. This work may be integrated with the comprehensive marine management plan authorized under RCW 43.372.040 when that planning process is initiated.

(5) All actions taken to implement this section must be consistent with RCW 43.372.060.

Sec. 3. RCW 43.372.040 and 2010 c 145 s 6 are each amended to read as follows:

(1) Upon the receipt of federal, private, or other ~~((nonstate))~~ funding for this purpose, ~~((together with any required match of state funding that may be specifically provided for this purpose,))~~ the marine interagency team shall coordinate the development of a comprehensive marine management plan for the state's marine waters. The marine management plan must include marine spatial planning, as well as recommendations to the appropriate federal agencies regarding the exclusive economic zone waters.

(2) The comprehensive marine management plan may be developed in geographic segments, and may incorporate or be developed as an element of existing marine plans, such as the Puget Sound action agenda. If the team exercises the option to develop the comprehensive marine management plan in geographic segments, it may proceed with development and adoption of marine management plans for these geographic segments on different schedules.

(3) The chair of the team may designate a state agency with marine management responsibilities to take the lead in developing and recommending to the team particular segments or elements of the comprehensive marine management plan.

~~((2))~~ (4) The marine management plan must be developed and implemented in a manner that:

(a) Recognizes and respects existing uses and tribal treaty rights;

(b) Promotes protection and restoration of ecosystem processes to a level that will enable long-term sustainable production of ecosystem goods and services;

(c) Addresses potential impacts of climate change and sea level rise upon current and projected marine waters uses and shoreline and coastal impacts;

(d) Fosters and encourages sustainable uses that provide economic opportunity without significant adverse environmental impacts;

(e) Preserves and enhances public access;

(f) Protects and encourages working waterfronts and supports the infrastructure necessary to sustain marine industry, commercial shipping, shellfish aquaculture, and other water-dependent uses;

(g) Fosters public participation in decision making and significant involvement of communities adjacent to the state's marine waters; and

(h) Integrates existing management plans and authorities and makes recommendations for aligning plans to the extent practicable.

~~((3))~~ (5) To ensure the effective stewardship of the state's marine waters held in trust for the benefit of the people, the marine management plan must rely upon existing data and resources, but also identify data gaps and, as possible, procure missing data necessary for planning.

~~((4))~~ (6) The marine management plan must include but not be limited to:

(a) An ecosystem assessment that analyzes the health and status of Washington marine waters including key social, economic, and ecological characteristics and incorporates the best available scientific information, including relevant marine data. This assessment should seek to identify key threats to plan goals, analyze risk and management scenarios, and develop key ecosystem indicators. In addition, the plan should incorporate existing adaptive management strategies underway by local, state, or federal entities and provide an adaptive management element to incorporate new information and consider revisions to the plan based upon research, monitoring, and evaluation;

(b) Using and relying upon existing plans and processes and additional management measures to guide decisions among uses proposed for specific geographic areas of the state's marine and estuarine waters consistent with applicable state laws and programs that control or address developments in the state's marine waters;

(c) A series of maps that, at a minimum, summarize available data on: The key ecological aspects of the marine ecosystem, including physical and biological characteristics, as well as areas that are environmentally sensitive or contain unique or sensitive species or biological communities that must be conserved and warrant protective measures; human uses of marine waters, particularly areas with high value for fishing, shellfish aquaculture, recreation, and maritime commerce; and appropriate locations with high potential for renewable energy production with minimal potential for conflicts with other existing uses or sensitive environments;

(d) An element that sets forth the state's recommendations to the federal government for use priorities and limitations, siting criteria, and protection of unique and sensitive biota and ocean floor features within the exclusive economic zone waters consistent with the policies and management criteria contained in this chapter and chapter 43.143 RCW;

(e) An implementation strategy describing how the plan's management measures and other provisions will be considered and implemented through existing state and local authorities; and

(f) A framework for coordinating state agency and local government review of proposed renewable energy development uses requiring multiple permits and other approvals that provide for the timely review and action upon renewable energy development proposals while ensuring protection of sensitive resources and minimizing impacts to other existing or projected uses in the area.

~~((5))~~ (7) If the director of the department of fish and wildlife determines that a fisheries management element is appropriate for inclusion in the marine management plan, this element may include the incorporation of existing management plans and procedures and standards for consideration in adopting and revising fisheries management plans in cooperation with the appropriate federal agencies and tribal governments.

~~((6))~~ (8) Any provision of the marine management plan that does not have as its primary purpose the management of commercial or recreational fishing but that has an impact on this fishing must

minimize the negative impacts on the fishing. The team must accord substantial weight to recommendations from the director of the department of fish and wildlife for plan revisions to minimize the negative impacts.

~~((7))~~ (9) The marine management plan must recognize and value existing uses. All actions taken to implement this section must be consistent with RCW 43.372.060.

~~((8))~~ (10) The marine management plan must identify any provisions of existing management plans that are substantially inconsistent with the plan.

~~((9))~~ (11)(a) In developing the marine management plan, the team shall implement a strong public participation strategy that seeks input from throughout the state and particularly from communities adjacent to marine waters. Public review and comment must be sought and incorporated with regard to planning the scope of work as well as in regard to significant drafts of the plan and plan elements.

(b) The team must engage tribes and marine resources committees in its activities throughout the planning process. In particular, prior to finalizing the plan, the team must provide each tribe and marine resources committee with a draft of the plan and invite them to review and comment on the plan.

~~((10) The team must complete the plan within twenty four months of the initiation of planning under this section.~~

~~((11))~~ (12) The director of the department of ecology shall submit the completed marine management plan to the appropriate federal agency for its review and approval for incorporation into the state's federally approved coastal zone management program.

~~((12))~~ (13) Subsequent to the adoption of the marine management plan, the team may periodically review and adopt revisions to the plan to incorporate new information and to recognize and incorporate provisions in other marine management plans. The team must afford the public an opportunity to review and comment upon significant proposed revisions to the marine management plan.

Sec. 4. RCW 43.372.070 and 2011 c 250 s 2 are each amended to read as follows:

(1) The marine resources stewardship trust account is created in the state treasury. All receipts from income derived from the investment of amounts credited to the account, any grants, gifts, or donations to the state for the purposes of marine management planning, marine spatial planning, data compilation, research, or monitoring, and any appropriations made to the account must be deposited in the account. Moneys in the account may be spent only after appropriation.

(2) Expenditures from the account may only be used for the purposes of marine management planning, marine spatial planning, research, monitoring, and implementation of the marine management plan ~~(, and for the restoration or enhancement of marine habitat or resources).~~

~~(3) (When moneys are deposited into the marine resources stewardship trust account, the governor must provide recommendations on expenditures from the account to the appropriate committees of the legislature prior to the next regular legislative session. The recommended projects and activities must be consistent with:~~

~~—(a) The allowable uses of the marine resources stewardship trust account; and~~

~~—(b) The priority areas identified in.)~~ Until July 1, 2016, expenditures from the account may only be used for the purposes of:

(a) Conducting ecosystem assessment and mapping activities in marine waters consistent with RCW 43.372.040(6) (a) and (c), with a focus on assessment and mapping activities related to marine resource uses and developing potential economic opportunities;

(b) Developing a marine management plan for the state's coastal waters as that term is defined in RCW 43.143.020; and

(c) Coordination under the west coast governors' agreement on ocean health, entered into on September 18, 2006, (and recognized in

~~section 1, chapter 250, Laws of 2011))~~ and other regional planning efforts consistent with RCW 43.372.030.

NEW SECTION. Sec. 5. A new section is added to chapter 43.143 RCW to read as follows:

(1)(a) The Washington state coastal solutions council is established in the executive office of the governor to fulfill the duties established in section 6 of this act. The council is composed of the following nonvoting members:

- (i) The governor or the governor's designee;
- (ii) The director or commissioner, or the director's or commissioner's designee, of the following agencies:
 - (A) The department of ecology;
 - (B) The department of natural resources;
 - (C) The department of fish and wildlife;
 - (D) The state parks and recreation commission; and
 - (E) The department of commerce.

(b) The following members of the coastal advisory body on ocean policy formed by the department of ecology in December 2011 are the initial voting members of the council:

- (i) A citizen from a coastal community;
- (ii) Two representatives from commercial fishing associations;
- (iii) A representative from a coastal conservation group;
- (iv) A representative from a coastal economic development group;
- (v) A representative from an educational institution;
- (vi) A person representing recreation;
- (vii) A representative from a recreational fishing organization;
- (viii) A person representing shellfish aquaculture;
- (ix) A representative from the shipping industry;
- (x) A representative from a science organization; and
- (xi) A representative from each outer coast marine resources committee, to be selected by the marine resources committee.

(c) The council must adopt bylaws addressing future membership of the council as well as how vacancies in the membership will be filled.

(d) The council must adopt bylaws addressing future membership of the coastal advisory body on ocean policy as well as how vacancies in the membership will be filled.

(2) The council may invite state, tribal, local governments, and federal agencies with responsibility for the study and management of ocean resources or regulation of ocean activities to designate a liaison to the council to attend council meetings, respond to council requests for technical and policy information, and review any draft materials prepared by the council. The council may also invite representatives from other coastal states or Canadian provinces to participate when appropriate as nonvoting members.

(3) A voting member identified under subsection (1)(b) of this section must serve as the chair of the council. The term of the chair is one year. The initial chair of the council must be nominated and elected by a majority of voting councilmembers at the first meeting of the council. The chair's term begins on the effective date of this section. At the expiration of each chair's term, the next chair must be nominated and elected by a majority of voting councilmembers. The agenda for each meeting must be developed as a collaborative process by voting and nonvoting members.

(4) The council shall utilize a consensus approach to decision making among voting and nonvoting members. The council may put a decision to a vote among voting members only, in the event that consensus cannot be reached. The council must include in its bylaws guidelines describing how consensus works and when a lack of consensus among councilmembers will trigger a vote by voting members only.

(5) If nonstate funding is secured, the council may hire a neutral convener to assist it in the performance of its duties, including but not limited to establishing bylaws and setting meeting agenda.

(6) The department of ecology shall provide administrative and staff support for the council.

(7) The council shall meet at least twice each year.

(8) A majority of the voting members of the council constitutes a quorum for the transaction of business.

(9) The term of office of each member appointed by the governor, or the governing body of a county, is four years. Members are eligible for reappointment.

NEW SECTION. Sec. 6. A new section is added to chapter 43.143 RCW to read as follows:

The duties of the Washington state coastal solutions council created in section 5 of this act are to:

(1) Serve as a forum for communication in order to seek consistency in state, local, and tribal policies concerning marine waters issues, including issues relating to resource management, fisheries, shellfish aquaculture, marine and coastal hazards, ocean energy, and marine waters research and education issues;

(2) Serve as a point of contact for, and collaborate with, the federal government, regional entities, and other state governments, regarding marine waters issues;

(3) Provide a forum to discuss marine waters resource policy, planning, and management issues, and, when appropriate, mediate disagreements;

(4) Serve as an interagency resource to respond to issues facing coastal communities and marine waters resources in a collaborative manner;

(5) Identify and pursue public and private funding opportunities for the programs and activities of the council, and for relevant programs and activities of member entities;

(6) Provide policy recommendations to the governor, the legislature, and state and local agencies on specific marine waters resource management issues including:

(a) Principles and standards required for emerging new marine uses;

(b) Data gaps and opportunities for scientific research addressing coastal needs and concerns;

(c) Implementation of Washington's ocean action plan 2006;

(d) Development and implementation of coast-wide goals and strategies including marine spatial planning; and

(e) A coastal perspective regarding cross-boundary marine issues;

(7) Establish bylaws based on existing documents of the coastal advisory body on ocean policy referred to under section 5(1)(b) of this act."

Correct the title.

Signed by Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys; Dunshee; Finn; Hinkle; Kretz; Lytton; Orcutt; Pettigrew and Van De Wege.

Referred to Committee on General Government Appropriations & Oversight.

February 21, 2012

ESSB 6280 Prime Sponsor, Committee on Judiciary: Concerning crimes against pharmacies. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Referred to Committee on General Government Appropriations & Oversight.

February 21, 2012

SB 6289 Prime Sponsor, Senator Rolfes: Facilitating self-employment training. Reported by Committee on Labor & Workforce Development

MAJORITY recommendation: Do pass. Signed by Representatives Sells, Chair; Reykdal, Vice Chair; Shea, Assistant Ranking Minority Member; Green; Kenney; Miloscia; Moeller; Ormsby; Roberts and Warnick.

MINORITY recommendation: Do not pass. Signed by Representatives Condotta, Ranking Minority Member and Taylor.

Passed to Committee on Rules for second reading.

February 21, 2012

ESB 6296 Prime Sponsor, Senator Harper: Modifying background check provisions. Reported by Committee on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass. Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Passed to Committee on Rules for second reading.

February 21, 2012

ESSB 6312 Prime Sponsor, Committee on Agriculture, Water & Rural Economic Development: Promoting job creation by ensuring access to human domestic water for home construction. (REVISED FOR ENGROSSED: Promoting job creation by ensuring access to domestic water for home construction.) Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 90.44 RCW to read as follows:

(1) Each parcel of property that is located within a closed Skagit river subbasin is entitled to the withdrawal of public groundwater in an amount not exceeding three hundred fifty gallons per day per dwelling unit if the dwelling:

(a) Utilizes an on-site septic system for wastewater management;

(b) Is unable to practicably receive a water supply from a public water system pursuant to RCW 43.20.260 and 70.116.030;

(c) Satisfies the mitigation requirements of section 2 of this act;

(d) Complies with all county ordinances and project approval conditions and requirements;

(e) Complies with any local jurisdiction provisions that require proof that water is physically available and that it meets all applicable water quality standards; and

(f) Is on a legal lot of record that was in existence prior to the effective date of this section.

(2) To the extent groundwater withdrawn under the authority established in this section is regularly used beneficially, that dwelling

is entitled to a right equal to that established by a permit issued under the provisions of this chapter.

(3) Groundwater withdrawn under the authority established in this section must be limited to permit exempt domestic uses, as that term applies to the administration of RCW 90.44.050.

NEW SECTION. Sec. 2. A new section is added to chapter 90.44 RCW to read as follows:

(1)(a) The owner of any parcel located in a closed Skagit river subbasin must, prior to any groundwater withdrawals authorized by section 1 of this act, initiate the implementation of an environmental mitigation plan that has been approved by the department as resulting in no net loss of water to the hydraulic system of the Skagit river basin.

(b) The mitigation plan must be designed to offset the impacts to stream flows caused by the groundwater withdrawal authorized by section 1 of this act. The mitigation plan must quantify the expected impacts on stream flows and must include the protection of and, where possible, the enhancement of instream flows in the Skagit river basin by:

- (i) Acquiring water rights;
- (ii) Incentivizing water conservation and low-impact development practices; and
- (iii) Promoting any other instream flow enhancement projects, including but not limited to collection, retention, and release of rainwater, constructing ponds, wetlands, and other water impoundments, and storm water infiltration.

(c) The applicant for mitigation plan approval must also identify the sources of funding or funding commitments necessary to implement the mitigation plan.

(2)(a) The responsibility for developing the mitigation plan and funding its implementation belongs to the owner of the property subject to the mitigation plan. However, nothing in this section prohibits a county or public utility district from contributing public funds for the development and implementation of a mitigation plan under this section. Any commitment of public funds by a county or public utility district must be identified in the mitigation plan submitted to the department for approval.

(b) For property owners located in the Skagit river basin who applied for a building permit with the county applicable to the property where groundwater withdrawals are intended under section 1 of this act prior to the effective date of this section only, the development and implementation of a mitigation plan submitted for approval under this section may be funded, in part or in whole, by state capital budget funding.

Sec. 3. RCW 90.44.035 and 2000 c 98 s 2 are each amended to read as follows:

For purposes of this chapter:

- (1) "Department" means the department of ecology;
- (2) "Director" means the director of ecology;
- (3) "Groundwaters" means all waters that exist beneath the land surface or beneath the bed of any stream, lake or reservoir, or other body of surface water within the boundaries of this state, whatever may be the geological formation or structure in which such water stands or flows, percolates or otherwise moves. There is a recognized distinction between natural groundwater and artificially stored groundwater;
- (4) "Natural groundwater" means water that exists in underground storage owing wholly to natural processes;
- (5) "Artificially stored groundwater" means water that is made available in underground storage artificially, either intentionally, or incidentally to irrigation and that otherwise would have been dissipated by natural processes; ~~((and))~~
- (6) "Underground artificial storage and recovery project" means any project in which it is intended to artificially store water in the ground through injection, surface spreading and infiltration, or other department-approved method, and to make subsequent use of the

stored water. However, (a) this subsection does not apply to irrigation return flow, or to operational and seepage losses that occur during the irrigation of land, or to water that is artificially stored due to the construction, operation, or maintenance of an irrigation district project, or to projects involving water reclaimed in accordance with chapter 90.46 RCW; and (b) RCW 90.44.130 applies to those instances of claimed artificial recharge occurring due to the construction, operation, or maintenance of an irrigation district project or operational and seepage losses that occur during the irrigation of land, as well as other forms of claimed artificial recharge already existing at the time a groundwater subarea is established; and

(7) "Skagit river basin" means water resources inventory areas numbers 3 and 4 established under chapter 173-500 WAC as it existed on the effective date of this section.

(8) "Closed Skagit river subbasin" means a subbasin of the Skagit river basin that has been administratively closed to new groundwater withdrawals by the department pursuant to chapter 173-503 WAC.

Sec. 4. RCW 90.44.050 and 2003 c 307 s 1 are each amended to read as follows:

After June 6, 1945, no withdrawal of public groundwaters of the state shall be begun, nor shall any well or other works for such withdrawal be constructed, unless an application to appropriate such waters has been made to the department and a permit has been granted by it as herein provided: EXCEPT, HOWEVER, That any withdrawal of public groundwaters for stock-watering purposes, or for the watering of a lawn or of a noncommercial garden not exceeding one-half acre in area, or for single or group domestic uses in an amount not exceeding five thousand gallons a day, or as provided in RCW 90.44.052 or section 1 of this act, or for an industrial purpose in an amount not exceeding five thousand gallons a day, is and shall be exempt from the provisions of this section, but, to the extent that it is regularly used beneficially, shall be entitled to a right equal to that established by a permit issued under the provisions of this chapter: PROVIDED, HOWEVER, That the department from time to time may require the person or agency making any such small withdrawal to furnish information as to the means for and the quantity of that withdrawal: PROVIDED, FURTHER, That at the option of the party making withdrawals of groundwaters of the state not exceeding five thousand gallons per day, applications under this section or declarations under RCW 90.44.090 may be filed and permits and certificates obtained in the same manner and under the same requirements as is in this chapter provided in the case of withdrawals in excess of five thousand gallons a day.

Sec. 5. RCW 90.44.050 and 2003 c 307 s 1 are each amended to read as follows:

(1) After June 6, 1945, no withdrawal of public groundwaters of the state shall be begun, nor shall any well or other works for such withdrawal be constructed, unless an application to appropriate such waters has been made to the department and a permit has been granted by it as herein provided: EXCEPT, HOWEVER, That any withdrawal of public groundwaters for stock-watering purposes, or for the watering of a lawn or of a noncommercial garden not exceeding one-half acre in area, or for single or group domestic uses in an amount not exceeding five thousand gallons a day, or as provided in RCW 90.44.052, or for an industrial purpose in an amount not exceeding five thousand gallons a day, is and shall be exempt from the provisions of this section, but, to the extent that it is regularly used beneficially, shall be entitled to a right equal to that established by a permit issued under the provisions of this chapter: PROVIDED, HOWEVER, That the department from time to time may require the person or agency making any such small withdrawal to furnish information as to the means for and the quantity of that withdrawal: PROVIDED, FURTHER, That at the option of the party making withdrawals of groundwaters of the state not exceeding five thousand gallons per day, applications under this section or declarations under RCW 90.44.090 may be filed and permits and

certificates obtained in the same manner and under the same requirements as is in this chapter provided in the case of withdrawals in excess of five thousand gallons a day.

(2)(a) The department may not require withdrawals of groundwater to be metered or measured for wells authorized under the provisions of this section constructed prior to the effective date of this section for single or group domestic uses that do not exceed withdrawals of five thousand gallons a day.

(b) This subsection does not apply to wells the department has required to be metered or measured as of the effective date of this section.

NEW SECTION. Sec. 6. The provisions of this act override any conflicting provisions contained in chapter 173-503 WAC as it existed on the effective date of this section."

Correct the title.

Signed by Representatives Blake, Chair; Stanford, Vice Chair; Dunshee; Finn; Lytton; Pettigrew and Van De Wege.

MINORITY recommendation: Do not pass. Signed by Representatives Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys; Hinkle; Kretz and Orcutt.

Referred to Committee on Capital Budget.

February 20, 2012

SSB 6315 Prime Sponsor, Committee on Financial Institutions, Housing & Insurance: Concerning the fair tenant screening act. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Chandler; Hansen; Kirby; Nealey; Orwall; Rivers and Roberts.

MINORITY recommendation: Do not pass. Signed by Representatives Shea, Assistant Ranking Minority Member and Klippert.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 6328 Prime Sponsor, Committee on Human Services & Corrections: Authorizing creation of a retired active license for mental health professionals. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

On page 1, beginning on line 10, after "clinical social workers" strike all material through "license" on line 14

Signed by Representatives Cody, Chair; Jinkins, Vice Chair; Schmick, Ranking Minority Member; Bailey; Clibborn; Green; Harris; Kelley; Moeller and Van De Wege.

MINORITY recommendation: Do not pass. Signed by Representative Hinkle, Assistant Ranking Minority Member.

Passed to Committee on Rules for second reading.

February 20, 2012

ESSB 6355

Prime Sponsor, Committee on Economic Development, Trade & Innovation: Concerning associate development organizations. Reported by Committee on Community & Economic Development & Housing

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.330.080 and 2011 c 286 s 2 are each amended to read as follows:

~~((In carrying out its obligations under RCW 43.330.070,)) (1)(a) The department must ((provide business services training to and)) contract with county-designated associate development organizations to increase the support for and coordination of community and economic development services in communities or regional areas. ((The business services training provided to the organizations contracted with must include, but need not be limited to, training in the fundamentals of export assistance and the services available from private and public export assistance providers in the state. The organizations contracted within each community or regional area must work closely with the department to carry out state-identified economic development priorities and must be broadly representative of community and economic interests. The organization must)) The contracting organizations in each community or regional area must:~~

(i) Be broadly representative of community and economic interests;

(ii) Be capable of identifying key economic and community development problems, developing appropriate solutions, and mobilizing broad support for recommended initiatives((-- The contracting organization must));

(iii) Work closely with the department to carry out state-identified economic development priorities;

(iv) Work with and include local governments, local chambers of commerce, workforce development councils, port districts, labor groups, institutions of higher education, community action programs, and other appropriate private, public, or nonprofit community and economic development groups;_____ and

(v) Meet and share best practices with other associate development organizations at least two times each year.

(b) The scope of services delivered under ((these)) the contracts required in (a) of this subsection must include two broad areas of work:

~~((+)) (i) Direct assistance, including business planning, to companies throughout the county who need support to stay in business, expand, or relocate to Washington from out of state or other countries. Assistance must comply with business recruitment and retention protocols established in RCW 43.330.062, and includes:~~

~~((a)) (A) Working with the appropriate partners throughout the county(;) including, but not limited to, local governments, workforce development councils, port districts, community and technical colleges and higher education institutions, export assistance providers, ((the Washington manufacturing services)) impact Washington, the Washington state quality award council, small business assistance programs, innovation partnership zones, and other federal, state, and local programs to facilitate the alignment of planning efforts and the seamless delivery of business support services within the entire county;~~

~~((b)) (B) Providing information on state and local permitting processes, tax issues, export assistance, and other essential information for operating, expanding, or locating a business in Washington;~~

~~((c)) (C) Marketing Washington and local areas as excellent locations to expand or relocate a business and positioning Washington as a globally competitive place to grow business, which may include~~

developing and executing regional plans to attract companies from out of state;

~~((d))~~ (D) Working with businesses on site location and selection assistance;

~~((e))~~ (E) Providing business retention and expansion services throughout the county(~~,- including~~). Such services must include, but are not limited to, business outreach and monitoring efforts to identify and address challenges and opportunities faced by businesses, assistance to trade impacted businesses in applying for grants from the federal trade adjustment assistance for firms program, and the provision of information to businesses on:

(I) Resources available for microenterprise development;

(II) Resources available on the revitalization of commercial districts; and

(III) The opportunity to maintain jobs through shared work programs authorized under chapter 50.60 RCW;

~~((f))~~ (F) Participating in economic development system-wide discussions regarding gaps in business start-up assistance in Washington;

~~((g))~~ (G) Providing or facilitating the provision of export assistance through workshops or one-on-one assistance; and

(H) Using a web-based information system to track data on business recruitment, retention, expansion, and trade; and

~~((z))~~ (i) Support for regional economic research and regional planning efforts to implement target industry sector strategies and other economic development strategies, including cluster-based strategies(~~,- that support increased living standards and increase foreign direct investment throughout Washington~~). Research and planning efforts should support increased living standards and increased foreign direct investment, and be aligned with the statewide economic development strategy. Regional associate development organizations retain their independence to address local concerns and goals. Activities include:

~~((a) Participation)~~ (A) Participating in regional planning efforts with workforce development councils involving coordinated strategies around workforce development and economic development policies and programs. Coordinated planning efforts must include, but not be limited to, assistance to industry clusters in the region;

~~((b) Participation between the contracting organization and)~~ (B) Participating with the state board for community and technical colleges as created in RCW 28B.50.050, and any community and technical colleges in (~~providing for~~) the coordination of the job skills training program and the customized training program within its region;

~~((c))~~ (C) Collecting and reporting data as specified by the contract with the department for statewide systemic analysis. The department must consult with the Washington state economic development commission in the establishment of such uniform data as is needed to conduct a statewide systemic analysis of the state's economic development programs and expenditures. In cooperation with other local, regional, and state planning efforts, contracting organizations may provide insight into the needs of target industry clusters, business expansion plans, early detection of potential relocations or layoffs, training needs, and other appropriate economic information;

~~((d))~~ (D) In conjunction with other governmental jurisdictions and institutions, participate in the development of a countywide economic development plan, consistent with the state comprehensive plan for economic development developed by the Washington state economic development commission.

(2) The department must provide business services training to the contracting organizations, including but not limited to:

(a) Training in the fundamentals of export assistance and the services available from private and public export assistance providers in the state; and

(b) Training in the provision of business retention and expansion services as required by subsection (1)(b)(i)(E) of this section.

Sec. 2. RCW 43.330.082 and 2011 c 286 s 3 are each amended to read as follows:

(1)(a) Contracting associate development organizations must provide the department with measures of their performance and a summary of best practices shared and implemented by the contracting organizations. Annual reports must include ~~((information on the impact of the contracting organization on employment, wages, tax revenue, and capital investment. Specific measures must be developed in the contracting process between the department))~~ the following information to show the contracting organization's impact on employment and overall changes in employment: Current employment and economic information for the community or regional area produced by the employment security department; the net change from the previous year's employment and economic information using data produced by the employment security department; other relevant information on the community or regional area; the amount of funds received by the contracting organization through its contract with the department; the amount of funds received by the contracting organizations through all sources; and the contracting organization's impact on employment through all funding sources. Annual reports may include the impact of the contracting organization on wages, exports, tax revenue, small business creation, foreign direct investment, business relocations, expansions, terminations, and capital investment. Data must be input into a common web-based business information system managed by the department. Specific measures, data standards, and data definitions must be developed in the contracting process between the department, the economic development commission, and the contracting organization every two years. Except as provided in (b) of this subsection, performance measures should be consistent across regions to allow for statewide evaluation.

(b) In addition to the measures required in (a) of this subsection, contracting associate development organizations in counties with a population greater than one million five hundred thousand persons must include the following measures in reports to the department:

(i) The number of small businesses that received retention and expansion services, and the outcome of those services;

(ii) The number of businesses located outside of the boundaries of the largest city within the contracting associate development organization's region that received recruitment, retention, and expansion services, and the outcome of those services.

(2)(a) The department and contracting associate development organizations must agree upon specific target levels for the performance measures in subsection (1) of this section. Comparison of agreed thresholds and actual performance must occur annually.

(b) Contracting organizations that fail to achieve the agreed performance targets in more than one-half of the agreed measures must develop remediation plans to address performance gaps. The remediation plans must include revised performance thresholds specifically chosen to provide evidence of progress in making the identified service changes.

(c) Contracts and state funding must be terminated for one year for organizations that fail to achieve the agreed upon progress toward improved performance defined under (b) of this subsection. During the year in which termination for nonperformance is in effect, organizations must review alternative delivery strategies to include reorganization of the contracting organization, merging of previous efforts with existing regional partners, and other specific steps toward improved performance. At the end of the period of termination, the department may contract with the associate development organization or its successor as it deems appropriate.

(3) The department must submit a preliminary report to the Washington economic development commission by September 1st of each even-numbered year, and a final report to the legislature and the

Washington economic development commission by December 31st of each even-numbered year on the performance results of the contracts with associate development organizations.

(4) Contracting associate development organizations must provide the Washington state economic development commission with information to be used in the comprehensive statewide economic development strategy and progress report due under RCW 43.162.020, by the date determined by the commission.

Sec. 3. RCW 43.162.020 and 2011 c 311 s 5 are each amended to read as follows:

(1) The commission must concentrate its major efforts on strategic planning, policy research and analysis, advocacy, evaluation, and promoting coordination and collaboration.

(2) During each regular legislative session, the commission must consult with appropriate legislative committees about the state's economic development needs and opportunities.

(3)(a) By October 1st of each even-numbered year, the commission must submit to the governor and legislature a biennial comprehensive statewide economic development strategy with a report on progress from the previous comprehensive strategy.

(b) The comprehensive statewide economic development strategy must include the industry clusters in the state and the strategic clusters targeted by the commission for economic development efforts. The commission must consult with the workforce training and education coordinating board and include labor market and economic information by the employment security department in developing the list of clusters and strategic clusters that meet the criteria identified by the working group convened by the economic development commission and the workforce training and education coordinating board under chapter 43.330 RCW.

(4)(a) In developing the comprehensive statewide economic development strategy, the commission must use, but may not be limited to: Economic, labor market, and populations trend reports in office of financial management forecasts; the annual state economic climate report prepared by the economic climate council; joint office of financial management and employment security department labor force, industry employment, and occupational forecasts; the results of scientifically based outcome evaluations; the needs of industry associations, industry clusters, businesses, and employees as evidenced in formal surveys and other input.

(b) The comprehensive statewide economic development strategy may include:

(i) An assessment of the state's economic vitality;

(ii) Recommended goals, objectives, and priorities for the next biennium, and the future;

(iii) A common set of outcomes and benchmarks for the economic development system as a whole;

(iv) Recommendations for removing barriers and promoting collaboration among participants in the innovation ecosystem;

(v) An inventory of existing relevant programs compiled by the commission from materials submitted by agencies;

(vi) Recommendations for expanding, discontinuing, or redirecting existing programs, or adding new programs; and

(vii) Recommendations of best practices and public and private sector roles in implementing the comprehensive statewide economic development strategy.

(c) The report on progress from the previous comprehensive strategy must include information provided by associate development organizations as requested by the commission. The commission may include recommendations for associate development organizations in the report on progress or in the comprehensive statewide economic development strategy.

(5) In developing the biennial statewide economic development strategy, plans, inventories, assessments, and policy research, the commission must consult, collaborate, and coordinate with relevant state agencies, private sector businesses, nonprofit organizations

involved in economic development, trade associations, associate development organizations, and relevant local organizations in order to avoid duplication of effort.

(6) State agencies and associate development organizations must cooperate with the commission and provide information as the commission may reasonably request.

(7) The commission must develop a biennial budget request for approval by the office of financial management. The commission must adopt an annual budget and work plan in accordance with the omnibus appropriations bill approved by the legislature.

(8)(a) The commission and its fiscal agent must jointly develop and adopt a memorandum of understanding to outline and establish clear lines of authority and responsibility between them related to budget and administrative services.

(b) The memorandum of understanding may not provide any additional grant of authorities to the commission or the fiscal agent that is not already provided for by statute, nor diminish any authorities or powers granted to either party by statute.

(c) Periodically, but not less often than biannually, the commission and fiscal agent must review the memorandum of understanding and, if necessary, recommend changes to the other party.

(d) As provided generally under RCW 43.162.015, the executive director of the commission must report solely to the governor and the commissioners on matters pertaining to commission operations.

(9) To maintain its objectivity and concentration on strategic planning, policy research and analysis, and evaluation, the commission may not take an administrative role in the delivery of services. However, subject to available resources and consistent with its work plan, the commission or the executive director may conduct outreach activities such as regional forums and best practices seminars.

(10) The commission must evaluate its own performance on a regular basis.

(11) The commission may accept gifts, grants, donations, sponsorships, or contributions from any federal, state, or local governmental agency or program, or any private source, and expend the same for any purpose consistent with this chapter."

Correct the title.

Signed by Representatives Kenney, Chair; Finn, Vice Chair; Smith, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Ahern; Maxwell; Ryu; Santos and Walsh.

Passed to Committee on Rules for second reading.

February 21, 2012

SB 6385

Prime Sponsor, Senator Parlette: Extending the tenure of the habitat and recreation lands coordinating group. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys; Dunshee; Finn; Hinkle; Kretz; Lytton; Orcutt; Pettigrew and Van De Wege.

Passed to Committee on Rules for second reading.

February 21, 2012

ESSB 6392

Prime Sponsor, Committee on Labor, Commerce & Consumer Protection: Establishing a farm internship program. Reported by Committee on Labor & Workforce Development

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 49.12 RCW to read as follows:

(1) The director shall establish a farm internship pilot project until December 1, 2017, for the employment of farm interns on small farms under special certificates at wages, if any, as authorized by the department and subject to such limitations as to time, number, proportion, and length of service as provided in this section and as prescribed by the department. The pilot project consists of the following counties: San Juan, Skagit, King, Whatcom, Kitsap, Pierce, Jefferson, Spokane, Yakima, Chelan, Grant, Kittitas, Lincoln, Okanogan, and Thurston.

(2) A small farm may employ no more than three interns at one time under this section.

(3) A small farm must apply for a special certificate on a form made available by the director. The application must set forth: The name of the farm and a description of the farm seeking the certificate; the type of work to be performed by a farm intern; a description of the internship program; the period of time for which the certificate is sought and the duration of an internship; the number of farm interns for which a special certificate is sought; the wages, if any, that will be paid to the farm intern; any room and board, stipends, and other remuneration the farm will provide to a farm intern; and the total number of workers employed by the farm.

(4) Upon receipt of an application, the department shall review the application and issue a special certificate to the requesting farm within fifteen days if the department finds that:

(a) The farm qualifies as a small farm;

(b) There have been no serious violations of chapter 49.46 RCW or Title 51 RCW that provide reasonable grounds to believe that the terms of an internship agreement may not be complied with;

(c) The issuance of a certificate will not create unfair competitive labor cost advantages nor have the effect of impairing or depressing wage or working standards established for experienced workers for work of a like or comparable character in the industry or occupation at which the intern is to be employed;

(d) A farm intern will not displace an experienced worker; and

(e) The farm demonstrates that the interns will perform work for the farm under an internship program that: (i) Provides a curriculum of learning modules and supervised participation in farm work activities designed to teach farm interns about farming practices and farm enterprises; (ii) is based on the bona fide curriculum of an educational or vocational institution; and (iii) is reasonably designed to provide the intern with vocational knowledge and skills about farming practices and enterprises. In assessing an internship program, the department may consult with relevant college and university departments and extension programs and state and local government agencies involved in the regulation or development of agriculture.

(5) A special certificate issued under this section must specify the terms and conditions under which it is issued, including: The name of the farm; the duration of the special certificate allowing the employment of farm interns and the duration of an internship; the total number of interns authorized under the special certificate; the authorized wage rate, if any; and any room and board, stipends, and other remuneration the farm will provide to the farm intern. A farm worker may be paid at wages specified in the certificate only during the effective period of the certificate and for the duration of the internship.

(6) If the department denies an application for a special certificate, notice of denial must be mailed to the farm. The farm listed on the application may, within fifteen days after notice of such action has been mailed, file with the director a petition for review of

the denial, setting forth grounds for seeking such a review. If reasonable grounds exist, the director or the director's authorized representative may grant such a review and, to the extent deemed appropriate, afford all interested persons an opportunity to be heard on such review.

(7) Before employing a farm intern, a farm must submit a statement on a form made available by the director stating that the farm understands: The requirements of the industrial welfare act, chapter 49.12 RCW, that apply to farm interns; that the farm must pay workers' compensation premiums in the assigned intern risk class and must pay workers' compensation premiums for nonintern work hours in the applicable risk class; and that if the farm does not comply with subsection (8) of this section, the director may revoke the special certificate.

(8) The director may revoke a special certificate issued under this section if a farm fails to: Comply with the requirements of the industrial welfare act, chapter 49.12 RCW, that apply to farm interns; pay workers' compensation premiums in the assigned intern risk class; or pay workers' compensation premiums in the applicable risk class for nonintern work hours.

(9) Before the start of a farm internship, the farm and the intern must sign a written agreement and send a copy of the agreement to the department. The written agreement must, at a minimum:

(a) Describe the internship program offered by the farm, including the skills and objectives the program is designed to teach and the manner in which those skills and objectives will be taught;

(b) Explicitly state that the intern is not entitled to unemployment benefits or minimum wages for work and activities conducted pursuant to the internship program for the duration of the internship;

(c) Describe the responsibilities, expectations, and obligations of the intern and the farm, including the anticipated number of hours of farm activities to be performed by and the anticipated number of hours of curriculum instruction provided to the intern per week;

(d) Describe the activities of the farm and the type of work to be performed by the farm intern; and

(e) Describes any wages, room and board, stipends, and other remuneration the farm will provide to the farm intern.

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

(a) "Farm intern" means an individual who provides services to a small farm under a written agreement and primarily as a means of learning about farming practices and farm enterprises.

(b) "Farm internship program" means an internship program described under subsection (4)(e) of this section.

(c) "Small farm" means a farm:

(i) Organized as a sole proprietorship, partnership, or corporation;

(ii) That reports on the applicant's schedule F of form 1040 or other applicable form filed with the United States internal revenue service annual sales less than two hundred fifty thousand dollars; and

(iii) Where all the owners or partners of the farm provide regular labor to and participate in the management of the farm, and own or lease the productive assets of the farm.

(11) The department shall monitor and evaluate the farm internships authorized by this section and report to the appropriate committees of the legislature by December 31, 2017. The report must include, but not be limited to: The number of small farms that applied for and received special certificates; the number of interns employed as farm interns; the nature of the educational activities provided to the farm interns; the wages and other remuneration paid to farm interns; the number of and type of workers' compensation claims for farm interns; the employment of farm interns following farm internships; and other matters relevant to assessing farm internships authorized in this section.

(12) Appropriations made for the purposes of this act must be from the state general fund.

Sec. 2. RCW 49.46.010 and 2011 1st sp.s. c 43 s 462 are each reenacted and amended to read as follows:

As used in this chapter:

- (1) "Director" means the director of labor and industries;
- (2) "Employ" includes to permit to work;
- (3) "Employee" includes any individual employed by an employer but shall not include:
 - (a) Any individual (i) employed as a hand harvest laborer and paid on a piece rate basis in an operation which has been, and is generally and customarily recognized as having been, paid on a piece rate basis in the region of employment; (ii) who commutes daily from his or her permanent residence to the farm on which he or she is employed; and (iii) who has been employed in agriculture less than thirteen weeks during the preceding calendar year;
 - (b) Any individual employed in casual labor in or about a private home, unless performed in the course of the employer's trade, business, or profession;
 - (c) Any individual employed in a bona fide executive, administrative, or professional capacity or in the capacity of outside salesperson as those terms are defined and delimited by rules of the director. However, those terms shall be defined and delimited by the human resources director pursuant to chapter 41.06 RCW for employees employed under the director of personnel's jurisdiction;
 - (d) Any individual engaged in the activities of an educational, charitable, religious, state or local governmental body or agency, or nonprofit organization where the employer-employee relationship does not in fact exist or where the services are rendered to such organizations gratuitously. If the individual receives reimbursement in lieu of compensation for normally incurred out-of-pocket expenses or receives a nominal amount of compensation per unit of voluntary service rendered, an employer-employee relationship is deemed not to exist for the purpose of this section or for purposes of membership or qualification in any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;
 - (e) Any individual employed full time by any state or local governmental body or agency who provides voluntary services but only with regard to the provision of the voluntary services. The voluntary services and any compensation therefor shall not affect or add to qualification, entitlement, or benefit rights under any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;
 - (f) Any newspaper vendor or carrier;
 - (g) Any carrier subject to regulation by Part 1 of the Interstate Commerce Act;
 - (h) Any individual engaged in forest protection and fire prevention activities;
 - (i) Any individual employed by any charitable institution charged with child care responsibilities engaged primarily in the development of character or citizenship or promoting health or physical fitness or providing or sponsoring recreational opportunities or facilities for young people or members of the armed forces of the United States;
 - (j) Any individual whose duties require that he or she reside or sleep at the place of his or her employment or who otherwise spends a substantial portion of his or her work time subject to call, and not engaged in the performance of active duties;
 - (k) Any resident, inmate, or patient of a state, county, or municipal correctional, detention, treatment or rehabilitative institution;
 - (l) Any individual who holds a public elective or appointive office of the state, any county, city, town, municipal corporation or quasi municipal corporation, political subdivision, or any instrumentality thereof, or any employee of the state legislature;
 - (m) All vessel operating crews of the Washington state ferries operated by the department of transportation;
 - (n) Any individual employed as a seaman on a vessel other than an American vessel;

(o) Any farm intern providing his or her services to a small farm which has a special certificate issued under section 1 of this act;

- (4) "Employer" includes any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee;
- (5) "Occupation" means any occupation, service, trade, business, industry, or branch or group of industries or employment or class of employment in which employees are gainfully employed;
- (6) "Retail or service establishment" means an establishment seventy-five percent of whose annual dollar volume of sales of goods or services, or both, is not for resale and is recognized as retail sales or services in the particular industry;
- (7) "Wage" means compensation due to an employee by reason of employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such deductions, charges, or allowances as may be permitted by rules of the director.

NEW SECTION. Sec. 3. A new section is added to chapter 51.16 RCW to read as follows:

The department shall adopt rules to provide special workers' compensation risk class or classes for farm interns providing agricultural labor pursuant to a farm internship program under section 1 of this act. The rules must include any requirements for obtaining a special risk class that must be met by small farms.

NEW SECTION. Sec. 4. A new section is added to chapter 50.04 RCW to read as follows:

(1) Except for services subject to RCW 50.44.010, 50.44.020, 50.44.030, or 50.50.010, the term "employment" does not include service performed in agricultural labor by a farm intern providing his or her services under a farm internship program as established in section 1 of this act.

(2) For purposes of this section, "agricultural labor" means:

(a) Services performed on a farm, in the employ of any person, in connection with the cultivation of the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and furbearing animals and wildlife, or in the employ of the owner or tenant or other operator of a farm in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment;

(b) Services performed in packing, packaging, grading, storing, or delivering to storage, or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations. The exclusions from the term "employment" provided in this subsection (2)(b) are not applicable with respect to commercial packing houses, commercial storage establishments, commercial canning, commercial freezing, or any other commercial processing or with respect to services performed in connection with the cultivation, raising, harvesting and processing of oysters or raising and harvesting of mushrooms; or

(c) Direct local sales of any agricultural or horticultural commodity after its delivery to a terminal market for distribution or consumption.

NEW SECTION. Sec. 5. This act expires December 31, 2017."

Correct the title.

Signed by Representatives Sells, Chair; Reykdal, Vice Chair; Kenney; Miloscia; Moeller; Ormsby; Roberts and Warnick.

MINORITY recommendation: Do not pass. Signed by Representatives Condotta, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Green and Taylor.

Referred to Committee on Health & Human Services Appropriations & Oversight.

February 20, 2012

SSB 6403 Prime Sponsor, Committee on Health & Long-Term Care: Removing financial barriers to persons seeking vulnerable adult protection orders. Reported by Committee on Judiciary

MAJORITY recommendation: Do pass as amended.

On page 1, after line 9, insert:

"Sec. 2. RCW 74.34.140 and 1986 c 187 s 8 are each amended to read as follows:

When an order for protection under RCW 74.34.130 is issued upon request of the petitioner, the court may order a peace officer to assist in the execution of the order of protection. A public agency may not charge a fee for service of process to petitioners seeking relief under this chapter. Petitioners must be provided the necessary number of certified copies at no cost."

Correct the title.

Signed by Representatives Pedersen, Chair; Goodman, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Chandler; Hansen; Kirby; Klippert; Nealey; Orwall; Rivers and Roberts.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 6412 Prime Sponsor, Senator Rolfes: Assisting persons seeking individual health benefit plan coverage when their prior carrier has terminated individual coverage. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 48.43.018 and 2010 c 277 s 1 are each amended to read as follows:

(1) Except as provided in (a) through (g) of this subsection, a health carrier may require any person applying for an individual health benefit plan and the health care authority shall require any person applying for nonsubsidized enrollment in the basic health plan to complete the standard health questionnaire designated under chapter 48.41 RCW.

(a) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to his or her change of residence from one geographic area in Washington state to another geographic area in Washington state where his or her current health plan is not offered, completion of the standard health questionnaire shall not be a condition of coverage if application for coverage is made within ninety days of relocation.

(b) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee:

(i) Because a health care provider with whom he or she has an established care relationship and from whom he or she has received treatment within the past twelve months is no longer part of the carrier's provider network under his or her existing Washington individual health benefit plan; and

(ii) His or her health care provider is part of another carrier's or a basic health plan managed care system's provider network; and

(iii) Application for a health benefit plan under that carrier's provider network individual coverage or for basic health plan nonsubsidized enrollment is made within ninety days of his or her provider leaving the previous carrier's provider network; then completion of the standard health questionnaire shall not be a condition of coverage.

(c) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to his or her having exhausted continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire shall not be a condition of coverage if application for coverage is made within ninety days of exhaustion of continuation coverage. A health carrier or the health care authority as administrator of basic health plan nonsubsidized coverage shall accept an application without a standard health questionnaire from a person currently covered by such continuation coverage if application is made within ninety days prior to the date the continuation coverage would be exhausted and the effective date of the individual coverage applied for is the date the continuation coverage would be exhausted, or within ninety days thereafter.

(d) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to a change in employment status that would qualify him or her to purchase continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., but the person's employer is exempt under federal law from the requirement to offer such coverage, completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of a qualifying event as defined in 29 U.S.C. Sec. 1163; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the qualifying event. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of a qualifying event and the effective date of the individual coverage applied for is the date of the qualifying event, or within ninety days thereafter.

(e) If a person is seeking an individual health benefit plan, completion of the standard health questionnaire shall not be a condition of coverage if: (i) The person had at least twenty-four months of continuous basic health plan coverage under chapter 70.47 RCW immediately prior to disenrollment; and (ii) application for coverage is made within ninety days of disenrollment from the basic health plan. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous basic health plan coverage if application is made no more than ninety days prior to the date of disenrollment and the effective date of the individual coverage applied for is the date of disenrollment, or within ninety days thereafter.

(f) If a person is seeking an individual health benefit plan due to a change in employment status that would qualify him or her to purchase continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire is not a condition of coverage if: (i) Application for coverage is made within ninety days of a qualifying event as defined in 29 U.S.C. Sec. 1163; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the qualifying event. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of a qualifying event and the effective date of the individual coverage applied for is the date of the qualifying event, or within ninety days thereafter.

(g) If a person is seeking an individual health benefit plan due to their terminating continuation coverage under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire shall not be a

condition of coverage if: (i) Application for coverage is made within ninety days of terminating the continuation coverage; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the termination. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of termination of the continuation coverage and the effective date of the individual coverage applied for is the date the continuation coverage is terminated, or within ninety days thereafter.

(h) If a person is seeking an individual health benefit plan because his or her employer, or former employer, discontinues group coverage due to the closure of the business, completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of the employer discontinuing group coverage due to closure of the business; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the termination. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of discontinuation of group coverage, and the effective date of the individual coverage applied for is the date the group coverage is discontinued, or within ninety days thereafter.

(i) If a person is seeking an individual health benefit plan, or enrollment in the basic health plan as a nonsubsidized enrollee, because his or her health carrier is discontinuing all individual health benefit plan coverage by July 1, 2012, completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of the carrier discontinuing individual health benefit plan coverage; (ii) the person had at least twenty-four months of continuous health benefit plan coverage immediately prior to the termination; and (iii) benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the health benefit plan, or basic health coverage, the person seeks to purchase. A health carrier, or the basic health plan, shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous health benefit plan coverage if application is made no more than ninety days prior to the date of discontinuation of individual health benefit plan coverage, the person's prior coverage provided equivalent or greater overall benefits than the plan, or basic health coverage, the person seeks to purchase, and the effective date of the individual coverage applied for is the date the individual health benefit plan coverage is discontinued, or within ninety days thereafter.

(2) If, based upon the results of the standard health questionnaire, the person qualifies for coverage under the Washington state health insurance pool, the following shall apply:

(a) The carrier may decide not to accept the person's application for enrollment in its individual health benefit plan and the health care authority, as administrator of basic health plan nonsubsidized coverage, shall not accept the person's application for enrollment as a nonsubsidized enrollee; and

(b) Within fifteen business days of receipt of a completed application, the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage shall provide written notice of the decision not to accept the person's application for enrollment to both the person and the administrator of the Washington state health insurance pool. The notice to the person shall state that the person is eligible for health insurance provided by the Washington state health insurance pool, and shall include information about the Washington state health insurance pool and an application for such coverage. If the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage does not provide or postmark such notice within fifteen business days, the application is deemed approved.

(3) If the person applying for an individual health benefit plan: (a) Does not qualify for coverage under the Washington state health insurance pool based upon the results of the standard health questionnaire; (b) does qualify for coverage under the Washington state health insurance pool based upon the results of the standard health questionnaire and the carrier elects to accept the person for enrollment; or (c) is not required to complete the standard health questionnaire designated under this chapter under subsection (1)(a) or (b) of this section, the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage, whichever entity administered the standard health questionnaire, shall accept the person for enrollment if he or she resides within the carrier's or the basic health plan's service area and provide or assure the provision of all covered services regardless of age, sex, family structure, ethnicity, race, health condition, geographic location, employment status, socioeconomic status, other condition or situation, or the provisions of RCW 49.60.174(2). The commissioner may grant a temporary exemption from this subsection if, upon application by a health carrier, the commissioner finds that the clinical, financial, or administrative capacity to serve existing enrollees will be impaired if a health carrier is required to continue enrollment of additional eligible individuals.

Sec. 2. RCW 48.43.015 and 2004 c 192 s 5 are each amended to read as follows:

(1) For a health benefit plan offered to a group, every health carrier shall reduce any preexisting condition exclusion, limitation, or waiting period in the group health plan in accordance with the provisions of section 2701 of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg).

(2) For a health benefit plan offered to a group other than a small group:

(a) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for at least three months, then the carrier shall not impose a waiting period for coverage of preexisting conditions under the new health plan.

(b) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for less than three months, then the carrier shall credit the time covered under the immediately preceding health plan toward any preexisting condition waiting period under the new health plan.

(c) For the purposes of this subsection, a preceding health plan includes an employer-provided self-funded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

(3) For a health benefit plan offered to a small group:

(a) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for at least nine months, then the carrier shall not impose a waiting period for coverage of preexisting conditions under the new health plan.

(b) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for less than nine months, then the carrier shall credit the time covered under the immediately preceding health plan toward any preexisting condition waiting period under the new health plan.

(c) For the purpose of this subsection, a preceding health plan includes an employer-provided self-funded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as

established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

(4)(a) Except as provided in (b) of this subsection, for a health benefit plan offered to an individual, other than an individual to whom subsection (5) of this section applies, every health carrier shall credit any preexisting condition waiting period in that plan for a person who was enrolled at any time during the sixty-three day period immediately preceding the date of application for the new health plan in a group health benefit plan or an individual health benefit plan, other than a catastrophic health plan, and ~~((+))~~ (i) the benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the health benefit plan the individual seeks to purchase; or ~~((+))~~ (ii) the person is seeking an individual health benefit plan due to his or her change of residence from one geographic area in Washington state to another geographic area in Washington state where his or her current health plan is not offered, if application for coverage is made within ninety days of relocation; or ~~((+))~~ (iii) the person is seeking an individual health benefit plan: ~~((+))~~ (A) Because a health care provider with whom he or she has an established care relationship and from whom he or she has received treatment within the past twelve months is no longer part of the carrier's provider network under his or her existing Washington individual health benefit plan; and ~~((+))~~ (B) his or her health care provider is part of another carrier's provider network; and ~~((+))~~ (C) application for a health benefit plan under that carrier's provider network individual coverage is made within ninety days of his or her provider leaving the previous carrier's provider network. The carrier must credit the period of coverage the person was continuously covered under the immediately preceding health plan toward the waiting period of the new health plan. For the purposes of this subsection (4), a preceding health plan includes an employer-provided self-funded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

(b) A carrier shall credit an applicant's period of coverage in his or her preceding catastrophic health plan toward any preexisting condition waiting period in the catastrophic health plan the applicant seeks to purchase if:

(i) The preceding catastrophic health plan was discontinued by a carrier that is discontinuing all individual plan coverage by July 1, 2012;

(ii) The applicant was enrolled in the previous catastrophic health plan during the sixty-three day period immediately preceding his or her application date for the new catastrophic health plan; and

(iii) The benefits under the preceding catastrophic health plan provide equivalent or greater overall benefit coverage than that provided in the catastrophic health plan the applicant seeks to purchase.

(5) Every health carrier shall waive any preexisting condition waiting period in its individual plans for a person who is an eligible individual as defined in section 2741(b) of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b)).

(6) Subject to the provisions of subsections (1) through (5) of this section, nothing contained in this section requires a health carrier to amend a health plan to provide new benefits in its existing health plans. In addition, nothing in this section requires a carrier to waive benefit limitations not related to an individual or group's preexisting conditions or health history.

NEW SECTION. Sec. 3. A new section is added to chapter 70.47 RCW to read as follows:

If a person was previously enrolled in a group health benefit plan, an individual health benefit plan, or a catastrophic health plan that is discontinued by the carrier by July 1, 2012, at any time during the sixty-three day period immediately preceding their application date

for nonsubsidized coverage in the basic health plan as a nonsubsidized enrollee, the basic health plan must credit the applicant's period of prior coverage toward any preexisting condition waiting period applicable under the basic health plan if the benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the basic health plan for nonsubsidized enrollees.

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

Strike everything after the enacting clause and insert the following:

"Sec. 5. RCW 48.43.018 and 2010 c 277 s 1 are each amended to read as follows:

(1) Except as provided in (a) through (g) of this subsection, a health carrier may require any person applying for an individual health benefit plan and the health care authority shall require any person applying for nonsubsidized enrollment in the basic health plan to complete the standard health questionnaire designated under chapter 48.41 RCW.

(a) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to his or her change of residence from one geographic area in Washington state to another geographic area in Washington state where his or her current health plan is not offered, completion of the standard health questionnaire shall not be a condition of coverage if application for coverage is made within ninety days of relocation.

(b) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee:

(i) Because a health care provider with whom he or she has an established care relationship and from whom he or she has received treatment within the past twelve months is no longer part of the carrier's provider network under his or her existing Washington individual health benefit plan; and

(ii) His or her health care provider is part of another carrier's or a basic health plan managed care system's provider network; and

(iii) Application for a health benefit plan under that carrier's provider network individual coverage or for basic health plan nonsubsidized enrollment is made within ninety days of his or her provider leaving the previous carrier's provider network; then completion of the standard health questionnaire shall not be a condition of coverage.

(c) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to his or her having exhausted continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire shall not be a condition of coverage if application for coverage is made within ninety days of exhaustion of continuation coverage. A health carrier or the health care authority as administrator of basic health plan nonsubsidized coverage shall accept an application without a standard health questionnaire from a person currently covered by such continuation coverage if application is made within ninety days prior to the date the continuation coverage would be exhausted and the effective date of the individual coverage applied for is the date the continuation coverage would be exhausted, or within ninety days thereafter.

(d) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to a change in employment status that would qualify him or her to purchase continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., but the person's employer is exempt under federal law from the requirement to offer such coverage, completion of the standard

health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of a qualifying event as defined in 29 U.S.C. Sec. 1163; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the qualifying event. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of a qualifying event and the effective date of the individual coverage applied for is the date of the qualifying event, or within ninety days thereafter.

(e) If a person is seeking an individual health benefit plan, completion of the standard health questionnaire shall not be a condition of coverage if: (i) The person had at least twenty-four months of continuous basic health plan coverage under chapter 70.47 RCW immediately prior to disenrollment; and (ii) application for coverage is made within ninety days of disenrollment from the basic health plan. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous basic health plan coverage if application is made no more than ninety days prior to the date of disenrollment and the effective date of the individual coverage applied for is the date of disenrollment, or within ninety days thereafter.

(f) If a person is seeking an individual health benefit plan due to a change in employment status that would qualify him or her to purchase continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire is not a condition of coverage if: (i) Application for coverage is made within ninety days of a qualifying event as defined in 29 U.S.C. Sec. 1163; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the qualifying event. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of a qualifying event and the effective date of the individual coverage applied for is the date of the qualifying event, or within ninety days thereafter.

(g) If a person is seeking an individual health benefit plan due to their terminating continuation coverage under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of terminating the continuation coverage; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the termination. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of termination of the continuation coverage and the effective date of the individual coverage applied for is the date the continuation coverage is terminated, or within ninety days thereafter.

(h) If a person is seeking an individual health benefit plan because his or her employer, or former employer, discontinues group coverage due to the closure of the business, completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of the employer discontinuing group coverage due to closure of the business; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the termination. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of discontinuation of group coverage, and the effective date of the individual coverage applied for is the date the group coverage is discontinued, or within ninety days thereafter.

(i) If a person is seeking an individual health benefit plan, or enrollment in the basic health plan as a nonsubsidized enrollee,

because his or her health carrier is discontinuing all individual health benefit plan coverage by July 1, 2012, completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of the carrier discontinuing individual health benefit plan coverage; (ii) the person had at least twenty-four months of health benefit plan coverage immediately prior to the termination; and (iii) benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the health benefit plan, or basic health coverage, the person seeks to purchase. A health carrier, or the basic health plan, shall accept an application without a standard health questionnaire from a person with at least twenty-four months of health benefit plan coverage if application is made no more than ninety days prior to the date of discontinuation of individual health benefit plan coverage, the person's prior coverage provided equivalent or greater overall benefits than the plan, or basic health coverage, the person seeks to purchase, and the effective date of the individual coverage applied for is the date the individual health benefit plan coverage is discontinued, or within ninety days thereafter.

(2) If, based upon the results of the standard health questionnaire, the person qualifies for coverage under the Washington state health insurance pool, the following shall apply:

(a) The carrier may decide not to accept the person's application for enrollment in its individual health benefit plan and the health care authority, as administrator of basic health plan nonsubsidized coverage, shall not accept the person's application for enrollment as a nonsubsidized enrollee; and

(b) Within fifteen business days of receipt of a completed application, the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage shall provide written notice of the decision not to accept the person's application for enrollment to both the person and the administrator of the Washington state health insurance pool. The notice to the person shall state that the person is eligible for health insurance provided by the Washington state health insurance pool, and shall include information about the Washington state health insurance pool and an application for such coverage. If the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage does not provide or postmark such notice within fifteen business days, the application is deemed approved.

(3) If the person applying for an individual health benefit plan: (a) Does not qualify for coverage under the Washington state health insurance pool based upon the results of the standard health questionnaire; (b) does qualify for coverage under the Washington state health insurance pool based upon the results of the standard health questionnaire and the carrier elects to accept the person for enrollment; or (c) is not required to complete the standard health questionnaire designated under this chapter under subsection (1)(a) or (b) of this section, the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage, whichever entity administered the standard health questionnaire, shall accept the person for enrollment if he or she resides within the carrier's or the basic health plan's service area and provide or assure the provision of all covered services regardless of age, sex, family structure, ethnicity, race, health condition, geographic location, employment status, socioeconomic status, other condition or situation, or the provisions of RCW 49.60.174(2). The commissioner may grant a temporary exemption from this subsection if, upon application by a health carrier, the commissioner finds that the clinical, financial, or administrative capacity to serve existing enrollees will be impaired if a health carrier is required to continue enrollment of additional eligible individuals.

Sec. 6. RCW 48.43.015 and 2004 c 192 s 5 are each amended to read as follows:

(1) For a health benefit plan offered to a group, every health carrier shall reduce any preexisting condition exclusion, limitation, or

waiting period in the group health plan in accordance with the provisions of section 2701 of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg).

(2) For a health benefit plan offered to a group other than a small group:

(a) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for at least three months, then the carrier shall not impose a waiting period for coverage of preexisting conditions under the new health plan.

(b) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for less than three months, then the carrier shall credit the time covered under the immediately preceding health plan toward any preexisting condition waiting period under the new health plan.

(c) For the purposes of this subsection, a preceding health plan includes an employer-provided self-funded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

(3) For a health benefit plan offered to a small group:

(a) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for at least nine months, then the carrier shall not impose a waiting period for coverage of preexisting conditions under the new health plan.

(b) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for less than nine months, then the carrier shall credit the time covered under the immediately preceding health plan toward any preexisting condition waiting period under the new health plan.

(c) For the purpose of this subsection, a preceding health plan includes an employer-provided self-funded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

(4)(a) Except as provided in (b) of this subsection, for a health benefit plan offered to an individual, other than an individual to whom subsection (5) of this section applies, every health carrier shall credit any preexisting condition waiting period in that plan for a person who was enrolled at any time during the sixty-three day period immediately preceding the date of application for the new health plan in a group health benefit plan or an individual health benefit plan, other than a catastrophic health plan, and ~~((+))~~ (i) the benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the health benefit plan the individual seeks to purchase; or ~~((+))~~ (ii) the person is seeking an individual health benefit plan due to his or her change of residence from one geographic area in Washington state to another geographic area in Washington state where his or her current health plan is not offered, if application for coverage is made within ninety days of relocation; or ~~((+))~~ (iii) the person is seeking an individual health benefit plan: ~~((+))~~ (A) Because a health care provider with whom he or she has an established care relationship and from whom he or she has received treatment within the past twelve months is no longer part of the carrier's provider network under his or her existing Washington individual health benefit plan; and ~~((+))~~ (B) his or her health care provider is part of another carrier's provider network; and ~~((+))~~ (C) application for a health benefit plan under that carrier's provider network individual coverage is made within ninety days of his or her

provider leaving the previous carrier's provider network. The carrier must credit the period of coverage the person was continuously covered under the immediately preceding health plan toward the waiting period of the new health plan. For the purposes of this subsection (4), a preceding health plan includes an employer-provided self-funded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

(b) If a person was previously enrolled in a group health benefit plan, an individual health benefit plan, or a catastrophic health plan that is discontinued by the carrier by July 1, 2012, at any time during the sixty-three day period immediately preceding their application date for the plan, the carrier must credit the applicant's period of prior coverage toward any preexisting condition waiting period applicable under the new plan if the benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the health benefit plan the individual seeks to purchase.

(5) Every health carrier shall waive any preexisting condition waiting period in its individual plans for a person who is an eligible individual as defined in section 2741(b) of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b)).

(6) Subject to the provisions of subsections (1) through (5) of this section, nothing contained in this section requires a health carrier to amend a health plan to provide new benefits in its existing health plans. In addition, nothing in this section requires a carrier to waive benefit limitations not related to an individual or group's preexisting conditions or health history.

NEW SECTION. Sec. 7. A new section is added to chapter 70.47 RCW to read as follows:

If a person was previously enrolled in a group health benefit plan, an individual health benefit plan, or a catastrophic health plan that is discontinued by the carrier by July 1, 2012, at any time during the sixty-three day period immediately preceding their application date for nonsubsidized coverage in the basic health plan as a nonsubsidized enrollee, the basic health plan must credit the applicant's period of prior coverage toward any preexisting condition waiting period applicable under the basic health plan if the benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the basic health plan.

NEW SECTION. Sec. 8. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

Signed by Representatives Cody, Chair; Jinkins, Vice Chair; Schmick, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Bailey; Clibborn; Green; Harris; Kelley; Moeller and Van De Wege.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6421 Prime Sponsor, Committee on Labor, Commerce & Consumer Protection: Addressing the affidavit of wages paid on public works. Reported by Committee on Labor & Workforce Development

MAJORITY recommendation: Do pass. Signed by Representatives Sells, Chair; Reykdal, Vice Chair; Condotta, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Green; Kenney; Miloscia; Moeller; Ormsby; Roberts; Taylor and Warnick.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 6440 Prime Sponsor, Senator Parlette: Providing health care purchasing options for individuals and small employers. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 48.05.070 and 1947 c 79 s .05.07 are each amended to read as follows:

To apply for an original certificate of authority an insurer shall:

(1) File with the commissioner its request therefor showing:

(a) Its name, home office location, type of insurer, organization date, and state or country of its domicile.

(b) The kinds of insurance it proposes to transact.

(c) Additional information as the commissioner may reasonably require.

(2) File with the commissioner:

(a) A copy of its charter as amended, certified, if a foreign or alien insurer, by the proper public officer of the state or country of domicile.

(b) A copy of its bylaws, certified by its proper officer.

(c) A statement of its financial condition, management, and affairs on a form satisfactory to or furnished by the commissioner.

(d) If a foreign or alien insurer, or a domestic reciprocal insurer, an appointment of the commissioner as its attorney to receive service of legal process.

(e) If an alien insurer, a copy of the appointment and authority of its United States manager, certified by its proper officer.

(f) If a foreign or alien insurer, a certificate from the proper public official of its state or country of domicile showing that it is duly organized and is authorized to transact the kinds of insurance proposed to be transacted.

(g) If a domestic reciprocal insurer, the declaration required by RCW 48.10.090 of this code.

(h) Other documents or stipulations as the commissioner may reasonably require to evidence compliance with the provisions of this code.

(3) A foreign insurer is not required to comply with subsection (2)(a), (b), (c), (e), or (g) of this section if it is a qualifying reciprocal plan. A qualifying reciprocal plan is a foreign insurer that:

(a) Is authorized in a state that is a member of the consortium authorized in section 5 of this act;

(b) Proposes to sell in Washington only a health benefit plan that:

(i) Has benefits substantially equivalent to the essential health benefits designated in Washington under P.L. 111-148 of 2010, as amended;

(ii) Has been approved by a state with which the commissioner has a reciprocity agreement; and

(iii) Is not a health savings account or qualified high deductible health plan; and

(c) Has and maintains total adjusted capital that is greater than three times its authorized control level risk-based capital.

(4) Deposit with the commissioner the fees required by this code to be paid for filing the accompanying documents, and for the certificate of authority, if granted.

Sec. 2. RCW 48.21.047 and 2010 c 292 s 8 are each amended to read as follows:

(1) An insurer may not offer any health benefit plan to any small employer without complying with RCW 48.21.045(3).

(2) Employers purchasing health plans provided through associations or through member-governed groups formed specifically for the purpose of purchasing health care are not small employers and the plans are not subject to RCW 48.21.045(3).

(3) A qualifying reciprocal plan as defined in RCW 48.05.070(3) is not subject to RCW 48.21.045.

(4) For purposes of this section, "health benefit plan," "health plan," and "small employer" mean the same as defined in RCW 48.43.005.

~~((4))~~ (5) For purposes of this section, "census date" has the same meaning as defined in RCW 48.44.010.

NEW SECTION. Sec. 3. A new section is added to chapter 48.21 RCW to read as follows:

(1) Each qualifying reciprocal plan issued or renewed pursuant to RCW 48.05.070, 48.21.047, and sections 3 through 6 of this act must contain the following declaration in bold face type at the beginning of the document:

"The benefits in this policy do not include each of the benefits required by the state of Washington. (Name of state) initially approved this policy for sale, and the benefit requirements of that state are reflected in the policy. The rates applied to calculate premium were not approved by the state of Washington, but by (Name of State). Those requirements may be different from the requirements for policies approved by Washington. Please consult your insurance agent or insurer to determine which health benefits are covered under the policy."

(2) Each insurer and producer offering a qualifying reciprocal plan pursuant to RCW 48.05.070, 48.21.047, and sections 3 through 6 of this act must provide applicants with a written side-by-side comparison of health benefits under the plan, including differences in definition of each benefit between Washington law and the law of the approving state, whether the benefit is required under Washington law, and the difference in the premium rate due to the difference in state laws.

(3) An insurer offering qualifying reciprocal plans under RCW 48.05.070, 48.21.047, and sections 3 through 6 of this act must offer the plan through producers who comply with the requirements of chapter 48.17 RCW. Electronic marketing and sales of out-of-state policies are permitted if a producer is available in Washington with whom the applicant can discuss the qualifying plan.

NEW SECTION. Sec. 4. A new section is added to chapter 48.21 RCW to read as follows:

(1) A health benefit plan offered by a foreign insurer authorized under RCW 48.05.070(3) is not required to include health benefit mandates required under this title that are not included in the qualifying reciprocal plan as defined in RCW 48.05.070(3).

(2) A qualifying reciprocal plan must be filed with the commissioner for approval pursuant to RCW 48.18.100. The commissioner must approve the plan for use in this state if the plan meets the requirements in RCW 48.05.070(3), and must disapprove it if it does not. The commissioner may, but is not required to, accept the determination of a member consortium state as to whether or not the qualifying reciprocal plan is substantially equivalent to the essential health benefits in Washington.

(3) Other than as provided in this section, RCW 48.18.110 may not be grounds for disapproval of a qualifying reciprocal plan.

(4) To the extent consistent with federal law, the requirements of chapter 48.43 RCW do not apply to a qualifying reciprocal plan.

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

(1) Beginning July 1, 2013, the commissioner is authorized to contract with other states to establish and operate a consortium governing the sale to small groups of a qualifying reciprocal plan, as defined in RCW 48.05.070(3), by insurers admitted to one of the states in the consortium.

(2) By January 1, 2013, the commissioner must report to the legislature which states have been identified, and include a plan for seeking a reciprocity agreement with at least one state. The commissioner may not enter into such an agreement until the commissioner has identified a minimum of five states whose regulatory requirements for the offer and issue of health benefit plans meets or exceeds those of Washington in the areas of network adequacy, consumer protection, marketing requirements, and claims adjudication and processing. The reciprocity consortium may commence with an agreement with just one of the states.

(3) A state may not join the consortium if it authorizes two or more carriers domiciled in Washington that offer health benefit plans, unless five or more other states have joined the consortium.

(4) The commissioner may enter into separate reciprocity agreements, or one uniform agreement. Any reciprocity agreement must establish rules for the management of consumer questions and complaints related to health benefit plans approved by one member state but sold in another. The commissioner may adopt rules to implement consortium rules as necessary to comply with the consortium agreement.

(5) Reciprocity consortium states must agree to provide the commissioner with a list of approved health benefit plans that meet the standard under RCW 48.05.070, 48.21.047, and sections 3 through 6 of this act, and their premium rate schedules as they are approved. If a health benefit plan is disapproved or otherwise removed from the market pursuant to regulatory action or order, a reciprocity consortium state must notify the commissioner of this action.

(6) The reciprocity consortium agreement must establish a mechanism for payment of premium tax pursuant to chapter 48.14 RCW, payment of regulatory surcharge pursuant to RCW 48.02.190, and collection of any reinsurance or risk adjustment assessments that would otherwise be applicable but for the domicile of the selling insurer.

(7) Insurers must inform the consortium states in writing of their intent to offer a qualifying reciprocal policy as set forth in RCW 48.05.070(3) in consortium states not less than sixty days prior to the first date of offer. Reciprocity consortium member states may establish their own requirements for notification and offer.

(8) The commissioner must report to the legislature by December 1st of each year after the effective date of this section on the reciprocity consortium's formation, membership, the number of health benefit plans offered in Washington through the consortium, effect on the marketplace in Washington, including the health benefits exchange, and must recommend whether continuing reciprocity sales serves the public health and welfare.

NEW SECTION. Sec. 6. A new section is added to chapter 43.71 RCW to read as follows:

A qualifying reciprocal plan offered by a foreign insurer authorized under RCW 48.05.070(3) may be certified as a qualified health plan through the exchange only if it, and its issuer, meet the requirements of the exchange for certification as a qualified health plan.

NEW SECTION. Sec. 7. Sections 1 through 6 of this act are declared null and void if Title I of P.L. 111-148 of 2010, as amended, is individually or as a whole found unconstitutional, or otherwise repealed."

Correct the title.

Signed by Representatives Cody, Chair; Jinkins, Vice Chair; Schmick, Ranking Minority Member; Bailey; Clibborn; Green; Kelley; Moeller and Van De Wege.

MINORITY recommendation: Do not pass. Signed by Representatives Hinkle, Assistant Ranking Minority Member and Harris.

Passed to Committee on Rules for second reading.

February 20, 2012

SB 6465 Prime Sponsor, Senator Holmquist Newbry; Concerning raffles exceeding five thousand dollars. Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass. Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander; Condotta; Darneille; Dunshee; Hurst; McCoy and Miloscia.

Passed to Committee on Rules for second reading.

February 20, 2012

SSB 6468 Prime Sponsor, Committee on Ways & Means; Requiring state research universities to adopt policies governing investment of university funds. (REVISED FOR PASSED LEGISLATURE: Regarding investment of state research university funds.) Reported by Committee on Higher Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 28B.10 RCW to read as follows:

The boards of regents of the University of Washington and Washington State University must adopt policies that govern investments of university funds. The policies must be consistent with the uniform prudent management of institutional funds act, chapter 24.55 RCW, and must address investment objectives, asset allocation, investment parameters and guidelines, and the delegation of authority over investments. The policies must address potential personal conflicts of interest under RCW 42.52.190 as well as potential institutional conflicts of interest with the university's other enterprise and research activities in accordance with applicable state and federal laws. The policies must be available to the public. The boards of regents of the University of Washington and Washington State University also must provide for the preparation, at least annually, of a publicly available investment performance report that describes asset allocations and performance of investments."

Correct the title.

Signed by Representatives Seaquist, Chair; Carlyle, Vice Chair; Haler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Asay; Buys; Crouse; Fagan; Pollet; Reykdal; Sells; Springer; Warnick; Wylie and Zeiger.

MINORITY recommendation: Do not pass. Signed by Representative Hasegawa.

Referred to Committee on Ways & Means.

February 21, 2012

ESSB 6470 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections:

Authorizing benefit charges for the enhancement of fire protection services. Reported by Committee on Local Government

MAJORITY recommendation: Do pass. Signed by Representatives Takko, Chair; Fitzgibbon, Vice Chair; Angel, Ranking Minority Member; Springer; Tharinger and Upthegrove.

MINORITY recommendation: Do not pass. Signed by Representatives Asay, Assistant Ranking Minority Member; Rodne and Smith.

Referred to Committee on Ways & Means.

February 20, 2012

ESSB 6477 Prime Sponsor, Committee on Labor, Commerce & Consumer Protection: Concerning spirits sampling in former contract liquor stores. (REVISED FOR ENGROSSED: Concerning liquor licensing, sales, and tasting.) Reported by Committee on State Government & Tribal Affairs

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 66.16 RCW to read as follows:

(1) The liquor control board must allow spirits sampling in former contract liquor stores for the purpose of promoting the sponsor's products.

(a) No store may hold more than one spirits sampling per week.

(b) The locations shall be approved by the board. Before the board determines which stores will be eligible to participate, it shall give:

(i) Due consideration to the location of the store with respect to the proximity of places of worship, schools, and public institutions;

(ii) Due consideration to motor vehicle accident data in the proximity of the store; and

(iii) Written notice by certified mail of the proposed spirits sampling to places of worship, schools, and public institutions within five hundred feet of the store proposed to offer spirits sampling.

(c) Sampling must be conducted under the following conditions:

(i) Sampling may take place only in an area of a store in which access to persons under twenty-one years of age is prohibited;

(ii) Samples may be provided free of charge;

(iii) Only persons twenty-one years of age or over may sample spirits;

(iv) Each sample must be one-quarter ounce or less, with no more than one ounce of samples provided per person per day;

(v) Only sponsors may serve samples;

(vi) Any person involved in the serving of such samples must have completed a mandatory alcohol server training program;

(vii) No person who is apparently intoxicated may sample spirits;

(viii) The product provided for sampling must be available for sale at the store where the sampling occurs at the time of the sampling; and

(ix) Customers must remain on the store premise while consuming samples.

(d) The liquor control board may prohibit sampling at a location that is within the boundaries of an alcohol impact area recognized by resolution of the board if the board finds that the sampling activities at the location are having an adverse effect on the reduction of chronic public inebriation in the area.

(e) All other criteria must be determined by the board.

(2) The liquor control board may adopt rules to implement this section.

(3) For the purposes of this section:

(a) "Sponsors" means a domestic distiller licensed under RCW 66.24.140 or an accredited representative of a distiller, manufacturer, importer, or distributor of spirituous liquor licensed under RCW 66.24.310; and

(b) "Store" means a former contract liquor store premises as of May 31, 2012.

Sec. 2. RCW 66.08.050 and 2012 c 2 s 107 (Initiative Measure No. 1183) are each amended to read as follows:

The board, subject to the provisions of this title and the rules, must:

(1) Determine the nature, form and capacity of all packages to be used for containing liquor kept for sale under this title;

(2) Execute or cause to be executed, all contracts, papers, and documents in the name of the board, under such regulations as the board may fix;

(3) Pay all customs, duties, excises, charges and obligations whatsoever relating to the business of the board;

(4) Require bonds from all employees in the discretion of the board, and to determine the amount of fidelity bond of each such employee;

(5) Perform services for the state lottery commission to such extent, and for such compensation, as may be mutually agreed upon between the board and the commission;

(6) Accept and deposit into the general fund-local account and disburse, subject to appropriation, federal grants or other funds or donations from any source for the purpose of improving public awareness of the health risks associated with alcohol consumption by youth and the abuse of alcohol by adults in Washington state. The board's alcohol awareness program must cooperate with federal and state agencies, interested organizations, and individuals to effect an active public beverage alcohol awareness program;

(7) Perform all other matters and things, whether similar to the foregoing or not, to carry out the provisions of this title, and has full power to do each and every act necessary to the conduct of its regulatory functions, including all supplies procurement, preparation and approval of forms, and every other undertaking necessary to perform its regulatory functions whatsoever, subject only to audit by the state auditor. However, the board has no authority to regulate the content of spoken language on licensed premises where wine and other liquors are served and where there is not a clear and present danger of disorderly conduct being provoked by such language or to restrict advertising of lawful prices;

(8) Allow spirits sampling on former contract liquor store premises under this act.

Sec. 3. RCW 66.08.050 and 2012 c 2 s 107 (Initiative Measure No. 1183) are each amended to read as follows:

The board, subject to the provisions of this title and the rules, must:

(1) Determine the nature, form and capacity of all packages to be used for containing liquor kept for sale under this title;

(2) Execute or cause to be executed, all contracts, papers, and documents in the name of the board, under such regulations as the board may fix;

(3) Pay all customs, duties, excises, charges and obligations whatsoever relating to the business of the board;

(4) Require bonds from all employees in the discretion of the board, and to determine the amount of fidelity bond of each such employee;

(5) Perform services for the state lottery commission to such extent, and for such compensation, as may be mutually agreed upon between the board and the commission;

(6) Accept and deposit into the general fund-local account and disburse, subject to appropriation, federal grants or other funds or

donations from any source for the purpose of improving public awareness of the health risks associated with alcohol consumption by youth and the abuse of alcohol by adults in Washington state. The board's alcohol awareness program must cooperate with federal and state agencies, interested organizations, and individuals to effect an active public beverage alcohol awareness program;

(7) Perform all other matters and things, whether similar to the foregoing or not, to carry out the provisions of this title, and has full power to do each and every act necessary to the conduct of its regulatory functions, including all supplies procurement, preparation and approval of forms, and every other undertaking necessary to perform its regulatory functions whatsoever, subject only to audit by the state auditor. However, the board has no authority to regulate the content of spoken language on licensed premises where wine and other liquors are served and where there is not a clear and present danger of disorderly conduct being provoked by such language or to restrict advertising of lawful prices;

(8) Allow spirits sampling on former contract liquor store premises under this act.

Sec. 4. RCW 66.08.030 and 2012 c 2 s 204 (Initiative Measure No. 1183) are each amended to read as follows:

The power of the board to make regulations under chapter 34.05 RCW extends to:

(1) Prescribing the duties of the employees of the board, and regulating their conduct in the discharge of their duties;

(2) Prescribing an official seal and official labels and stamps and determining the manner in which they must be attached to every package of liquor sold or sealed under this title, including the prescribing of different official seals or different official labels for different classes of liquor;

(3) Prescribing forms to be used for purposes of this title or the regulations, and the terms and conditions to be contained in permits and licenses issued under this title, and the qualifications for receiving a permit or license issued under this title, including a criminal history record information check. The board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board must require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation;

(4) Prescribing the fees payable in respect of permits and licenses issued under this title for which no fees are prescribed in this title, and prescribing the fees for anything done or permitted to be done under the regulations;

(5) Prescribing the kinds and quantities of liquor which may be kept on hand by the holder of a special permit for the purposes named in the permit, regulating the manner in which the same is kept and disposed of, and providing for the inspection of the same at any time at the instance of the board;

(6) Regulating the sale of liquor kept by the holders of licenses which entitle the holder to purchase and keep liquor for sale;

(7) Prescribing the records of purchases or sales of liquor kept by the holders of licenses, and the reports to be made thereon to the board, and providing for inspection of the records so kept;

(8) Prescribing the kinds and quantities of liquor for which a prescription may be given, and the number of prescriptions which may be given to the same patient within a stated period;

(9) Prescribing the manner of giving and serving notices required by this title or the regulations, where not otherwise provided for in this title;

(10) Regulating premises in which liquor is kept for export from the state, or from which liquor is exported, prescribing the books and records to be kept therein and the reports to be made thereon to the

board, and providing for the inspection of the premises and the books, records and the liquor so kept;

(11) Prescribing the conditions and qualifications requisite for the obtaining of club licenses and the books and records to be kept and the returns to be made by clubs, prescribing the manner of licensing clubs in any municipality or other locality, and providing for the inspection of clubs;

(12) Prescribing the conditions, accommodations, and qualifications requisite for the obtaining of licenses to sell beer, wines, and spirits, and regulating the sale of beer, wines, and spirits thereunder;

(13) Specifying and regulating the time and periods when, and the manner, methods and means by which manufacturers must deliver liquor within the state; and the time and periods when, and the manner, methods and means by which liquor may lawfully be conveyed or carried within the state;

(14) Providing for the making of returns by brewers of their sales of beer shipped within the state, or from the state, showing the gross amount of such sales and providing for the inspection of brewers' books and records, and for the checking of the accuracy of any such returns;

(15) Providing for the making of returns by the wholesalers of beer whose breweries are located beyond the boundaries of the state;

(16) Providing for the making of returns by any other liquor manufacturers, showing the gross amount of liquor produced or purchased, the amount sold within and exported from the state, and to whom so sold or exported, and providing for the inspection of the premises of any such liquor manufacturers, their books and records, and for the checking of any such return;

(17) Providing for the giving of fidelity bonds by any or all of the employees of the board. However, the premiums therefor must be paid by the board;

(18) Providing for the shipment of liquor to any person holding a permit and residing in any unit which has, by election pursuant to this title, prohibited the sale of liquor therein;

(19) Prescribing methods of manufacture, conditions of sanitation, standards of ingredients, quality and identity of alcoholic beverages manufactured, sold, bottled, or handled by licensees and the board; and conducting from time to time, in the interest of the public health and general welfare, scientific studies and research relating to alcoholic beverages and the use and effect thereof;

(20) Seizing, confiscating and destroying all alcoholic beverages manufactured, sold or offered for sale within this state which do not conform in all respects to the standards prescribed by this title or the regulations of the board. However, nothing herein contained may be construed as authorizing the liquor board to prescribe, alter, limit or in any way change the present law as to the quantity or percentage of alcohol used in the manufacturing of wine or other alcoholic beverages;

(21) Allowing spirits sampling under this act.

NEW SECTION. Sec. 5. Section 2 of this act expires December 1, 2012.

NEW SECTION. Sec. 6. Section 3 of this act takes effect December 1, 2012."

Correct the title.

Signed by Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander; Condotta; Darneille; Dunshee; Hurst and McCoy.

MINORITY recommendation: Do not pass. Signed by Representative Miloscia.

Passed to Committee on Rules for second reading.

February 21, 2012
ESSB 6486 Prime Sponsor, Committee on Ways & Means:
 Granting collective bargaining for postdoctoral
 researchers at certain state universities.
 (REVISED FOR ENGROSSED: Granting
 collective bargaining for postdoctoral and clinical
 employees at certain state universities.) Reported
 by Committee on Labor & Workforce
 Development

MAJORITY recommendation: Do pass. Signed by
 Representatives Sells, Chair; Reykdal, Vice Chair; Green;
 Kenney; Miloscia; Moeller; Ormsby and Roberts.

MINORITY recommendation: Do not pass. Signed by
 Representatives Condotta, Ranking Minority Member; Shea,
 Assistant Ranking Minority Member; Taylor and Warnick.

Referred to Committee on Ways & Means.

February 21, 2012
SSB 6493 Prime Sponsor, Committee on Human Services &
 Corrections: Addressing sexually violent predator
 civil commitment cases. Reported by Committee
 on Public Safety & Emergency Preparedness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and
 insert the following:

"Sec. 1. RCW 2.70.020 and 2008 c 313 s 4 are each amended to
 read as follows:

The director shall:

(1) Administer all state-funded services in the following program
 areas:

(a) Trial court criminal indigent defense, as provided in chapter
 10.101 RCW;

(b) Appellate indigent defense, as provided in this chapter;

(c) Representation of indigent parents qualified for appointed
 counsel in dependency and termination cases, as provided in RCW
 13.34.090 and 13.34.092;

(d) Extraordinary criminal justice cost petitions, as provided in
 RCW 43.330.190;

(e) Compilation of copies of DNA test requests by persons
 convicted of felonies, as provided in RCW 10.73.170;

(f) Representation of indigent respondents qualified for appointed
 counsel in sexually violent predator civil commitment cases, as
 provided in chapter 71.09 RCW;

(2) Submit a biennial budget for all costs related to the office's
 program areas;

(3) Establish administrative procedures, standards, and guidelines
 for the office's program areas, including cost-efficient systems that
 provide for authorized recovery of costs;

(4) Provide oversight and technical assistance to ensure the
 effective and efficient delivery of services in the office's program
 areas;

(5) Recommend criteria and standards for determining and
 verifying indigency. In recommending criteria for determining
 indigency, the director shall compile and review the indigency
 standards used by other state agencies and shall periodically submit
 the compilation and report to the legislature on the appropriateness
 and consistency of such standards;

(6) Collect information regarding indigent defense services
 funded by the state and report annually to the advisory committee, the
 legislature, and the supreme court;

(7) Coordinate with the supreme court and the judges of each
 division of the court of appeals to determine how appellate attorney
 services should be provided.

The office of public defense shall not provide direct
 representation of clients.

NEW SECTION. Sec. 2. A new section is added to chapter 2.70
 RCW to read as follows:

In providing indigent defense services for sexually violent
 predator civil commitment cases under chapter 71.09 RCW, the
 director shall:

(1) In accordance with state contracting laws, contract with
 persons admitted to practice law in this state and organizations
 employing persons admitted to practice law in this state for the
 provision of legal services to indigent persons;

(2) Establish annual contract fees for defense legal services within
 amounts appropriated based on court rules and court orders;

(3) Ensure an indigent person qualified for appointed counsel has
 one contracted counsel appointed to assist him or her. Upon a
 showing of good cause, the court may order additional counsel;

(4) Consistent with court rules and court orders, establish
 procedures for the reimbursement of expert witness and other
 professional and investigative costs;

(5) Review and analyze existing caseload standards and make
 recommendations for updating caseload standards as appropriate;

(6) Annually, with the first report due December 1, 2013, submit
 a report to the chief justice of the supreme court, the governor, and
 the legislature, with all pertinent data on the operation of indigent
 defense services for commitment proceedings under this section, including:

(a) Recommended levels of appropriation to maintain adequate
 indigent defense services to the extent constitutionally required;

(b) The time to trial for all commitment trial proceedings
 including a list of the number of continuances granted, the party that
 requested the continuance, the county where the proceeding is being
 heard, and, if available, the reason the continuance was granted;

(c) Recommendations for policy changes, including changes in
 statutes and changes in court rules, which may be appropriate for the
 improvement of sexually violent predator civil commitment
 proceedings.

NEW SECTION. Sec. 3. (1) All powers, duties, and functions of
 the department of social and health services and the special
 commitment center pertaining to indigent defense under chapter 71.09
 RCW are transferred to the office of public defense.

(2)(a) The office of public defense may request any written
 materials in the possession of the department of social and health
 services and the special commitment center pertaining to the powers,
 functions, and duties transferred, which shall be delivered to the
 custody of the office of public defense. Materials may be transferred
 electronically and/or in hard copy, as agreed by the agencies. All
 funds, credits, or other assets held in connection with the powers,
 functions, and duties transferred shall be assigned to the office of
 public defense.

(b) Any appropriations made to the department of social and
 health services for carrying out the powers, functions, and duties
 transferred shall, on July 1, 2012, be transferred and credited to the
 office of public defense.

(3) Notwithstanding the effective date of this section, if
 implementation of office of public defense contracts would result in
 the substitution of counsel within one hundred eighty days of a
 scheduled trial date, the director of the office of public defense may
 continue defense services with existing counsel to facilitate continuity
 of effective representation and avoid further continuance of a trial.
 When existing counsel is maintained, payment to complete the trial
 shall be prorated based on standard contract fees established by the
 office of public defense under section 2 of this act and, at the
 director's discretion, may include extraordinary compensation based
 on attorney documentation.

Sec. 4. RCW 71.09.040 and 2009 c 409 s 4 are each amended to read as follows:

(1) Upon the filing of a petition under RCW 71.09.030, the judge shall determine whether probable cause exists to believe that the person named in the petition is a sexually violent predator. If such determination is made the judge shall direct that the person be taken into custody and notify the office of public defense of the potential need for representation.

(2) Within seventy-two hours after a person is taken into custody pursuant to subsection (1) of this section, the court shall provide the person with notice of, and an opportunity to appear in person at, a hearing to contest probable cause as to whether the person is a sexually violent predator. In order to assist the person at the hearing, within twenty-four hours of service of the petition, the prosecuting agency shall provide to the person or his or her counsel a copy of all materials provided to the prosecuting agency by the referring agency pursuant to RCW 71.09.025, or obtained by the prosecuting agency pursuant to RCW 71.09.025(1) (c) and (d). At this hearing, the court shall (a) verify the person's identity, and (b) determine whether probable cause exists to believe that the person is a sexually violent predator. At the probable cause hearing, the state may rely upon the petition and certification for determination of probable cause filed pursuant to RCW 71.09.030. The state may supplement this with additional documentary evidence or live testimony. The person may be held in total confinement at the county jail until the trial court renders a decision after the conclusion of the seventy- two hour probable cause hearing. The county shall be entitled to reimbursement for the cost of housing and transporting the person pursuant to rules adopted by the secretary.

(3) At the probable cause hearing, the person shall have the following rights in addition to the rights previously specified: (a) To be represented by counsel, and if the person is indigent as defined in RCW 10.101.010, to have office of public defense contracted counsel appointed as provided in RCW 10.101.020; (b) to present evidence on his or her behalf; (c) to cross-examine witnesses who testify against him or her; (d) to view and copy all petitions and reports in the court file. The court must permit a witness called by either party to testify by telephone. Because this is a special proceeding, discovery pursuant to the civil rules shall not occur until after the hearing has been held and the court has issued its decision.

(4) If the probable cause determination is made, the judge shall direct that the person be transferred to ~~((an appropriate facility for an evaluation as to whether the person is a sexually violent predator. The evaluation shall be conducted by a person deemed to be professionally qualified to conduct such an examination pursuant to rules developed by the department of social and health services. In adopting such rules, the department of social and health services shall consult with the department of health and the department of corrections))~~ the custody of the department of social and health services for placement in a total confinement facility operated by the department. In no event shall the person be released from confinement prior to trial. ~~((A witness called by either party shall be permitted to testify by telephone.))~~

Sec. 5. RCW 71.09.050 and 2010 1st sp.s. c 28 s 1 are each amended to read as follows:

(1) Within forty-five days after the completion of any hearing held pursuant to RCW 71.09.040, the court shall conduct a trial to determine whether the person is a sexually violent predator. The trial may be continued upon the request of either party and a showing of good cause, or by the court on its own motion in the due administration of justice, and when the respondent will not be substantially prejudiced. ~~((The department is responsible for the cost of one expert or professional person to conduct an evaluation on the prosecuting agency's behalf.))~~ The prosecuting agency shall have a right to a current evaluation of the person by experts chosen by the state. The judge shall require the person to complete any or all of the

following procedures or tests if requested by the evaluator: (a) A clinical interview; (b) psychological testing; (c) plethysmograph testing; and (d) polygraph testing. The judge may order the person to complete any other procedures and tests relevant to the evaluation. The state is responsible for the costs of the evaluation. At all stages of the proceedings under this chapter, any person subject to this chapter shall be entitled to the assistance of counsel, and if the person is indigent as defined in RCW 10.101.010, the court, as provided in RCW 10.101.020, shall appoint office of public defense contracted counsel to assist him or her. The person shall be confined in a secure facility for the duration of the trial.

(2) Whenever any indigent person is subjected to an evaluation under this chapter, the ~~((department))~~ office of public defense is responsible for the cost of one expert or professional person to conduct an evaluation on the person's behalf. When the person wishes to be evaluated by a qualified expert or professional person of his or her own choice, the expert or professional person must be permitted to have reasonable access to the person for the purpose of such evaluation, as well as to all relevant medical and psychological records and reports. In the case of a person who is indigent, the court shall, upon the person's request, assist the person in obtaining an expert or professional person to perform an evaluation or participate in the trial on the person's behalf. Nothing in this chapter precludes the person from paying for additional expert services at his or her own expense.

(3) The person, the prosecuting agency, or the judge shall have the right to demand that the trial be before a twelve-person jury. If no demand is made, the trial shall be before the court.

Sec. 6. RCW 71.09.080 and 2010 c 218 s 2 are each amended to read as follows:

(1) Any person subjected to restricted liberty as a sexually violent predator pursuant to this chapter shall not forfeit any legal right or suffer any legal disability as a consequence of any actions taken or orders made, other than as specifically provided in this chapter, or as otherwise authorized by law.

(2)(a) Any person committed or detained pursuant to this chapter shall be prohibited from possessing or accessing a personal computer if the resident's individualized treatment plan states that access to a computer is harmful to bringing about a positive response to a specific and certain phase or course of treatment.

(b) A person who is prohibited from possessing or accessing a personal computer under (a) of this subsection shall be permitted to access a limited functioning personal computer capable of word processing and limited data storage on the computer only that does not have: (i) Internet access capability; (ii) an optical drive, external drive, universal serial bus port, or similar drive capability; or (iii) the capability to display photographs, images, videos, or motion pictures, or similar display capability from any drive or port capability listed under (b)(ii) of this subsection.

(3) Any person committed pursuant to this chapter has the right to adequate care and individualized treatment. The department of social and health services shall keep records detailing all medical, expert, and professional care and treatment received by a committed person, and shall keep copies of all reports of periodic examinations made pursuant to this chapter. All such records and reports shall be made available upon request only to: The committed person, his or her attorney, the prosecuting ~~((attorney))~~ agency, the court, the protection and advocacy agency, or another expert or professional person who, upon proper showing, demonstrates a need for access to such records.

(4) At the time a person is taken into custody or transferred into a facility pursuant to a petition under this chapter, the professional person in charge of such facility or his or her designee shall take reasonable precautions to inventory and safeguard the personal property of the persons detained or transferred. A copy of the inventory, signed by the staff member making it, shall be given to the person detained and shall, in addition, be open to inspection to any

responsible relative, subject to limitations, if any, specifically imposed by the detained person. For purposes of this subsection, "responsible relative" includes the guardian, conservator, attorney, spouse, parent, adult child, or adult brother or sister of the person. The facility shall not disclose the contents of the inventory to any other person without consent of the patient or order of the court.

(5) Nothing in this chapter prohibits a person presently committed from exercising a right presently available to him or her for the purpose of obtaining release from confinement, including the right to petition for a writ of habeas corpus.

(6) No indigent person may be conditionally released or unconditionally discharged under this chapter without suitable clothing, and the secretary shall furnish the person with such sum of money as is required by RCW 72.02.100 for persons without ample funds who are released from correctional institutions. As funds are available, the secretary may provide payment to the indigent persons conditionally released pursuant to this chapter consistent with the optional provisions of RCW 72.02.100 and 72.02.110, and may adopt rules to do so.

(7) If a civil commitment petition is dismissed, or a trier of fact determines that a person does not meet civil commitment criteria, the person shall be released within twenty-four hours of service of the release order on the superintendent of the special commitment center, or later by agreement of the person who is the subject of the petition.

Sec. 7. RCW 71.09.090 and 2011 2nd sp.s. c 7 s 2 are each amended to read as follows:

(1) If the secretary determines that the person's condition has so changed that either: (a) The person no longer meets the definition of a sexually violent predator; or (b) conditional release to a less restrictive alternative is in the best interest of the person and conditions can be imposed that adequately protect the community, the secretary shall authorize the person to petition the court for conditional release to a less restrictive alternative or unconditional discharge. The petition shall be filed with the court and served upon the prosecuting agency responsible for the initial commitment. The court, upon receipt of the petition for conditional release to a less restrictive alternative or unconditional discharge, shall within forty-five days order a hearing.

(2)(a) Nothing contained in this chapter shall prohibit the person from otherwise petitioning the court for conditional release to a less restrictive alternative or unconditional discharge without the secretary's approval. The secretary shall provide the committed person with an annual written notice of the person's right to petition the court for conditional release to a less restrictive alternative or unconditional discharge over the secretary's objection. The notice shall contain a waiver of rights. The secretary shall file the notice and waiver form and the annual report with the court. If the person does not affirmatively waive the right to petition, the court shall set a show cause hearing to determine whether probable cause exists to warrant a hearing on whether the person's condition has so changed that: (i) He or she no longer meets the definition of a sexually violent predator; or (ii) conditional release to a proposed less restrictive alternative would be in the best interest of the person and conditions can be imposed that would adequately protect the community.

(b) The committed person shall have a right to have an attorney represent him or her at the show cause hearing, which may be conducted solely on the basis of affidavits or declarations, but the person is not entitled to be present at the show cause hearing. At the show cause hearing, the prosecuting ~~(attorney or attorney general)~~ agency shall present prima facie evidence establishing that the committed person continues to meet the definition of a sexually violent predator and that a less restrictive alternative is not in the best interest of the person and conditions cannot be imposed that adequately protect the community. In making this showing, the state may rely exclusively upon the annual report prepared pursuant to

RCW 71.09.070. The committed person may present responsive affidavits or declarations to which the state may reply.

(c) If the court at the show cause hearing determines that either: (i) The state has failed to present prima facie evidence that the committed person continues to meet the definition of a sexually violent predator and that no proposed less restrictive alternative is in the best interest of the person and conditions cannot be imposed that would adequately protect the community; or (ii) probable cause exists to believe that the person's condition has so changed that: (A) The person no longer meets the definition of a sexually violent predator; or (B) release to a proposed less restrictive alternative would be in the best interest of the person and conditions can be imposed that would adequately protect the community, then the court shall set a hearing on either or both issues.

(d) If the court has not previously considered the issue of release to a less restrictive alternative, either through a trial on the merits or through the procedures set forth in RCW 71.09.094(1), the court shall consider whether release to a less restrictive alternative would be in the best interests of the person and conditions can be imposed that would adequately protect the community, without considering whether the person's condition has changed. The court may not find probable cause for a trial addressing less restrictive alternatives unless a proposed less restrictive alternative placement meeting the conditions of RCW 71.09.092 is presented to the court at the show cause hearing.

(3)(a) At the hearing resulting from subsection (1) or (2) of this section, the committed person shall be entitled to be present and to the benefit of all constitutional protections that were afforded to the person at the initial commitment proceeding. The prosecuting agency shall represent the state and shall have a right to a jury trial and to have the committed person evaluated by experts chosen by the state. ~~((The department is responsible for the cost of one expert or professional person to conduct an evaluation on the prosecuting agency's behalf.))~~ The prosecuting agency shall have a right to a current evaluation of the person by experts chosen by the state. The judge shall require the person to complete any or all of the following procedures or tests if requested by the evaluator: (i) A clinical interview; (ii) psychological testing; (iii) plethysmograph testing; and (iv) polygraph testing. The judge may order the person to complete any other procedures and tests relevant to the evaluation. The state is responsible for the costs of the evaluation. The committed person shall also have the right to a jury trial and the right to have experts evaluate him or her on his or her behalf and the court shall appoint an expert if the person is indigent and requests an appointment.

(b) Whenever any indigent person is subjected to an evaluation under (a) of this subsection, the ~~(department)~~ office of public defense is responsible for the cost of one expert or professional person conducting an evaluation on the person's behalf. When the person wishes to be evaluated by a qualified expert or professional person of his or her own choice, such expert or professional person must be permitted to have reasonable access to the person for the purpose of such evaluation, as well as to all relevant medical and psychological records and reports. In the case of a person who is indigent, the court shall, upon the person's request, assist the person in obtaining an expert or professional person to perform an evaluation or participate in the hearing on the person's behalf. Nothing in this chapter precludes the person from paying for additional expert services at his or her own expense.

(c) If the issue at the hearing is whether the person should be unconditionally discharged, the burden of proof shall be upon the state to prove beyond a reasonable doubt that the committed person's condition remains such that the person continues to meet the definition of a sexually violent predator. Evidence of the prior commitment trial and disposition is admissible. The recommitment proceeding shall otherwise proceed as set forth in RCW 71.09.050 and 71.09.060.

(d) If the issue at the hearing is whether the person should be conditionally released to a less restrictive alternative, the burden of proof at the hearing shall be upon the state to prove beyond a reasonable doubt that conditional release to any proposed less restrictive alternative either: (i) Is not in the best interest of the committed person; or (ii) does not include conditions that would adequately protect the community. Evidence of the prior commitment trial and disposition is admissible.

(4)(a) Probable cause exists to believe that a person's condition has "so changed," under subsection (2) of this section, only when evidence exists, since the person's last commitment trial, or less restrictive alternative revocation proceeding, of a substantial change in the person's physical or mental condition such that the person either no longer meets the definition of a sexually violent predator or that a conditional release to a less restrictive alternative is in the person's best interest and conditions can be imposed to adequately protect the community.

(b) A new trial proceeding under subsection (3) of this section may be ordered, or a trial proceeding may be held, only when there is current evidence from a licensed professional of one of the following and the evidence presents a change in condition since the person's last commitment trial proceeding:

(i) An identified physiological change to the person, such as paralysis, stroke, or dementia, that renders the committed person unable to commit a sexually violent act and this change is permanent; or

(ii) A change in the person's mental condition brought about through positive response to continuing participation in treatment which indicates that the person meets the standard for conditional release to a less restrictive alternative or that the person would be safe to be at large if unconditionally released from commitment.

(c) For purposes of this section, a change in a single demographic factor, without more, does not establish probable cause for a new trial proceeding under subsection (3) of this section. As used in this section, a single demographic factor includes, but is not limited to, a change in the chronological age, marital status, or gender of the committed person.

(5) The jurisdiction of the court over a person civilly committed pursuant to this chapter continues until such time as the person is unconditionally discharged.

(6) During any period of confinement pursuant to a criminal conviction, or for any period of detention awaiting trial on criminal charges, this section is suspended.

NEW SECTION. Sec. 8. A new section is added to chapter 71.09 RCW to read as follows:

The following activities, unless provided as part of investigation and preparation for any hearing or trial under this chapter, are beyond the scope of representation of an attorney under contract with the office of public defense pursuant to chapter 2.70 RCW for the purposes of providing indigent defense services in sexually violent predator civil commitment proceedings:

(1) Investigation or legal representation challenging the conditions of confinement at the special commitment center or any secure community transition facility;

(2) Investigation or legal representation for making requests under the public records act, chapter 42.56 RCW;

(3) Legal representation or advice regarding filing a grievance with the department as part of its grievance policy or procedure;

(4) Such other activities as may be excluded by policy or contract with the office of public defense.

NEW SECTION. Sec. 9. A new section is added to chapter 71.09 RCW to read as follows:

(1) The office of public defense is responsible for the cost of one expert or professional person conducting an evaluation on an indigent person's behalf as provided in RCW 71.09.050, 71.09.070, or 71.09.090.

(2) Expert evaluations are capped at ten thousand dollars, to include all professional fees, travel, per diem, and other costs. Partial evaluations are capped at five thousand five hundred dollars and expert services apart from an evaluation, exclusive of testimony at trial or depositions, are capped at six thousand dollars.

(3) The office of public defense will pay for the costs related to the evaluation of an indigent person by an additional examiner or in excess of the stated fee caps only upon a finding by the superior court that such appointment or extraordinary fees are for good cause.

Sec. 10. RCW 71.09.110 and 2010 1st sp.s. c 28 s 3 are each amended to read as follows:

The department of social and health services shall be responsible for ~~((H))~~ the costs relating to the ~~((evaluation and))~~ treatment of persons committed to their custody whether in a secure facility or under a less restrictive alternative ~~((under any provision of))~~ as provided in this chapter. ~~((The secretary shall adopt rules to contain costs relating to reimbursement for evaluation services.))~~ Reimbursement may be obtained by the department for the cost of care and treatment of persons committed to its custody whether in a secure facility or under a less restrictive alternative pursuant to RCW 43.20B.330 through 43.20B.370.

Sec. 11. RCW 71.09.120 and 1990 c 3 s 1012 are each amended to read as follows:

(1) In addition to any other information required to be released under this chapter, the department is authorized, pursuant to RCW 4.24.550, to release relevant information that is necessary to protect the public, concerning a specific sexually violent predator committed under this chapter.

(2) The department and the courts are authorized to release to the office of public defense records needed to implement the office's administration of public defense in these cases, including research, reports, and other functions as required by RCW 2.70.020 and section 2 of this act. The office of public defense shall maintain the confidentiality of all confidential information included in the records.

(3) The inspection or copying of any nonexempt public record by persons residing in a civil commitment facility for sexually violent predators may be enjoined following procedures identified in RCW 42.56.565. The injunction may be requested by:

(a) An agency or its representative;

(b) A person named in the record or his or her representative;

(c) A person to whom the request specifically pertains or his or her representative.

Sec. 12. RCW 71.09.140 and 1995 c 216 s 17 are each amended to read as follows:

(1) At the earliest possible date, and in no event later than thirty days before conditional release or unconditional discharge, except in the event of escape, the department of social and health services shall send written notice of conditional release, unconditional discharge, or escape, to the following:

(a) The chief of police of the city, if any, in which the person will reside or in which placement will be made under a less restrictive alternative;

(b) The sheriff of the county in which the person will reside or in which placement will be made under a less restrictive alternative; and

(c) The sheriff of the county where the person was last convicted of a sexually violent offense, if the department does not know where the person will reside.

The department shall notify the state patrol of the release of all sexually violent predators and that information shall be placed in the Washington crime information center for dissemination to all law enforcement.

(2) The same notice as required by subsection (1) of this section shall be sent to the following if such notice has been requested in writing about a specific person found to be a sexually violent predator under this chapter:

(a) The victim or victims of any sexually violent offenses for which the person was convicted in the past or the victim's next of kin if the crime was a homicide. "Next of kin" as used in this section means a person's spouse, parents, siblings, and children;

(b) Any witnesses who testified against the person in his or her commitment trial under RCW 71.09.060; and

(c) Any person specified in writing by the prosecuting ~~((attorney))~~ agency.

Information regarding victims, next of kin, or witnesses requesting the notice, information regarding any other person specified in writing by the prosecuting ~~((attorney))~~ agency to receive the notice, and the notice are confidential and shall not be available to the committed person.

(3) If a person committed as a sexually violent predator under this chapter escapes from a department of social and health services facility, the department shall immediately notify, by the most reasonable and expedient means available, the chief of police of the city and the sheriff of the county in which the committed person resided immediately before his or her commitment as a sexually violent predator, or immediately before his or her incarceration for his or her most recent offense. If previously requested, the department shall also notify the witnesses and the victims of the sexually violent offenses for which the person was convicted in the past or the victim's next of kin if the crime was a homicide. If the person is recaptured, the department shall send notice to the persons designated in this subsection as soon as possible but in no event later than two working days after the department learns of such recapture.

(4) If the victim or victims of any sexually violent offenses for which the person was convicted in the past or the victim's next of kin, or any witness is under the age of sixteen, the notice required by this section shall be sent to the parents or legal guardian of the child.

(5) The department of social and health services shall send the notices required by this chapter to the last address provided to the department by the requesting party. The requesting party shall furnish the department with a current address.

(6) Nothing in this section shall impose any liability upon a chief of police of a city or sheriff of a county for failing to request in writing a notice as provided in subsection (1) of this section.

NEW SECTION. Sec. 13. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2012, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 14. This act takes effect July 1, 2012."

Correct the title.

Signed by Representatives Hurst, Chair; Ladenburg, Vice Chair; Pearson, Ranking Minority Member; Klippert, Assistant Ranking Minority Member; Appleton; Armstrong; Goodman; Hope; Kirby; Moscoso and Ross.

Referred to Committee on Ways & Means.

February 21, 2012
ESSB 6512 Prime Sponsor, Committee on Agriculture, Water & Rural Economic Development: Regarding irrigation and rehabilitation district administration. Reported by Committee on Local Government

MAJORITY recommendation: Do pass. Signed by Representatives Takko, Chair; Fitzgibbon, Vice Chair; Asay, Assistant Ranking Minority Member; Smith; Springer; Tharinger and Upthegrove.

MINORITY recommendation: Do not pass. Signed by Representatives Angel, Ranking Minority Member and Rodne.

Referred to Committee on Ways & Means.

February 20, 2012
SJR 8223 Prime Sponsor, Senator Kilmer: Amending the Constitution to provide clear authority to state research universities to invest funds as authorized by law, including investment in stocks or bonds issued by any company. (REVISED FOR PASSED LEGISLATURE: Amending the Constitution to provide clear authority to state research universities to invest funds as authorized by law.) Reported by Committee on Higher Education

MAJORITY recommendation: Do pass as amended.

Strike everything after page 1, line 2, and insert the following:

"THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article XXIX, section 1 of the Constitution of the state of Washington to read as follows:

Article XXIX, section 1. Notwithstanding the provisions of sections 5, and 7 of Article VIII and section 9 of Article XII or any other section or article of the Constitution of the state of Washington, the moneys of any public pension or retirement fund, industrial insurance trust fund, or fund held in trust for the benefit of persons with developmental disabilities, or of the University of Washington or Washington State University may be invested as authorized by law.

BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of this constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state."

Signed by Representatives Seaquist, Chair; Carlyle, Vice Chair; Haler, Ranking Minority Member; Asay; Buys; Fagan; Pollet; Reykdal; Sells; Springer; Warnick; Wylie and Zeiger.

MINORITY recommendation: Do not pass. Signed by Representatives Parker, Assistant Ranking Minority Member; Crouse and Hasegawa.

Referred to Committee on Ways & Means.

3rd SUPPLEMENTAL REPORTS OF STANDING COMMITTEES

February 21, 2012
HB 2783 Prime Sponsor, Representative Upthegrove: Concerning coal transition power. Reported by Committee on Environment

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Hansen; Jinkins; Moscoso; Nealey; Pearson; Pollet; Takko and Wylie.

MINORITY recommendation: Do not pass. Signed by Representatives Crouse; Fitzgibbon; Morris; Shea and Taylor.

Passed to Committee on Rules for second reading.

February 21, 2012

2SSB 5343 Prime Sponsor, Committee on Agriculture, Water & Rural Economic Development: Concerning air emissions from anaerobic digesters. Reported by Committee on Environment

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** A new section is added to chapter 70.94 RCW to read as follows:

(1) A generator operating at an electric generating project with an installed generator capacity of at least seven hundred fifty kilowatts but not exceeding one thousand kilowatts, that began operating after 2008, and that is located on agricultural lands of long-term commercial significance pursuant to chapter 36.70A RCW, is not bound by permit provisions related to the emissions limit for sulfur established by the department or a local air authority until December 31, 2018, if it is fueled by biogas that:

(a) Is produced by an anaerobic digester that qualifies for the solid waste permitting exemption specified in RCW 70.95.330; and

(b) Contains less than 0.1 percent sulfur by volume, after a start-up period not exceeding one hundred eighty days.

(2) A generator that meets the requirements in subsection (1) of this section may not be located in a federally designated nonattainment or maintenance area.

(3) Upon request, the department or a local air authority must provide technical assistance to a generator meeting the requirements in subsection (1) of this section to assist the generator in reducing its emissions in order to meet the requirements in this chapter.

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

(a) "Anaerobic digester" means a vessel that processes organic material into biogas and digestate using microorganisms in a decomposition process within a closed, oxygen-free container.

(b) "Generator" means an internal combustion engine that converts biogas into electricity, and includes any back-up combustion device to burn biogas when an engine is idled for maintenance.

NEW SECTION. Sec. 2. (1) By December 1, 2012, the department of ecology must submit a report to the appropriate standing committees of the legislature containing information regarding the degree to which current state air quality regulations consider different feed sources for anaerobic digesters and strategies to address the different feed sources used in anaerobic digesters. The department of ecology must consult with interested parties in drafting the report.

(2) The definitions in section 1(4) of this act apply throughout this section."

Correct the title.

Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Crouse; Fitzgibbon; Hansen; Jinkins; Morris; Moscoso; Nealey; Pearson; Pollet; Shea; Takko; Taylor and Wylie.

Referred to Committee on General Government Appropriations & Oversight.

February 21, 2012

ESSB 5575 Prime Sponsor, Committee on Agriculture, Water & Rural Economic Development: Recognizing certain biomass energy facilities as an eligible renewable resource. Reported by Committee on Environment

MAJORITY recommendation: Do pass. Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Crouse; Fitzgibbon; Hansen; Jinkins; Morris; Moscoso; Nealey; Pearson; Shea; Takko; Taylor and Wylie.

MINORITY recommendation: Without recommendation. Signed by Representative Pollet.

Passed to Committee on Rules for second reading.

February 21, 2012

ESSB 5715 Prime Sponsor, Committee on Early Learning & K-12 Education: Requiring adoption of core competencies for early care and education professionals and child and youth development professionals. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass. Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson and Orwall.

MINORITY recommendation: Do not pass. Signed by Representative Overstreet.

Referred to Committee on Education Appropriations & Oversight.

February 21, 2012

E2SSB 5730 Prime Sponsor, Committee on Financial Institutions, Housing & Insurance: Concerning usage-based automobile insurance. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 48.19.040 and 1994 c 131 s 8 are each amended to read as follows:

(1) Every insurer or rating organization shall, before using, file with the commissioner every classifications manual, manual of rules and rates, rating plan, rating schedule, minimum rate, class rate, and rating rule, and every modification of any of the foregoing which it proposes. The insurer need not so file any rate on individually rated risks as described in subdivision (1) of RCW 48.19.030; except that any such specific rate made by a rating organization shall be filed.

(2) Every such filing shall indicate the type and extent of the coverage contemplated and must be accompanied by sufficient information to permit the commissioner to determine whether it meets the requirements of this chapter. An insurer or rating organization shall offer in support of any filing:

(a) The experience or judgment of the insurer or rating organization making the filing;

(b) An exhibit detailing the major elements of operating expense for the types of insurance affected by the filing;

(c) An explanation of how investment income has been taken into account in the proposed rates; and

(d) Any other information which the insurer or rating organization deems relevant.

(3) If an insurer has insufficient loss experience to support its proposed rates, it may submit loss experience for similar exposures of other insurers or of a rating organization.

(4) Every such filing shall state its proposed effective date.

(5)(a) A filing made pursuant to this chapter shall be exempt from the provisions of RCW 48.02.120(3). However, the filing and all supporting information accompanying it shall be open to public inspection only after the filing becomes effective, except as provided in (b) of this subsection.

(b) For the purpose of this section, "usage-based insurance" means private passenger automobile coverage that uses data gathered from any recording device as defined in RCW 46.35.010, or a system, or business method that records and preserves data arising from the actual usage of a motor vehicle to determine rates or premiums. Information in a filing of usage-based insurance about the usage-based component of the rate is confidential and must be withheld from public inspection.

(6) Where a filing is required no insurer shall make or issue an insurance contract or policy except in accordance with its filing then in effect, except as is provided by RCW 48.19.090.

Sec. 2. RCW 42.56.400 and 2011 c 188 s 21 are each amended to read as follows:

The following information relating to insurance and financial institutions is exempt from disclosure under this chapter:

(1) Records maintained by the board of industrial insurance appeals that are related to appeals of crime victims' compensation claims filed with the board under RCW 7.68.110;

(2) Information obtained and exempted or withheld from public inspection by the health care authority under RCW 41.05.026, whether retained by the authority, transferred to another state purchased health care program by the authority, or transferred by the authority to a technical review committee created to facilitate the development, acquisition, or implementation of state purchased health care under chapter 41.05 RCW;

(3) The names and individual identification data of either all owners or all insureds, or both, received by the insurance commissioner under chapter 48.102 RCW;

(4) Information provided under RCW 48.30A.045 through 48.30A.060;

(5) Information provided under RCW 48.05.510 through 48.05.535, 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and 48.46.600 through 48.46.625;

(6) Examination reports and information obtained by the department of financial institutions from banks under RCW 30.04.075, from savings banks under RCW 32.04.220, from savings and loan associations under RCW 33.04.110, from credit unions under RCW 31.12.565, from check cashers and sellers under RCW 31.45.030(3), and from securities brokers and investment advisers under RCW 21.20.100, all of which is confidential and privileged information;

(7) Information provided to the insurance commissioner under RCW 48.110.040(3);

(8) Documents, materials, or information obtained by the insurance commissioner under RCW 48.02.065, all of which are confidential and privileged;

(9) Confidential proprietary and trade secret information provided to the commissioner under RCW 48.31C.020 through 48.31C.050 and 48.31C.070;

(10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and 7.70.140 that, alone or in combination with any other data, may reveal the identity of a claimant, health care provider, health care

facility, insuring entity, or self-insurer involved in a particular claim or a collection of claims. For the purposes of this subsection:

(a) "Claimant" has the same meaning as in RCW 48.140.010(2).

(b) "Health care facility" has the same meaning as in RCW 48.140.010(6).

(c) "Health care provider" has the same meaning as in RCW 48.140.010(7).

(d) "Insuring entity" has the same meaning as in RCW 48.140.010(8).

(e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

(11) Documents, materials, or information obtained by the insurance commissioner under RCW 48.135.060;

(12) Documents, materials, or information obtained by the insurance commissioner under RCW 48.37.060;

(13) Confidential and privileged documents obtained or produced by the insurance commissioner and identified in RCW 48.37.080;

(14) Documents, materials, or information obtained by the insurance commissioner under RCW 48.37.140;

(15) Documents, materials, or information obtained by the insurance commissioner under RCW 48.17.595;

(16) Documents, materials, or information obtained by the insurance commissioner under RCW 48.102.051(1) and 48.102.140 (3) and (7)(a)(ii);

(17) Documents, materials, or information obtained by the insurance commissioner in the commissioner's capacity as receiver under RCW 48.31.025 and 48.99.017, which are records under the jurisdiction and control of the receivership court. The commissioner is not required to search for, log, produce, or otherwise comply with the public records act for any records that the commissioner obtains under chapters 48.31 and 48.99 RCW in the commissioner's capacity as a receiver, except as directed by the receivership court;

(18) Documents, materials, or information obtained by the insurance commissioner under RCW 48.13.151; ~~((and))~~

(19) Data, information, and documents provided by a carrier pursuant to section 1, chapter 172, Laws of 2010; and

(20) Information in a filing of usage-based insurance about the usage-based component of the rate pursuant to RCW 48.19.040(5)(b).

NEW SECTION. Sec. 3. A new section is added to chapter 48.18 RCW to read as follows:

(1) For the purposes of this section, "usage-based insurance" has the same meaning as defined in RCW 48.19.040.

(2) Location data gathered in connection with usage-based insurance may not be collected without:

(a) Written disclosure to the insured:

(i) That such information is being collected;

(ii) If a recording device, system, or business method has the ability to record or transmit information, that the recording device, system, or business method can record or transmit information, and the type of information that the device may record or transmit; and

(b) The insured's consent.

(3) Individually identifiable usage information may be used and/or retained for usage-based insurance only:

(a) For purposes of determining premiums;

(b) Upon a court order or pursuant to discovery provided that any information recorded or transmitted by a recording device, system, or business method and obtained by a court order or pursuant to discovery is private and confidential and is not subject to public disclosure;

(c) With the consent of the owner, given for a specific instance of access, for any purpose;

(d) For improving motor vehicle safety, including medical research on the human body's reaction to motor vehicle collisions, if the identity of the motor vehicle or the owner or driver of the motor vehicle is not disclosed in connection with the retrieved information;

or

(e) For determining the need for or facilitating emergency medical response if a motor vehicle collision occurs, provided that the information retrieved is used solely for medical purposes.

(4) Individually identifiable usage information from a recording device, system, or business method may not be sold to any third party unless the owner of the information explicitly grants permission for the sale."

Correct the title.

Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Blake; Hudgins; Hurst; Pedersen; Ryu and Stanford.

MINORITY recommendation: Do not pass. Signed by Representatives Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Condotta; Kretz and Rivers.

Passed to Committee on Rules for second reading.

February 21, 2012

ESSB 5991 Prime Sponsor, Committee on Human Services & Corrections: Extending mandatory child abuse reporting requirements to specified employees of institutions of higher education. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 26.44.030 and 2009 c 480 s 1 are each amended to read as follows:

(1)(a) When any practitioner, county coroner or medical examiner, law enforcement officer, professional school personnel, registered or licensed nurse, social service counselor, psychologist, pharmacist, employee of the department of early learning, licensed or certified child care providers or their employees, employee of the department, juvenile probation officer, placement and liaison specialist, responsible living skills program staff, HOPE center staff, or state family and children's ombudsman or any volunteer in the ombudsman's office has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(b) When any person, in his or her official supervisory capacity with a nonprofit or for-profit organization, has reasonable cause to believe that a child has suffered abuse or neglect caused by a person over whom he or she regularly exercises supervisory authority, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency, provided that the person alleged to have caused the abuse or neglect is employed by, contracted by, or volunteers with the organization and coaches, trains, educates, or counsels a child or children or regularly has unsupervised access to a child or children as part of the employment, contract, or voluntary service. No one shall be required to report under this section when he or she obtains the information solely as a result of a privileged communication as provided in RCW 5.60.060.

Nothing in this subsection (1)(b) shall limit a person's duty to report under (a) of this subsection.

For the purposes of this subsection, the following definitions apply:

(i) "Official supervisory capacity" means a position, status, or role created, recognized, or designated by any nonprofit or for-profit organization, either for financial gain or without financial gain, whose scope includes, but is not limited to, overseeing, directing, or

managing another person who is employed by, contracted by, or volunteers with the nonprofit or for-profit organization.

(ii) "Regularly exercises supervisory authority" means to act in his or her official supervisory capacity on an ongoing or continuing basis with regards to a particular person.

(c) The reporting requirement also applies to department of corrections personnel who, in the course of their employment, observe offenders or the children with whom the offenders are in contact. If, as a result of observations or information received in the course of his or her employment, any department of corrections personnel has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report the incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(d) The reporting requirement shall also apply to any adult who has reasonable cause to believe that a child (~~who resides with them,~~) has suffered severe abuse or neglect, and is able or capable of making a report. For the purposes of this subsection, "severe abuse or neglect" means any of the following: Any (~~(single)~~) act of abuse (~~(that causes physical trauma)~~) of sufficient severity that (~~(- if left untreated, could cause death)~~) causes significant bleeding, deep bruising, significant external or internal swelling, bone fracture, or unconsciousness; any act or acts of withholding basic necessities of life that create or cause an imminent risk of substantial bodily harm; or any ((single)) act of ((sexual abuse that causes significant bleeding, deep bruising, or significant external or internal swelling; or more than one act of physical abuse, each of which causes bleeding, deep bruising, significant external or internal swelling, bone fracture, or unconsciousness)) intentionally touching the sexual or other intimate parts of a child for the purpose of gratifying sexual desire.

(e) The reporting requirement also applies to guardians ad litem, including court-appointed special advocates, appointed under Titles 11, 13, and 26 RCW, who in the course of their representation of children in these actions have reasonable cause to believe a child has been abused or neglected.

(f) The reporting requirement in (a) of this subsection also applies to administrative and academic or athletic department employees, including student employees, of institutions of higher education, as defined in RCW 28B.10.016, and of private institutions of higher education.

(g) The report must be made at the first opportunity, but in no case longer than forty-eight hours after there is reasonable cause to believe that the child has suffered abuse or neglect. The report must include the identity of the accused if known.

(2) The reporting requirement of subsection (1) of this section does not apply to the discovery of abuse or neglect that occurred during childhood if it is discovered after the child has become an adult. However, if there is reasonable cause to believe other children are or may be at risk of abuse or neglect by the accused, the reporting requirement of subsection (1) of this section does apply.

(3) Any other person who has reasonable cause to believe that a child has suffered abuse or neglect may report such incident to the proper law enforcement agency or to the department of social and health services as provided in RCW 26.44.040.

(4) The department, upon receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means or who has been subjected to alleged sexual abuse, shall report such incident to the proper law enforcement agency. In emergency cases, where the child's welfare is endangered, the department shall notify the proper law enforcement agency within twenty-four hours after a report is received by the department. In all other cases, the department shall notify the law enforcement agency within seventy-two hours after a report is received by the department. If the department makes an oral report, a

written report must also be made to the proper law enforcement agency within five days thereafter.

(5) Any law enforcement agency receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means, or who has been subjected to alleged sexual abuse, shall report such incident in writing as provided in RCW 26.44.040 to the proper county prosecutor or city attorney for appropriate action whenever the law enforcement agency's investigation reveals that a crime may have been committed. The law enforcement agency shall also notify the department of all reports received and the law enforcement agency's disposition of them. In emergency cases, where the child's welfare is endangered, the law enforcement agency shall notify the department within twenty-four hours. In all other cases, the law enforcement agency shall notify the department within seventy-two hours after a report is received by the law enforcement agency.

(6) Any county prosecutor or city attorney receiving a report under subsection (5) of this section shall notify the victim, any persons the victim requests, and the local office of the department, of the decision to charge or decline to charge a crime, within five days of making the decision.

(7) The department may conduct ongoing case planning and consultation with those persons or agencies required to report under this section, with consultants designated by the department, and with designated representatives of Washington Indian tribes if the client information exchanged is pertinent to cases currently receiving child protective services. Upon request, the department shall conduct such planning and consultation with those persons required to report under this section if the department determines it is in the best interests of the child. Information considered privileged by statute and not directly related to reports required by this section must not be divulged without a valid written waiver of the privilege.

(8) Any case referred to the department by a physician licensed under chapter 18.57 or 18.71 RCW on the basis of an expert medical opinion that child abuse, neglect, or sexual assault has occurred and that the child's safety will be seriously endangered if returned home, the department shall file a dependency petition unless a second licensed physician of the parents' choice believes that such expert medical opinion is incorrect. If the parents fail to designate a second physician, the department may make the selection. If a physician finds that a child has suffered abuse or neglect but that such abuse or neglect does not constitute imminent danger to the child's health or safety, and the department agrees with the physician's assessment, the child may be left in the parents' home while the department proceeds with reasonable efforts to remedy parenting deficiencies.

(9) Persons or agencies exchanging information under subsection (7) of this section shall not further disseminate or release the information except as authorized by state or federal statute. Violation of this subsection is a misdemeanor.

(10) Upon receiving a report of alleged abuse or neglect, the department shall make reasonable efforts to learn the name, address, and telephone number of each person making a report of abuse or neglect under this section. The department shall provide assurances of appropriate confidentiality of the identification of persons reporting under this section. If the department is unable to learn the information required under this subsection, the department shall only investigate cases in which:

(a) The department believes there is a serious threat of substantial harm to the child;

(b) The report indicates conduct involving a criminal offense that has, or is about to occur, in which the child is the victim; or

(c) The department has a prior founded report of abuse or neglect with regard to a member of the household that is within three years of receipt of the referral.

(11)(a) For reports of alleged abuse or neglect that are accepted for investigation by the department, the investigation shall be conducted within time frames established by the department in rule. In no case shall the investigation extend longer than ninety days from the date the report is received, unless the investigation is being conducted under a written protocol pursuant to RCW 26.44.180 and a law enforcement agency or prosecuting attorney has determined that a longer investigation period is necessary. At the completion of the investigation, the department shall make a finding that the report of child abuse or neglect is founded or unfounded.

(b) If a court in a civil or criminal proceeding, considering the same facts or circumstances as are contained in the report being investigated by the department, makes a judicial finding by a preponderance of the evidence or higher that the subject of the pending investigation has abused or neglected the child, the department shall adopt the finding in its investigation.

(12) In conducting an investigation of alleged abuse or neglect, the department or law enforcement agency:

(a) May interview children. The interviews may be conducted on school premises, at day-care facilities, at the child's home, or at other suitable locations outside of the presence of parents. Parental notification of the interview must occur at the earliest possible point in the investigation that will not jeopardize the safety or protection of the child or the course of the investigation. Prior to commencing the interview the department or law enforcement agency shall determine whether the child wishes a third party to be present for the interview and, if so, shall make reasonable efforts to accommodate the child's wishes. Unless the child objects, the department or law enforcement agency shall make reasonable efforts to include a third party in any interview so long as the presence of the third party will not jeopardize the course of the investigation; and

(b) Shall have access to all relevant records of the child in the possession of mandated reporters and their employees.

(13) If a report of alleged abuse or neglect is founded and constitutes the third founded report received by the department within the last twelve months involving the same child or family, the department shall promptly notify the office of the family and children's ombudsman of the contents of the report. The department shall also notify the ombudsman of the disposition of the report.

(14) In investigating and responding to allegations of child abuse and neglect, the department may conduct background checks as authorized by state and federal law.

(15) The department shall maintain investigation records and conduct timely and periodic reviews of all founded cases of abuse and neglect. The department shall maintain a log of screened-out nonabusive cases.

(16) The department shall use a risk assessment process when investigating alleged child abuse and neglect referrals. The department shall present the risk factors at all hearings in which the placement of a dependent child is an issue. Substance abuse must be a risk factor. The department shall, within funds appropriated for this purpose, offer enhanced community-based services to persons who are determined not to require further state intervention.

(17) Upon receipt of a report of alleged abuse or neglect the law enforcement agency may arrange to interview the person making the report and any collateral sources to determine if any malice is involved in the reporting.

(18) Upon receiving a report of alleged abuse or neglect involving a child under the court's jurisdiction under chapter 13.34 RCW, the department shall promptly notify the child's guardian ad litem of the report's contents. The department shall also notify the guardian ad litem of the disposition of the report. For purposes of this subsection, "guardian ad litem" has the meaning provided in RCW 13.34.030.

NEW SECTION. Sec. 2. A new section is added to chapter 28B.10 RCW to read as follows:

(1)(a) All employees of institutions of higher education, not considered academic or athletic department employees, who have reasonable cause to believe a child has suffered abuse or neglect, must report such abuse or neglect immediately to the appropriate administrator or supervisor, as designated by the institution. The administrator or supervisor to whom the report was made, if not already a mandatory reporter under RCW 26.44.030, must report the abuse or neglect within forty-eight hours to a mandatory reporter designated by the institution for this purpose.

(b) For purposes of this section, "child" has the same meaning as in RCW 26.44.020(2).

(c) For purposes of this section, "abuse or neglect" has the same meaning as in RCW 26.44.020(1).

(2) Institutions of higher education must ensure that the employees covered by the provisions of RCW 26.44.030 and subsection (1)(a) of this section have knowledge of their reporting responsibilities through whatever means are most likely to succeed in providing this information to affected employees.

Sec. 3. RCW 26.44.080 and 1982 c 129 s 10 are each amended to read as follows:

Every person who is required to make, or to cause to be made, a report pursuant to RCW 26.44.030 and 26.44.040, and who knowingly fails to make, or fails to cause to be made, such report, shall be guilty of a ((gross)) misdemeanor."

Correct the title.

Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Hope, Assistant Ranking Minority Member; Dickerson; Goodman and Orwall.

MINORITY recommendation: Do not pass. Signed by Representatives Walsh, Ranking Minority Member; Johnson and Overstreet.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6005 Prime Sponsor, Committee on Labor, Commerce & Consumer Protection: Exempting certain vehicles from the written estimate requirement for auto repair facilities. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Blake; Condotta; Hudgins; Hurst; Kretz; Pedersen; Rivers; Ryu and Stanford.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6027 Prime Sponsor, Committee on Environment: Concerning publicly owned industrial wastewater treatment facilities. Reported by Committee on Environment

MAJORITY recommendation: Do pass. Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Crouse; Fitzgibbon; Hansen; Jinkins; Morris; Moscoso; Nealey; Pearson; Pollet; Shea; Takko; Taylor and Wylie.

Referred to Committee on Capital Budget.

February 21, 2012

SSB 6038 Prime Sponsor, Committee on Early Learning & K-12 Education: Requiring rules to address school construction assistance for schools in shared or colocated facilities. Reported by Committee on Education

MAJORITY recommendation: Do pass. Signed by Representatives Santos, Chair; Lytton, Vice Chair; Dammeier, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Dahlquist, Assistant Ranking Minority Member; Ahern; Angel; Billig; Fagan; Finn; Haigh; Hargrove; Hunt; Klippert; Ladenburg; Liias; Maxwell; McCoy; Parker and Wilcox.

Referred to Committee on Capital Budget.

February 21, 2012

SSB 6041 Prime Sponsor, Committee on Early Learning & K-12 Education: Regarding lighthouse school programs. Reported by Committee on Education

MAJORITY recommendation: Do pass. Signed by Representatives Santos, Chair; Lytton, Vice Chair; Dammeier, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Dahlquist, Assistant Ranking Minority Member; Ahern; Angel; Billig; Fagan; Finn; Haigh; Hargrove; Hunt; Klippert; Ladenburg; Liias; Maxwell; McCoy; Parker and Wilcox.

Referred to Committee on Education Appropriations & Oversight.

February 21, 2012

SB 6082 Prime Sponsor, Senator Haugen: Regarding the preservation and conservation of agricultural resource lands. Reported by Committee on Environment

MAJORITY recommendation: Do pass as amended.

On page 2, beginning on line 9, after "(3)" strike all material through "RCW." on line 36 and insert "By December 31, 2013, the department of ecology shall conduct rulemaking to review and consider whether the current environmental checklist form in WAC 197-11-960 ensures consideration of potential impacts to agricultural lands of long-term commercial significance, as that term is used in chapter 36.70A RCW. The review and update shall ensure that the checklist is adequate to allow for consideration of impacts on adjacent agricultural properties, drainage patterns, agricultural soils, and normal agricultural operations."

On page 2, beginning on line 9, after "(3)" strike all material through "RCW." on line 36 and insert "By December 31, 2013, the department of ecology shall conduct rulemaking to review and consider whether the current environmental checklist form in WAC 197-11-960 ensures consideration of potential impacts to agricultural lands of long-term commercial significance, as that term is used in chapter 36.70A RCW."

Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Fitzgibbon; Hansen; Jinkins; Morris; Moscoso; Pearson; Pollet; Takko and Wylie.

MINORITY recommendation: Do not pass. Signed by Representatives Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Crouse; Nealey; Shea and Taylor.

Passed to Committee on Rules for second reading.

February 21, 2012
SB 6098 Prime Sponsor, Senator Rolfes: Revising fingerprinting requirements for licensing of private investigators and private security guards. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Condotta; Hudgins; Hurst; Kretz; Pedersen; Rivers; Ryu and Stanford.

Passed to Committee on Rules for second reading.

February 21, 2012
SSB 6100 Prime Sponsor, Committee on Human Services & Corrections: Updating the administration of the sexual assault grant programs. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass. Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson; Orwall and Overstreet.

Passed to Committee on Rules for second reading.

February 21, 2012
SSB 6116 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections: Concerning on-site sewage program management plans. Reported by Committee on Environment

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 70.05 RCW to read as follows:

(1) A local board of health in the twelve counties bordering Puget Sound implementing an on-site sewage program management plan may:

(a) Impose and collect reasonable rates or charges in an amount sufficient to pay for the actual costs of administration and operation of the on-site sewage program management plan; and

(b) Contract with the county treasurer to collect the rates or charges imposed under this section in accordance with RCW 84.56.035.

(2) In executing the provisions in subsection (1) of this section, a local board of health does not have the authority to impose a lien on real property for failure to pay rates and charges imposed by this section.

(3) Nothing in this section provides a local board of health with the ability to impose and collect rates and charges related to the implementation of an on-site sewage program management plan beyond those powers currently designated under RCW 70.05.060(7)."

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 2. A new section is added to chapter 70.05 RCW to read as follows:

(1) A local board of health in the twelve counties bordering Puget Sound may:

(a) Adopt and manage an on-site sewage program management plan required pursuant to RCW 70.118A.030;

(b) Impose and collect reasonable rates or charges in an amount sufficient to pay for the actual costs of administration and operation of the on-site sewage program management plan; and

(c) Contract with the county treasurer to collect the rates or charges imposed under this section in accordance with RCW 84.56.035.

(2) In executing the provisions in subsection (1) of this section, a local board of health does not have the authority to impose a lien on real property for failure to pay rates and charges imposed by this section.

(3) Nothing in this section provides a local board of health with the ability to impose and collect rates and charges related to the implementation of an on-site sewage program management plan beyond those powers currently designated under RCW 70.05.060(7)."

Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Crouse; Fitzgibbon; Hansen; Jinkins; Morris; Moscoso; Nealey; Pearson; Pollet; Takko and Wylie.

MINORITY recommendation: Do not pass. Signed by Representatives Shea and Taylor.

Passed to Committee on Rules for second reading.

February 21, 2012
2SSB 6120 Prime Sponsor, Committee on Ways & Means: Concerning children's safe products. Reported by Committee on Environment

MAJORITY recommendation: Do pass. Signed by Representatives Upthegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Crouse; Fitzgibbon; Hansen; Jinkins; Morris; Moscoso; Nealey; Pearson; Pollet; Shea; Takko; Taylor and Wylie.

Referred to Committee on General Government Appropriations & Oversight.

February 21, 2012
ESB 6155 Prime Sponsor, Senator Kilmer: Concerning the definition of debt adjusters. (REVISED FOR ENGROSSED: Concerning third-party account administrators.) Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Blake; Hurst and Rivers.

MINORITY recommendation: Do not pass. Signed by Representatives Condotta; Hudgins; Kretz; Pedersen; Ryu and Stanford.

Passed to Committee on Rules for second reading.

SB 6157

February 21, 2012
 Prime Sponsor, Senator Delvin: Requiring juvenile detention intake standards for juveniles who are developmentally disabled. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass. Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson; Orwall and Overstreet.

Passed to Committee on Rules for second reading.

E2SSB 6211

February 21, 2012
 Prime Sponsor, Committee on Ways & Means: Accelerating cleanup of hazardous waste sites. Reported by Committee on Environment

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that the cleanup and reuse of former commercial, industrial, and other sites contaminated with hazardous substances has economic, environmental, and public health benefits for the communities where these sites are located. Public investment in the cleanup of hazardous waste sites has multiple benefits, with some estimates indicating that for every state dollar invested toward cleanup, there is generated six dollars in local tax revenue, seven dollars in payroll revenue, and thirty-two dollars in business revenue. The legislature further finds that the cleanup of these "brownfield" properties should not be conducted in isolation from the community's plans for future economic, environmental, and social uses of the property, and that integrating the cleanup with future site uses may provide a greater opportunity to bring substantial private resources into the cleanup.

Therefore, it is the intent of this act to authorize a greater emphasis in the allocation of state resources toward the cleanup and reuse of brownfield properties, to provide more flexible funding and oversight authority for local governments guiding the cleanup of brownfield properties, and to modify the state's cleanup program in ways that will accelerate cleanups throughout the state, thus providing near-term job benefits in the cleanup, as well as ongoing economic and environmental benefits through reuse of the cleaned up properties.

Sec. 2. RCW 70.105D.010 and 2002 c 288 s 1 are each amended to read as follows:

(1) Each person has a fundamental and inalienable right to a healthful environment, and each person has a responsibility to preserve and enhance that right. The beneficial stewardship of the land, air, and waters of the state is a solemn obligation of the present generation for the benefit of future generations.

(2) A healthful environment is now threatened by the irresponsible use and disposal of hazardous substances. There are hundreds of hazardous waste sites in this state, and more will be created if current waste practices continue. Hazardous waste sites threaten the state's water resources, including those used for public drinking water. Many of our municipal landfills are current or potential hazardous waste sites and present serious threats to human health and environment. The costs of eliminating these threats in many cases are beyond the financial means of our local governments and ratepayers. The main purpose of chapter 2, Laws of 1989 is to raise sufficient funds to clean up all hazardous waste sites and to

prevent the creation of future hazards due to improper disposal of toxic wastes into the state's land and waters.

(3) Many farmers and small business owners who have followed the law with respect to their uses of pesticides and other chemicals nonetheless may face devastating economic consequences because their uses have contaminated the environment or the water supplies of their neighbors. With a source of funds, the state may assist these farmers and business owners, as well as those persons who sustain damages, such as the loss of their drinking water supplies, as a result of the contamination.

(4) It is in the public's interest to efficiently use our finite land base, to integrate our land use planning policies with our clean-up policies, and to clean up and reuse contaminated industrial and other brownfield properties in order to minimize (~~industrial~~) development pressures on undeveloped land and to make clean land available for (~~future~~) economic, environmental, and social (~~use~~) reuses.

(5) Because it is often difficult or impossible to allocate responsibility among persons liable for hazardous waste sites and because it is essential that sites be cleaned up well and expeditiously, each responsible person should be liable jointly and severally.

(6) Because releases of hazardous substances can adversely affect the health and welfare of the public, the environment, and property values, it is in the public interest that affected communities be notified of where releases of hazardous substances have occurred and what is being done to clean them up.

Sec. 3. RCW 70.105D.020 and 2007 c 104 s 18 are each amended to read as follows:

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

(1) "Agreed order" means an order issued by the department under this chapter with which the potentially liable person or prospective purchaser receiving the order agrees to comply. An agreed order may be used to require or approve any cleanup or other remedial actions but it is not a settlement under RCW 70.105D.040(4) and shall not contain a covenant not to sue, or provide protection from claims for contribution, or provide eligibility for public funding of remedial actions under RCW 70.105D.070(2)(~~(d)~~) (b) (xi) and (xii).

(2) "Department" means the department of ecology.

(3) "Director" means the director of ecology or the director's designee.

(4) "Environmental covenant" has the same meaning as defined in RCW 64.70.020.

(5) "Facility" means (a) any building, structure, installation, equipment, pipe or pipeline (including any pipe into a sewer or publicly owned treatment works), well, pit, pond, lagoon, impoundment, ditch, landfill, storage container, motor vehicle, rolling stock, vessel, or aircraft, or (b) any site or area where a hazardous substance, other than a consumer product in consumer use, has been deposited, stored, disposed of, or placed, or otherwise come to be located.

(6) "Federal cleanup law" means the federal comprehensive environmental response, compensation, and liability act of 1980, 42 U.S.C. Sec. 9601 et seq., as amended by Public Law 99-499.

(7)(a) "Fiduciary" means a person acting for the benefit of another party as a bona fide trustee; executor; administrator; custodian; guardian of estates or guardian ad litem; receiver; conservator; committee of estates of incapacitated persons; trustee in bankruptcy; trustee, under an indenture agreement, trust agreement, lease, or similar financing agreement, for debt securities, certificates of interest or certificates of participation in debt securities, or other forms of indebtedness as to which the trustee is not, in the capacity of trustee, the lender. Except as provided in subsection (17)(b)(iii) of this section, the liability of a fiduciary under this chapter shall not exceed the assets held in the fiduciary capacity.

(b) "Fiduciary" does not mean:

(i) A person acting as a fiduciary with respect to a trust or other fiduciary estate that was organized for the primary purpose of, or is engaged in, actively carrying on a trade or business for profit, unless the trust or other fiduciary estate was created as part of, or to facilitate, one or more estate plans or because of the incapacity of a natural person;

(ii) A person who acquires ownership or control of a facility with the objective purpose of avoiding liability of the person or any other person. It is prima facie evidence that the fiduciary acquired ownership or control of the facility to avoid liability if the facility is the only substantial asset in the fiduciary estate at the time the facility became subject to the fiduciary estate;

(iii) A person who acts in a capacity other than that of a fiduciary or in a beneficiary capacity and in that capacity directly or indirectly benefits from a trust or fiduciary relationship;

(iv) A person who is a beneficiary and fiduciary with respect to the same fiduciary estate, and who while acting as a fiduciary receives benefits that exceed customary or reasonable compensation, and incidental benefits permitted under applicable law;

(v) A person who is a fiduciary and receives benefits that substantially exceed customary or reasonable compensation, and incidental benefits permitted under applicable law; or

(vi) A person who acts in the capacity of trustee of state or federal lands or resources.

(8) "Fiduciary capacity" means the capacity of a person holding title to a facility, or otherwise having control of an interest in the facility pursuant to the exercise of the responsibilities of the person as a fiduciary.

(9) "Foreclosure and its equivalents" means purchase at a foreclosure sale, acquisition, or assignment of title in lieu of foreclosure, termination of a lease, or other repossession, acquisition of a right to title or possession, an agreement in satisfaction of the obligation, or any other comparable formal or informal manner, whether pursuant to law or under warranties, covenants, conditions, representations, or promises from the borrower, by which the holder acquires title to or possession of a facility securing a loan or other obligation.

(10) "Hazardous substance" means:

(a) Any dangerous or extremely hazardous waste as defined in RCW 70.105.010 (~~((5) and (6))~~) (1) and (7), or any dangerous or extremely dangerous waste designated by rule pursuant to chapter 70.105 RCW;

(b) Any hazardous substance as defined in RCW 70.105.010(~~((4))~~) (10) or any hazardous substance as defined by rule pursuant to chapter 70.105 RCW;

(c) Any substance that, on March 1, 1989, is a hazardous substance under section 101(14) of the federal cleanup law, 42 U.S.C. Sec. 9601(14);

(d) Petroleum or petroleum products; and

(e) Any substance or category of substances, including solid waste decomposition products, determined by the director by rule to present a threat to human health or the environment if released into the environment.

The term hazardous substance does not include any of the following when contained in an underground storage tank from which there is not a release: Crude oil or any fraction thereof or petroleum, if the tank is in compliance with all applicable federal, state, and local law.

(11) "Holder" means a person who holds indicia of ownership primarily to protect a security interest. A holder includes the initial holder such as the loan originator, any subsequent holder such as a successor-in-interest or subsequent purchaser of the security interest on the secondary market, a guarantor of an obligation, surety, or any other person who holds indicia of ownership primarily to protect a security interest, or a receiver, court-appointed trustee, or other person who acts on behalf or for the benefit of a holder. A holder can be a

public or privately owned financial institution, receiver, conservator, loan guarantor, or other similar persons that loan money or guarantee repayment of a loan. Holders typically are banks or savings and loan institutions but may also include others such as insurance companies, pension funds, or private individuals that engage in loaning of money or credit.

(12) "Independent remedial actions" means remedial actions conducted without department oversight or approval, and not under an order, agreed order, or consent decree.

(13) "Indicia of ownership" means evidence of a security interest, evidence of an interest in a security interest, or evidence of an interest in a facility securing a loan or other obligation, including any legal or equitable title to a facility acquired incident to foreclosure and its equivalents. Evidence of such interests includes, mortgages, deeds of trust, sellers interest in a real estate contract, liens, surety bonds, and guarantees of obligations, title held pursuant to a lease financing transaction in which the lessor does not select initially the leased facility, or legal or equitable title obtained pursuant to foreclosure and their equivalents. Evidence of such interests also includes assignments, pledges, or other rights to or other forms of encumbrance against the facility that are held primarily to protect a security interest.

(14) "Industrial properties" means properties that are or have been characterized by, or are to be committed to, traditional industrial uses such as processing or manufacturing of materials, marine terminal and transportation areas and facilities, fabrication, assembly, treatment, or distribution of manufactured products, or storage of bulk materials, that are either:

(a) Zoned for industrial use by a city or county conducting land use planning under chapter 36.70A RCW; or

(b) For counties not planning under chapter 36.70A RCW and the cities within them, zoned for industrial use and adjacent to properties currently used or designated for industrial purposes.

(15) "Institutional controls" means measures undertaken to limit or prohibit activities that may interfere with the integrity of a remedial action or result in exposure to or migration of hazardous substances at a site. "Institutional controls" include environmental covenants.

(16) "Operating a facility primarily to protect a security interest" occurs when all of the following are met: (a) Operating the facility where the borrower has defaulted on the loan or otherwise breached the security agreement; (b) operating the facility to preserve the value of the facility as an ongoing business; (c) the operation is being done in anticipation of a sale, transfer, or assignment of the facility; and (d) the operation is being done primarily to protect a security interest. Operating a facility for longer than one year prior to foreclosure or its equivalents shall be presumed to be operating the facility for other than to protect a security interest.

(17) "Owner or operator" means:

(a) Any person with any ownership interest in the facility or who exercises any control over the facility; or

(b) In the case of an abandoned facility, any person who had owned, or operated, or exercised control over the facility any time before its abandonment;

The term does not include:

(i) An agency of the state or unit of local government which acquired ownership or control through a drug forfeiture action under RCW 69.50.505, or involuntarily through bankruptcy, tax delinquency, abandonment, or other circumstances in which the government involuntarily acquires title. This exclusion does not apply to an agency of the state or unit of local government which has caused or contributed to the release or threatened release of a hazardous substance from the facility;

(ii) A person who, without participating in the management of a facility, holds indicia of ownership primarily to protect the person's security interest in the facility. Holders after foreclosure and its equivalent and holders who engage in any of the activities identified

in subsection (18)(e) through (g) of this section shall not lose this exemption provided the holder complies with all of the following:

(A) The holder properly maintains the environmental compliance measures already in place at the facility;

(B) The holder complies with the reporting requirements in the rules adopted under this chapter;

(C) The holder complies with any order issued to the holder by the department to abate an imminent or substantial endangerment;

(D) The holder allows the department or potentially liable persons under an order, agreed order, or settlement agreement under this chapter access to the facility to conduct remedial actions and does not impede the conduct of such remedial actions;

(E) Any remedial actions conducted by the holder are in compliance with any preexisting requirements identified by the department, or, if the department has not identified such requirements for the facility, the remedial actions are conducted consistent with the rules adopted under this chapter; and

(F) The holder does not exacerbate an existing release. The exemption in this subsection (17)(b)(ii) does not apply to holders who cause or contribute to a new release or threatened release or who are otherwise liable under RCW 70.105D.040(1) (b), (c), (d), and (e); provided, however, that a holder shall not lose this exemption if it establishes that any such new release has been remediated according to the requirements of this chapter and that any hazardous substances remaining at the facility after remediation of the new release are divisible from such new release;

(iii) A fiduciary in his, her, or its personal or individual capacity. This exemption does not preclude a claim against the assets of the estate or trust administered by the fiduciary or against a nonemployee agent or independent contractor retained by a fiduciary. This exemption also does not apply to the extent that a person is liable under this chapter independently of the person's ownership as a fiduciary or for actions taken in a fiduciary capacity which cause or contribute to a new release or exacerbate an existing release of hazardous substances. This exemption applies provided that, to the extent of the fiduciary's powers granted by law or by the applicable governing instrument granting fiduciary powers, the fiduciary complies with all of the following:

(A) The fiduciary properly maintains the environmental compliance measures already in place at the facility;

(B) The fiduciary complies with the reporting requirements in the rules adopted under this chapter;

(C) The fiduciary complies with any order issued to the fiduciary by the department to abate an imminent or substantial endangerment;

(D) The fiduciary allows the department or potentially liable persons under an order, agreed order, or settlement agreement under this chapter access to the facility to conduct remedial actions and does not impede the conduct of such remedial actions;

(E) Any remedial actions conducted by the fiduciary are in compliance with any preexisting requirements identified by the department, or, if the department has not identified such requirements for the facility, the remedial actions are conducted consistent with the rules adopted under this chapter; and

(F) The fiduciary does not exacerbate an existing release.

The exemption in this subsection (17)(b)(iii) does not apply to fiduciaries who cause or contribute to a new release or threatened release or who are otherwise liable under RCW 70.105D.040(1) (b), (c), (d), and (e); provided however, that a fiduciary shall not lose this exemption if it establishes that any such new release has been remediated according to the requirements of this chapter and that any hazardous substances remaining at the facility after remediation of the new release are divisible from such new release. The exemption in this subsection (17)(b)(iii) also does not apply where the fiduciary's powers to comply with this subsection (17)(b)(iii) are limited by a governing instrument created with the objective purpose of avoiding

liability under this chapter or of avoiding compliance with this chapter; or

(iv) Any person who has any ownership interest in, operates, or exercises control over real property where a hazardous substance has come to be located solely as a result of migration of the hazardous substance to the real property through the groundwater from a source off the property, if:

(A) The person can demonstrate that the hazardous substance has not been used, placed, managed, or otherwise handled on the property in a manner likely to cause or contribute to a release of the hazardous substance that has migrated onto the property;

(B) The person has not caused or contributed to the release of the hazardous substance;

(C) The person does not engage in activities that damage or interfere with the operation of remedial actions installed on the person's property or engage in activities that result in exposure of humans or the environment to the contaminated groundwater that has migrated onto the property;

(D) If requested, the person allows the department, potentially liable persons who are subject to an order, agreed order, or consent decree, and the authorized employees, agents, or contractors of each, access to the property to conduct remedial actions required by the department. The person may attempt to negotiate an access agreement before allowing access; and

(E) Legal withdrawal of groundwater does not disqualify a person from the exemption in this subsection (17)(b)(iv).

(18) "Participation in management" means exercising decision-making control over the borrower's operation of the facility, environmental compliance, or assuming or manifesting responsibility for the overall management of the enterprise encompassing the day-to-day decision making of the enterprise.

The term does not include any of the following: (a) A holder with the mere capacity or ability to influence, or the unexercised right to control facility operations; (b) a holder who conducts or requires a borrower to conduct an environmental audit or an environmental site assessment at the facility for which indicia of ownership is held; (c) a holder who requires a borrower to come into compliance with any applicable laws or regulations at the facility for which indicia of ownership is held; (d) a holder who requires a borrower to conduct remedial actions including setting minimum requirements, but does not otherwise control or manage the borrower's remedial actions or the scope of the borrower's remedial actions except to prepare a facility for sale, transfer, or assignment; (e) a holder who engages in workout or policing activities primarily to protect the holder's security interest in the facility; (f) a holder who prepares a facility for sale, transfer, or assignment or requires a borrower to prepare a facility for sale, transfer, or assignment; (g) a holder who operates a facility primarily to protect a security interest, or requires a borrower to continue to operate, a facility primarily to protect a security interest; and (h) a prospective holder who, as a condition of becoming a holder, requires an owner or operator to conduct an environmental audit, conduct an environmental site assessment, come into compliance with any applicable laws or regulations, or conduct remedial actions prior to holding a security interest is not participating in the management of the facility.

(19) "Person" means an individual, firm, corporation, association, partnership, consortium, joint venture, commercial entity, state government agency, unit of local government, federal government agency, or Indian tribe.

(20) "Policing activities" means actions the holder takes to ensure that the borrower complies with the terms of the loan or security interest or actions the holder takes or requires the borrower to take to maintain the value of the security. Policing activities include: Requiring the borrower to conduct remedial actions at the facility during the term of the security interest; requiring the borrower to comply or come into compliance with applicable federal, state, and

local environmental and other laws, regulations, and permits during the term of the security interest; securing or exercising authority to monitor or inspect the facility including on-site inspections, or to monitor or inspect the borrower's business or financial condition during the term of the security interest; or taking other actions necessary to adequately police the loan or security interest such as requiring a borrower to comply with any warranties, covenants, conditions, representations, or promises from the borrower.

(21) "Potentially liable person" means any person whom the department finds, based on credible evidence, to be liable under RCW 70.105D.040. The department shall give notice to any such person and allow an opportunity for comment before making the finding, unless an emergency requires otherwise.

(22) "Prepare a facility for sale, transfer, or assignment" means to secure access to the facility; perform routine maintenance on the facility; remove inventory, equipment, or structures; properly maintain environmental compliance measures already in place at the facility; conduct remedial actions to clean up releases at the facility; or to perform other similar activities intended to preserve the value of the facility where the borrower has defaulted on the loan or otherwise breached the security agreement or after foreclosure and its equivalents and in anticipation of a pending sale, transfer, or assignment, primarily to protect the holder's security interest in the facility. A holder can prepare a facility for sale, transfer, or assignment for up to one year prior to foreclosure and its equivalents and still stay within the security interest exemption in subsection (17)(b)(ii) of this section.

(23) "Primarily to protect a security interest" means the indicia of ownership is held primarily for the purpose of securing payment or performance of an obligation. The term does not include indicia of ownership held primarily for investment purposes nor indicia of ownership held primarily for purposes other than as protection for a security interest. A holder may have other, secondary reasons, for maintaining indicia of ownership, but the primary reason must be for protection of a security interest. Holding indicia of ownership after foreclosure or its equivalents for longer than five years shall be considered to be holding the indicia of ownership for purposes other than primarily to protect a security interest. For facilities that have been acquired through foreclosure or its equivalents prior to July 23, 1995, this five-year period shall begin as of July 23, 1995.

(24) "Public notice" means, at a minimum, adequate notice mailed to all persons who have made timely request of the department and to persons residing in the potentially affected vicinity of the proposed action; mailed to appropriate news media; published in the newspaper of largest circulation in the city or county of the proposed action; and opportunity for interested persons to comment.

(25) "Release" means any intentional or unintentional entry of any hazardous substance into the environment, including but not limited to the abandonment or disposal of containers of hazardous substances.

(26) "Remedy" or "remedial action" means any action or expenditure consistent with the purposes of this chapter to identify, eliminate, or minimize any threat or potential threat posed by hazardous substances to human health or the environment including any investigative and monitoring activities with respect to any release or threatened release of a hazardous substance and any health assessments or health effects studies conducted in order to determine the risk or potential risk to human health.

(27) "Security interest" means an interest in a facility created or established for the purpose of securing a loan or other obligation. Security interests include deeds of trusts, sellers interest in a real estate contract, liens, legal, or equitable title to a facility acquired incident to foreclosure and its equivalents, and title pursuant to lease financing transactions. Security interests may also arise from transactions such as sale and leasebacks, conditional sales, installment sales, trust receipt transactions, certain assignments, factoring

agreements, accounts receivable financing arrangements, easements, and consignments, if the transaction creates or establishes an interest in a facility for the purpose of securing a loan or other obligation.

(28) "Workout activities" means those actions by which a holder, at any time prior to foreclosure and its equivalents, seeks to prevent, cure, or mitigate a default by the borrower or obligor; or to preserve, or prevent the diminution of, the value of the security. Workout activities include: Restructuring or renegotiating the terms of the security interest; requiring payment of additional rent or interest; exercising forbearance; requiring or exercising rights pursuant to an assignment of accounts or other amounts owed to an obligor; requiring or exercising rights pursuant to an escrow agreement pertaining to amounts owed to an obligor; providing specific or general financial or other advice, suggestions, counseling, or guidance; and exercising any right or remedy the holder is entitled to by law or under any warranties, covenants, conditions, representations, or promises from the borrower.

(29) "Areawide groundwater contamination" means groundwater contamination on multiple adjacent properties with different ownerships consisting of hazardous substances from multiple sources that have resulted in commingled plumes of contaminated groundwater that are not practicable to address separately.

(30) "Brownfield property" means previously developed and currently abandoned or underutilized real property and adjacent surface waters and sediment where environmental, economic, or community reuse objectives are hindered by the release or threatened release of hazardous substances that the department has determined requires remedial action under this chapter or that the United States environmental protection agency has determined requires remedial action under the comprehensive environmental response, compensation, and liability act.

(31) "City" means a city or town.

(32) "Local government" means any political subdivision of the state, including a town, city, county, special purpose district, or other municipal corporation, including brownfield renewal authority created under section 6 of this act.

(33) "Prospective purchaser" means a person who is not currently liable for remedial action at a facility and who proposes to purchase, redevelop, or reuse the facility.

(34) "Redevelopment opportunity zone" means a geographic area designated under section 5 of this act.

NEW SECTION. Sec. 4. A new section is added to chapter 70.105D RCW to read as follows:

(1) The brownfield redevelopment trust fund account is created in the state treasury. All receipts from the sources identified in subsection (2) of this section may be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only as identified in subsection (4) of this section.

(2) The following receipts must be deposited into the brownfield redevelopment trust fund account:

(a) Moneys appropriated by the legislature to the account for a specific redevelopment opportunity zone established under section 5 of this act or a specific brownfield renewal authority established under section 6 of this act;

(b) Moneys voluntarily deposited in the account for a specific redevelopment opportunity zone or a specific brownfield renewal authority; and

(c) Receipts from settlements or court orders that direct payment to the account for a specific redevelopment opportunity zone to resolve a person's liability or potential liability under this chapter.

(3) If a settlement or court order does not direct payment of receipts described in subsection (2)(c) of this section into the brownfield redevelopment trust fund account, then the receipts from any payment to the state must be deposited into the state toxics control account established under RCW 70.105D.070.

(4) Expenditures from the brownfield redevelopment trust fund account may only be used for the purposes of remediation and cleanup at the specific redevelopment opportunity zone or specific brownfield renewal authority for which the moneys were deposited in the account.

(5) The department shall track moneys received, interest earned, and moneys expended separately for each facility.

(6) The account must retain its interest earnings in accordance with RCW 43.84.092.

(7) The local government designating the redevelopment opportunity zone under section 5 of this act or the associated brownfield renewal authority created under section 6 of this act must be the beneficiary of the deposited moneys.

(8) All expenditures must be used to conduct remediation and cleanup consistent with a plan for the remediation and cleanup of the properties or facilities approved by the department under this chapter. All expenditures must meet the eligibility requirements for the use by local governments under the rules for remedial action grants adopted by the department under this chapter, including requirements for the expenditure of nonstate match funding.

(9) Beginning October 31, 2012, the department must provide a biennial report to the office of financial management and the legislature regarding the activity for each specific redevelopment opportunity zone or specific brownfield renewal authority for which specific legislative appropriation was provided in the previous two fiscal years.

(10) After the department determines that all remedial actions within the redevelopment opportunity zone identified in the plan approved under subsection (8) of this section are completed, including payment of all cost reasonably attributable to the remedial actions and cleanup, any remaining moneys must be transferred to the state toxics control account established under RCW 70.105D.070.

(11) If the department determines that substantial progress has not been made on the plan approved under subsection (8) of this section for a redevelopment opportunity zone or specific brownfield renewal authority for which moneys were deposited in the account within six years, or that the brownfield renewal authority is no longer a viable entity, then all remaining moneys must be transferred to the state toxics control account established under RCW 70.105D.070.

(12) The department is authorized to adopt rules to implement this section.

NEW SECTION. Sec. 5. A new section is added to chapter 70.105D RCW to read as follows:

(1) A city or county may designate a geographic area within its jurisdiction as a redevelopment opportunity zone if the zone meets the criteria in this subsection and the city or county adopts a resolution that includes the following determinations and commitments:

(a) At least fifty percent of the upland properties in the zone are brownfield properties whether or not the properties are contiguous;

(b) The upland portions of the zone are comprised entirely of parcels of property either owned by the city or county or whose owner has provided consent in writing to have their property included within the zone;

(c) The cleanup of those properties will be integrated with planning for the future uses of the properties and is consistent with the comprehensive land use plan for the zone; and

(d) The proposed properties lie within the incorporated area of a city or within an urban growth area designated under RCW 36.70A.110.

(2) A port district may designate a redevelopment opportunity zone when:

(a) The port district adopts a resolution that includes the determinations and commitments required under subsection (1)(a), (c), and (d) of this section;

(b) The zone meets the criteria in subsection (1)(a), (c), and (d) of this section; and

(c) The port district either:

(i) Owns in fee all of the upland properties within the zone; or

(ii) Owns in fee at least fifty percent of the upland property in the zone, the owners of other parcels of property in the zone have provided consent in writing to have their property included in the zone, and the governing body of the city and county in which the zone lies approves of the designation by resolution.

NEW SECTION. Sec. 6. A new section is added to chapter 70.105D RCW to read as follows:

(1) A city, county, or port district may establish by resolution a brownfield renewal authority for the purpose of guiding and implementing the cleanup and reuse of properties within a designated redevelopment opportunity zone. Any combination of cities, counties, and port districts may establish a brownfield renewal authority through an interlocal agreement under chapter 39.34 RCW, and the brownfield renewal authority may exercise those powers as are authorized under chapter 39.34 RCW and under this chapter.

(2) A brownfield renewal authority must be governed by a board of directors selected as determined by the resolution or interlocal agreement establishing the authority.

(3) A brownfield renewal authority must be a separate legal entity and be deemed a municipal corporation. It has the power to: Sue and be sued; receive, account for, and disburse funds; employ personnel; and acquire or dispose of any interest in real or personal property within a redevelopment opportunity zone in the furtherance of the authority purposes. A brownfield renewal authority has the power to contract indebtedness and to issue and sell general obligation bonds pursuant to and in the manner provided for general county bonds in chapters 36.67 and 39.46 RCW and other applicable statutes, and to issue revenue bonds pursuant to and in the manner provided for revenue bonds in chapter 36.67 RCW and other applicable statutes.

(4) If the department determines that substantial progress has not been made on the plan approved under section 4 of this act by the brownfield renewal authority within six years of a city, county, or port district establishing a brownfield renewal authority, the department may require dissolution of the brownfield renewal authority. Upon dissolution of the brownfield renewal authority, except as provided in section 5 of this act, all assets and liabilities transfer to the city, town, or port district establishing the brownfield renewal authority.

Sec. 7. RCW 70.105D.030 and 2009 c 560 s 10 are each amended to read as follows:

(1) The department may exercise the following powers in addition to any other powers granted by law:

(a) Investigate, provide for investigating, or require potentially liable persons to investigate any releases or threatened releases of hazardous substances, including but not limited to inspecting, sampling, or testing to determine the nature or extent of any release or threatened release. If there is a reasonable basis to believe that a release or threatened release of a hazardous substance may exist, the department's authorized employees, agents, or contractors may enter upon any property and conduct investigations. The department shall give reasonable notice before entering property unless an emergency prevents such notice. The department may by subpoena require the attendance or testimony of witnesses and the production of documents or other information that the department deems necessary;

(b) Conduct, provide for conducting, or require potentially liable persons to conduct remedial actions (including investigations under (a) of this subsection) to remedy releases or threatened releases of hazardous substances. In carrying out such powers, the department's authorized employees, agents, or contractors may enter upon property. The department shall give reasonable notice before entering property unless an emergency prevents such notice. In conducting, providing for, or requiring remedial action, the department shall give preference to permanent solutions to the maximum extent practicable and shall provide for or require adequate monitoring to ensure the effectiveness of the remedial action;

(c) Indemnify contractors retained by the department for carrying out investigations and remedial actions, but not for any contractor's reckless or willful misconduct;

(d) Carry out all state programs authorized under the federal cleanup law and the federal resource, conservation, and recovery act, 42 U.S.C. Sec. 6901 et seq., as amended;

(e) Classify substances as hazardous substances for purposes of RCW 70.105D.020 and classify substances and products as hazardous substances for purposes of RCW 82.21.020(1);

(f) Issue orders or enter into consent decrees or agreed orders that include, or issue written opinions under (i) of this subsection that may be conditioned upon, environmental covenants where necessary to protect human health and the environment from a release or threatened release of a hazardous substance from a facility. Prior to establishing an environmental covenant under this subsection, the department shall consult with and seek comment from a city or county department with land use planning authority for real property subject to the environmental covenant;

(g) Enforce the application of permanent and effective institutional controls that are necessary for a remedial action to be protective of human health and the environment and the notification requirements established in RCW 70.105D.110, and impose penalties for violations of that section consistent with RCW 70.105D.050;

(h) Require holders to conduct remedial actions necessary to abate an imminent or substantial endangerment pursuant to RCW 70.105D.020(17)(b)(ii)(C);

(i) Provide informal advice and assistance to persons regarding the administrative and technical requirements of this chapter. This may include site-specific advice to persons who are conducting or otherwise interested in independent remedial actions. Any such advice or assistance shall be advisory only, and shall not be binding on the department. As a part of providing this advice and assistance for independent remedial actions, the department may prepare written opinions regarding whether the independent remedial actions or proposals for those actions meet the substantive requirements of this chapter or whether the department believes further remedial action is necessary at the facility. Nothing in this chapter may be construed to preclude the department from issuing a written opinion on whether further remedial action is necessary at any portion of the real property located within a facility, even if further remedial action is still necessary elsewhere at the same facility. Such a written opinion on a portion of a facility must also provide an opinion on the status of the facility as a whole. The department may collect, from persons requesting advice and assistance, the costs incurred by the department in providing such advice and assistance; however, the department shall, where appropriate, waive collection of costs in order to provide an appropriate level of technical assistance in support of public participation. The state, the department, and officers and employees of the state are immune from all liability, and no cause of action of any nature may arise from any act or omission in providing, or failing to provide, informal advice and assistance. The department must track the number of requests for reviews of planned or completed independent remedial actions and establish performance measures to track how quickly the department is able to respond to those requests. By November 1, 2012, the department must submit to the governor and the appropriate legislative fiscal and policy committees a report on achieving the performance measures and provide recommendations for improving performance, including staffing needs; (~~and~~)

(j) In fulfilling the objectives of this chapter, the department shall allocate staffing and financial assistance in a manner that considers both the reduction of human and environmental risks and the land reuse potential and planning for the facilities to be cleaned up. This does not preclude the department from allocating resources to a facility based solely on human or environmental risks; and

(k) Take any other actions necessary to carry out the provisions of

this chapter, including the power to adopt rules under chapter 34.05 RCW.

(2) The department shall immediately implement all provisions of this chapter to the maximum extent practicable, including investigative and remedial actions where appropriate. The department shall adopt, and thereafter enforce, rules under chapter 34.05 RCW to:

(a) Provide for public participation, including at least (i) public notice of the development of investigative plans or remedial plans for releases or threatened releases and (ii) concurrent public notice of all compliance orders, agreed orders, enforcement orders, or notices of violation;

(b) Establish a hazard ranking system for hazardous waste sites;

(c) Provide for requiring the reporting by an owner or operator of releases of hazardous substances to the environment that may be a threat to human health or the environment within ninety days of discovery, including such exemptions from reporting as the department deems appropriate, however this requirement shall not modify any existing requirements provided for under other laws;

(d) Establish reasonable deadlines not to exceed ninety days for initiating an investigation of a hazardous waste site after the department receives notice or otherwise receives information that the site may pose a threat to human health or the environment and other reasonable deadlines for remedying releases or threatened releases at the site;

(e) Publish and periodically update minimum cleanup standards for remedial actions at least as stringent as the cleanup standards under section 121 of the federal cleanup law, 42 U.S.C. Sec. 9621, and at least as stringent as all applicable state and federal laws, including health-based standards under state and federal law; and

(f) Apply industrial clean-up standards at industrial properties. Rules adopted under this subsection shall ensure that industrial properties cleaned up to industrial standards cannot be converted to nonindustrial uses without approval from the department. The department may require that a property cleaned up to industrial standards is cleaned up to a more stringent applicable standard as a condition of conversion to a nonindustrial use. Industrial clean-up standards may not be applied to industrial properties where hazardous substances remaining at the property after remedial action pose a threat to human health or the environment in adjacent nonindustrial areas.

(3) To achieve and protect the state's long-term ecological health, the department shall prioritize sufficient funding to clean up hazardous waste sites and prevent the creation of future hazards due to improper disposal of toxic wastes, and create financing tools to clean up large-scale hazardous waste sites requiring multiyear commitments. To effectively monitor toxic accounts expenditures, the department shall develop a comprehensive ten-year financing report that identifies long-term remedial action project costs, tracks expenses, and projects future needs.

(4) Before December 20th of each even-numbered year, the department shall:

(a) Develop a comprehensive ten-year financing report in coordination with all local governments with clean-up responsibilities that identifies the projected biennial hazardous waste site remedial action needs that are eligible for funding from the local toxics control account;

(b) Work with local governments to develop working capital reserves to be incorporated in the ten-year financing report;

(c) Identify the projected remedial action needs for orphaned, abandoned, and other clean-up sites that are eligible for funding from the state toxics control account;

(d) Project the remedial action need, cost, revenue, and any recommended working capital reserve estimate to the next biennium's long-term remedial action needs from both the local toxics control account and the state toxics control account, and submit this

information to the appropriate standing fiscal and environmental committees of the senate and house of representatives. This submittal must also include a ranked list of such remedial action projects for both accounts; and

(e) Provide the legislature and the public each year with an accounting of the department's activities supported by appropriations from the state and local toxics control accounts, including a list of known hazardous waste sites and their hazard rankings, actions taken and planned at each site, how the department is meeting its waste management priorities under RCW 70.105.150, and all funds expended under this chapter.

(5) The department shall establish a program to identify potential hazardous waste sites and to encourage persons to provide information about hazardous waste sites.

(6) For all facilities where an environmental covenant has been required under subsection (1)(f) of this section, including all facilities where the department has required an environmental covenant under an order, agreed order, or consent decree, or as a condition of a written opinion issued under the authority of subsection (1)(i) of this section, the department shall periodically review the environmental covenant for effectiveness. Except as otherwise provided in (c) of this subsection, the department shall conduct a review at least once every five years after an environmental covenant is recorded.

(a) The review shall consist of, at a minimum:

(i) A review of the title of the real property subject to the environmental covenant to determine whether the environmental covenant was properly recorded and, if applicable, amended or terminated;

(ii) A physical inspection of the real property subject to the environmental covenant to determine compliance with the environmental covenant, including whether any development or redevelopment of the real property has violated the terms of the environmental covenant; and

(iii) A review of the effectiveness of the environmental covenant in limiting or prohibiting activities that may interfere with the integrity of the remedial action or that may result in exposure to or migration of hazardous substances. This shall include a review of available monitoring data.

(b) If an environmental covenant has been amended or terminated without proper authority, or if the terms of an environmental covenant have been violated, or if the environmental covenant is no longer effective in limiting or prohibiting activities that may interfere with the integrity of the remedial action or that may result in exposure to or migration of hazardous substances, then the department shall take any and all appropriate actions necessary to ensure compliance with the environmental covenant and the policies and requirements of this chapter.

(c) For facilities where an environmental covenant required by the department under subsection (1)(f) of this section was required before July 1, 2007, the department shall:

(i) Enter all required information about the environmental covenant into the registry established under RCW 64.70.120 by June 30, 2008;

(ii) For those facilities where more than five years has elapsed since the environmental covenant was required and the department has yet to conduct a review, conduct an initial review according to the following schedule:

(A) By December 30, 2008, fifty facilities;

(B) By June 30, 2009, fifty additional facilities; and

(C) By June 30, 2010, the remainder of the facilities;

(iii) Once this initial review has been completed, conduct subsequent reviews at least once every five years.

Sec. 8. RCW 70.105D.040 and 1997 c 406 s 4 are each amended to read as follows:

(1) Except as provided in subsection (3) of this section, the following persons are liable with respect to a facility:

(a) The owner or operator of the facility;

(b) Any person who owned or operated the facility at the time of disposal or release of the hazardous substances;

(c) Any person who owned or possessed a hazardous substance and who by contract, agreement, or otherwise arranged for disposal or treatment of the hazardous substance at the facility, or arranged with a transporter for transport for disposal or treatment of the hazardous substances at the facility, or otherwise generated hazardous wastes disposed of or treated at the facility;

(d) Any person (i) who accepts or accepted any hazardous substance for transport to a disposal, treatment, or other facility selected by such person from which there is a release or a threatened release for which remedial action is required, unless such facility, at the time of disposal or treatment, could legally receive such substance; or (ii) who accepts a hazardous substance for transport to such a facility and has reasonable grounds to believe that such facility is not operated in accordance with chapter 70.105 RCW; and

(e) Any person who both sells a hazardous substance and is responsible for written instructions for its use if (i) the substance is used according to the instructions and (ii) the use constitutes a release for which remedial action is required at the facility.

(2) Each person who is liable under this section is strictly liable, jointly and severally, for all remedial action costs and for all natural resource damages resulting from the releases or threatened releases of hazardous substances. The attorney general, at the request of the department, is empowered to recover all costs and damages from persons liable therefor.

(3) The following persons are not liable under this section:

(a) Any person who can establish that the release or threatened release of a hazardous substance for which the person would be otherwise responsible was caused solely by:

(i) An act of God;

(ii) An act of war; or

(iii) An act or omission of a third party (including but not limited to a trespasser) other than (A) an employee or agent of the person asserting the defense, or (B) any person whose act or omission occurs in connection with a contractual relationship existing, directly or indirectly, with the person asserting this defense to liability. This defense only applies where the person asserting the defense has exercised the utmost care with respect to the hazardous substance, the foreseeable acts or omissions of the third party, and the foreseeable consequences of those acts or omissions;

(b) Any person who is an owner, past owner, or purchaser of a facility and who can establish by a preponderance of the evidence that at the time the facility was acquired by the person, the person had no knowledge or reason to know that any hazardous substance, the release or threatened release of which has resulted in or contributed to the need for the remedial action, was released or disposed of on, in, or at the facility. This subsection (3)(b) is limited as follows:

(i) To establish that a person had no reason to know, the person must have undertaken, at the time of acquisition, all appropriate inquiry into the previous ownership and uses of the property, consistent with good commercial or customary practice in an effort to minimize liability. Any court interpreting this subsection (3)(b) shall take into account any specialized knowledge or experience on the part of the person, the relationship of the purchase price to the value of the property if uncontaminated, commonly known or reasonably ascertainable information about the property, the obviousness of the presence or likely presence of contamination at the property, and the ability to detect such contamination by appropriate inspection;

(ii) The defense contained in this subsection (3)(b) is not available to any person who had actual knowledge of the release or threatened release of a hazardous substance when the person owned the real property and who subsequently transferred ownership of the property without first disclosing such knowledge to the transferee;

(iii) The defense contained in this subsection (3)(b) is not available to any person who, by any act or omission, caused or contributed to the release or threatened release of a hazardous substance at the facility;

(c) Any natural person who uses a hazardous substance lawfully and without negligence for any personal or domestic purpose in or near a dwelling or accessory structure when that person is: (i) A resident of the dwelling; (ii) a person who, without compensation, assists the resident in the use of the substance; or (iii) a person who is employed by the resident, but who is not an independent contractor;

(d) Any person who, for the purpose of growing food crops, applies pesticides or fertilizers without negligence and in accordance with all applicable laws and regulations.

(4) There may be no settlement by the state with any person potentially liable under this chapter except in accordance with this section.

(a) The attorney general may agree to a settlement with any potentially liable person only if the department finds, after public notice and any required hearing, that the proposed settlement would lead to a more expeditious cleanup of hazardous substances in compliance with clean-up standards under RCW 70.105D.030(2)(e) and with any remedial orders issued by the department. Whenever practicable and in the public interest, the attorney general may expedite such a settlement with persons whose contribution is insignificant in amount and toxicity. A hearing shall be required only if at least ten persons request one or if the department determines a hearing is necessary.

(b) A settlement agreement under this section shall be entered as a consent decree issued by a court of competent jurisdiction.

(c) A settlement agreement may contain a covenant not to sue only of a scope commensurate with the settlement agreement in favor of any person with whom the attorney general has settled under this section. Any covenant not to sue shall contain a reopener clause which requires the court to amend the covenant not to sue if factors not known at the time of entry of the settlement agreement are discovered and present a previously unknown threat to human health or the environment.

(d) A party who has resolved its liability to the state under this section shall not be liable for claims for contribution regarding matters addressed in the settlement. The settlement does not discharge any of the other liable parties but it reduces the total potential liability of the others to the state by the amount of the settlement.

(e) If the state has entered into a consent decree with an owner or operator under this section, the state shall not enforce this chapter against any owner or operator who is a successor in interest to the settling party unless under the terms of the consent decree the state could enforce against the settling party, if:

(i) The successor owner or operator is liable with respect to the facility solely due to that person's ownership interest or operator status acquired as a successor in interest to the owner or operator with whom the state has entered into a consent decree; and

(ii) The stay of enforcement under this subsection does not apply if the consent decree was based on circumstances unique to the settling party that do not exist with regard to the successor in interest, such as financial hardship. For consent decrees entered into before July 27, 1997, at the request of a settling party or a potential successor owner or operator, the attorney general shall issue a written opinion on whether a consent decree contains such unique circumstances. For all other consent decrees, such unique circumstances shall be specified in the consent decree.

(f) Any person who is not subject to enforcement by the state under (e) of this subsection is not liable for claims for contribution regarding matters addressed in the settlement.

(5)(a) In addition to the settlement authority provided under subsection (4) of this section, the attorney general may agree to a

settlement with a ~~((person not currently liable for remedial action at a facility who proposes to purchase, redevelop, or reuse the facility))~~ prospective purchaser, provided that:

(i) The settlement will yield substantial new resources to facilitate cleanup;

(ii) The settlement will expedite remedial action at the facility consistent with the rules adopted under this chapter; and

(iii) Based on available information, the department determines that the redevelopment or reuse of the facility is not likely to contribute to the existing release or threatened release, interfere with remedial actions that may be needed at the ~~((site))~~ facility, or increase health risks to persons at or in the vicinity of the ~~((site))~~ facility.

(b) The legislature recognizes that the state does not have adequate resources to participate in all property transactions involving contaminated property. The primary purpose of this subsection (5) is to promote the cleanup and reuse of ~~((vacant or abandoned commercial or industrial contaminated))~~ brownfield property. The attorney general and the department may give priority to settlements that will provide a substantial public benefit ~~((including, but not limited to the reuse of a vacant or abandoned manufacturing or industrial facility, or the development of a facility by a governmental entity to address an important public purpose))~~ in addition to cleanup such

as:

(i) Public access to an area not otherwise accessible to the public;
(ii) New or improved public recreational activities;
(iii) Enhancement of a natural resource habitat that would not otherwise occur; or
(iv) Preservation of a historic property listed pursuant to chapter 84.26 RCW.

(c) A settlement entered under this subsection is governed by subsection (4) of this section.

(6) As an alternative to a settlement under subsection (5) of this section, the department may enter into an agreed order with a prospective purchaser of a property within a designated redevelopment opportunity zone. The agreed order is subject to the limitations in RCW 70.105D.020(1), but stays enforcement by the department under this chapter regarding remedial actions required by the agreed order as long as the prospective purchaser complies with the requirements of the agreed order.

(7) Nothing in this chapter affects or modifies in any way any person's right to seek or obtain relief under other statutes or under common law, including but not limited to damages for injury or loss resulting from a release or threatened release of a hazardous substance. No settlement by the department or remedial action ordered by a court or the department affects any person's right to obtain a remedy under common law or other statutes.

Sec. 9. RCW 70.105D.050 and 2005 c 211 s 2 are each amended to read as follows:

(1) With respect to any release, or threatened release, for which the department does not conduct or contract for conducting remedial action and for which the department believes remedial action is in the public interest, the director shall issue orders or agreed orders requiring potentially liable persons to provide the remedial action. Any liable person, or prospective purchaser who has entered into an agreed order under RCW 70.105D.040(6), who refuses, without sufficient cause, to comply with an order or agreed order of the director is liable in an action brought by the attorney general for:

(a) Up to three times the amount of any costs incurred by the state as a result of the party's refusal to comply; and

(b) A civil penalty of up to twenty-five thousand dollars for each day the party refuses to comply.

The treble damages and civil penalty under this subsection apply to all recovery actions filed on or after March 1, 1989.

(2) Any person who incurs costs complying with an order issued under subsection (1) of this section may petition the department for reimbursement of those costs. If the department refuses to grant

reimbursement, the person may within thirty days thereafter file suit and recover costs by proving that he or she was not a liable person under RCW 70.105D.040 and that the costs incurred were reasonable.

(3) The attorney general shall seek, by filing an action if necessary, to recover the amounts spent by the department for investigative and remedial actions and orders, and agreed orders, including amounts spent prior to March 1, 1989.

(4) The attorney general may bring an action to secure such relief as is necessary to protect human health and the environment under this chapter.

(5)(a) Any person may commence a civil action to compel the department to perform any nondiscretionary duty under this chapter. At least thirty days before commencing the action, the person must give notice of intent to sue, unless a substantial endangerment exists. The court may award attorneys' fees and other costs to the prevailing party in the action.

(b) Civil actions under this section and RCW 70.105D.060 may be brought in the superior court of Thurston county or of the county in which the release or threatened release exists.

(6) Any person who fails to provide notification of releases consistent with RCW 70.105D.110 or who submits false information is liable in an action brought by the attorney general for a civil penalty of up to five thousand dollars per day for each day the party refuses to comply.

(7) Any person who owns real property or lender holding a mortgage on real property that is subject to a lien filed under RCW 70.105D.055 may petition the department to have the lien removed or the amount of the lien reduced. If, after consideration of the petition and the information supporting the petition, the department decides to deny the request, the person may, within ninety days after receipt of the department's denial, file suit for removal or reduction of the lien. The person is entitled to removal of a lien filed under RCW 70.105D.055(2)(a) if they can prove by a preponderance of the evidence that the person is not a liable party under RCW 70.105D.040. The person is entitled to a reduction of the amount of the lien if they can prove by a preponderance of the evidence:

(a) For liens filed under RCW 70.105D.055(2)(a), the amount of the lien exceeds the remedial action costs the department incurred related to cleanup of the real property; and

(b) For liens filed under RCW 70.105D.055(2)(c), the amount of the lien exceeds the remedial action costs the department incurred related to cleanup of the real property or exceeds the increase of the fair market value of the real property solely attributable to the remedial action conducted by the department.

Sec. 10. RCW 70.105D.070 and 2011 1st sp.s. c 50 s 964 are each reenacted and amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2)(a) The following moneys shall be deposited into the state toxics control account:

~~((a))~~ (i) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent;

~~((b))~~ (ii) The costs of remedial actions recovered under this chapter or chapter 70.105A RCW;

~~((c))~~ (iii) Penalties collected or recovered under this chapter; and

~~((d))~~ (iv) Any other money appropriated or transferred to the account by the legislature.

(b) Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(iii) The hazardous waste cleanup program required under this chapter;

(iv) State matching funds required under the federal cleanup law;

(v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;

(vii) Hazardous materials emergency response training;

(viii) Water and environmental health protection and monitoring programs;

(ix) Programs authorized under chapter 70.146 RCW;

(x) A public participation program, including regional citizen advisory committees;

(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with clean-up standards under RCW 70.105D.030(2)(e) but only when:

~~(A)~~ The amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4); and ~~((when))~~

~~(B)~~ The director has found that the funding will achieve both ~~((A))~~ (I) a substantially more expeditious or enhanced cleanup than would otherwise occur~~((;))~~; and ~~((B))~~ (II) the prevention or mitigation of unfair economic hardship;

(xii) Public funding to assist prospective purchasers to pay for the costs of remedial action in compliance with clean-up standards under RCW 70.105D.030(2)(e) if:

(A) The facility is located within a redevelopment opportunity zone designated under section 5 of this act;

(B) The amount and terms of the funding are established under a settlement agreement under RCW 70.105D.040(5); and

(C) The director has found the funding meets any additional criteria established in rule by the department, will achieve a substantially more expeditious or enhanced cleanup than would otherwise occur, and will provide a public benefit in addition to cleanup commensurate with the scope of the public funding such as:

(I) Public access to an area not otherwise accessible to the public;

(II) New or improved public recreational activities;

(III) Enhancement of a natural resource habitat that would not otherwise occur; or

(IV) Preservation of a historic property listed pursuant to chapter 84.26 RCW;

~~((xiii))~~ (xiii) Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities of RCW 70.105.150;

~~((xiii))~~ (xiv) During the 2009-2011 and 2011-2013 fiscal biennia, shoreline update technical assistance;

~~((xiv))~~ ~~During the 2009-2011 fiscal biennium, multijurisdictional permitting teams;~~ and

(xv) During the 2011-2013 fiscal biennium, actions for reducing public exposure to toxic air pollution.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority:

(i) Remedial actions, including planning for adaptive reuse of properties as provided for under (c)(iii) of this subsection (3);

(ii) Hazardous waste plans and programs under chapter 70.105 RCW;

(iii) Solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(iv) Funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and

(v) Cleanup and disposal of hazardous substances from abandoned or derelict vessels, defined for the purposes of this section as vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel, that pose a threat to human health or the environment.

(b) Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that is a Puget Sound partner, as defined in RCW 90.71.010, along with any project that is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, shall, except as conditioned by RCW 70.105D.120, receive priority for any available funding for any grant or funding programs or sources that use a competitive bidding process. During the 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

(c) To expedite cleanups throughout the state, the department shall partner with local communities and liable ~~((parties for cleanups. The department is authorized to use))~~ persons conducting remedial actions, and may use the following additional strategies in order to facilitate economic development and ensure a healthful environment for future generations:

(i) Enter into a grant or loan agreement with a local government conducting a remedial action that provides for periodic reimbursement of remedial action costs as they are incurred as established in the agreement;

(ii) Enter into a grant or loan agreement with a local government prior to it acquiring a property or obtaining necessary access to conduct remedial actions, provided the agreement is conditioned upon the local government acquiring the property or obtaining the access in accordance with a schedule specified in the agreement;

(iii) Provide integrated planning grants or loans to local governments to fund studies necessary to facilitate remedial actions at brownfield properties and adaptive reuse of properties following remediation. Eligible activities include, but are not limited to: Environmental site assessments; remedial investigations; health assessments; feasibility studies; site planning; community involvement; land use and regulatory analyses; building and infrastructure assessments; economic and fiscal analyses; and any environmental analyses under chapter 43.21C RCW;

(iv) Provide grants or loans to local governments for remedial actions related to areawide groundwater contamination. To receive the funding, the local government does not need to be a potentially liable person or be required to seek reimbursement of grant funds from a potentially liable person;

(v) The director may alter ~~((grant matching))~~ grant or loan matching requirements to create incentives for local governments to expedite cleanups when one of the following conditions exists:

(A) Funding would prevent or mitigate unfair economic hardship imposed by the clean-up liability;

(B) Funding would create new substantial economic development, public recreational, or habitat restoration opportunities that would not otherwise occur; or

(C) Funding would create an opportunity for acquisition and redevelopment of ~~((vacant, orphaned, or abandoned))~~ brownfield property under RCW 70.105D.040(5) that would not otherwise occur; and

~~((ii) The use of outside contracts to conduct necessary studies; — ((iii) The purchase of remedial action cost cap insurance, when necessary to expedite multiparty clean-up efforts))~~ (vi) When pending

grant and loan applications under (c)(iii) and (iv) of this subsection (3) exceed the amount of funds available, designated redevelopment opportunity zones must receive priority for distribution of available funds.

~~(d) ((To facilitate and expedite cleanups using funds from the local toxics control account, during the 2009-2011 fiscal biennium the director may establish grant funded accounts to hold and disperse local toxics control account funds and funds from local governments to be used for remedial actions.))~~ To expedite multiparty clean-up efforts, the department may purchase remedial action cost-cap insurance.

(4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(5) Except during the 2009-2011 fiscal biennium, one percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation, or, after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

(7) The department shall adopt rules for grant or loan issuance and performance. To accelerate both remedial action and economic recovery, the department may expedite the adoption of rules necessary to implement this act using the expedited procedures in RCW 34.05.353. The department shall initiate the award of financial assistance by July 1, 2012. To ensure the adoption of rules will not delay financial assistance, the department may administer the award of financial assistance through interpretive guidance pending the adoption of rules through July 1, 2013.

~~(8) ((During the 2007-2009 and 2009-2011 fiscal biennia, the legislature may transfer from the local toxics control account to either the state general fund or the oil spill prevention account, or both such amounts as reflect excess fund balance in the account.~~

~~(9) During the 2009-2011 fiscal biennium, the local toxics control account may also be used for a standby rescue tug at Neah Bay, local government shoreline update grants, private and public sector diesel equipment retrofit, and oil spill prevention, preparedness, and response activities.~~

~~(10) During the 2009-2011 fiscal biennium, the legislature may transfer from the state toxics control account to the state general fund such amounts as reflect the excess fund balance in the account.~~

~~(11) During the 2011-2013 fiscal biennium, the local toxics control account may also be used for local government shoreline update grants and actions for reducing public exposure to toxic air pollution.~~

Sec. 11. RCW 43.84.092 and 2011 1st sp.s. c 16 s 6, 2011 1st sp.s. c 7 s 22, 2011 c 369 s 6, 2011 c 339 s 1, 2011 c 311 s 9, 2011 c 272 s 3, 2011 c 120 s 3, and 2011 c 83 s 7 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, the county sales and use tax equalization account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight congestion relief account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the health system capacity account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety account, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative

account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the motor vehicle fund, the motorcycle safety education account, the multiagency permitting team account, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public transportation systems account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state economic development commission account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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

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

NEW SECTION. Sec. 12. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

Signed by Representatives Uptegrove, Chair; Tharinger, Vice Chair; Short, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Crouse; Fitzgibbon; Hansen; Jinkins; Morris; Moscoso; Nealey; Pearson; Pollet; Takko and Wylie.

MINORITY recommendation: Do not pass. Signed by Representatives Shea and Taylor.

Referred to Committee on Capital Budget.

February 21, 2012

SSB 6226 Prime Sponsor, Committee on Human Services & Corrections: Concerning authorization periods for subsidized child care. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass as amended.

On page 2, on line 28, after "department" insert "of social and health services"

On page 2, on line 29, after "providers;" insert "and"

On page 2, beginning on line 30, after "(2)" strike all material through "home." on page 3, line 15, and insert "Notify the department of social and health services, within ten days, about any significant change related to the number of child care hours the applicant or recipient needs, cost-sharing, or eligibility.

On page 2, beginning on line 12, after "months." strike all material through "capped." on line 14.

Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson and Orwall.

MINORITY recommendation: Do not pass. Signed by Representative Overstreet.

Referred to Committee on Ways & Means.

February 21, 2012

SSB 6240 Prime Sponsor, Committee on Human Services & Corrections: Modifying provisions relating to orders of disposition for juveniles. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 13.40.127 and 2009 c 236 s 1 are each amended to read as follows:

- (1) A juvenile is eligible for deferred disposition unless he or she:
 - (a) Is charged with a sex or violent offense;
 - (b) Has a criminal history which includes any felony;
 - (c) Has a prior deferred disposition or deferred adjudication; or

(d) Has two or more adjudications.

(2) The juvenile court may, upon motion at least fourteen days before commencement of trial and, after consulting the juvenile's custodial parent or parents or guardian and with the consent of the juvenile, continue the case for disposition for a period not to exceed one year from the date the juvenile is found guilty. The court shall consider whether the offender and the community will benefit from a deferred disposition before deferring the disposition. The court may waive the fourteen-day period anytime before the commencement of trial for good cause.

(3) Any juvenile who agrees to a deferral of disposition shall:

(a) Stipulate to the admissibility of the facts contained in the written police report;

(b) Acknowledge that the report will be entered and used to support a finding of guilt and to impose a disposition if the juvenile fails to comply with terms of supervision; ~~((and))~~

(c) Waive the following rights to: (i) A speedy disposition; and (ii) call and confront witnesses; and

(d) Acknowledge the direct consequences of being found guilty and the direct consequences that will happen if an order of disposition is entered.

The adjudicatory hearing shall be limited to a reading of the court's record.

(4) Following the stipulation, acknowledgment, waiver, and entry of a finding or plea of guilt, the court shall defer entry of an order of disposition of the juvenile.

(5) Any juvenile granted a deferral of disposition under this section shall be placed under community supervision. The court may impose any conditions of supervision that it deems appropriate including posting a probation bond. Payment of restitution under RCW 13.40.190 shall be a condition of community supervision under this section.

The court may require a juvenile offender convicted of animal cruelty in the first degree to submit to a mental health evaluation to determine if the offender would benefit from treatment and such intervention would promote the safety of the community. After consideration of the results of the evaluation, as a condition of community supervision, the court may order the offender to attend treatment to address issues pertinent to the offense.

(6) A parent who signed for a probation bond has the right to notify the counselor if the juvenile fails to comply with the bond or conditions of supervision. The counselor shall notify the court and surety of any failure to comply. A surety shall notify the court of the juvenile's failure to comply with the probation bond. The state shall bear the burden to prove, by a preponderance of the evidence, that the juvenile has failed to comply with the terms of community supervision.

~~(7) ((A juvenile's lack of compliance shall be determined by the judge upon written motion by the prosecutor or the juvenile's juvenile court community supervision counselor. If a juvenile fails to comply with terms of supervision, the court shall enter an order of disposition))~~ (a) Anytime prior to the conclusion of the period of supervision, the prosecutor or the juvenile's juvenile court community supervision counselor may file a motion with the court requesting the court revoke the deferred disposition based on the juvenile's lack of compliance or treat the juvenile's lack of compliance as a violation pursuant to RCW 13.40.200.

(b) If the court finds the juvenile failed to comply with the terms of the deferred disposition, the court may:

(i) Revoke the deferred disposition and enter an order of disposition; or

(ii) Impose sanctions for the violation pursuant to RCW 13.40.200.

(8) At any time following deferral of disposition the court may, following a hearing, continue ~~((the case))~~ supervision for an additional one-year period for good cause.

~~(9)(a) At the conclusion of the period ((set forth in the order of deferral and upon a finding by the court of full compliance with conditions of supervision and payment of full restitution)) of supervision, the court shall determine whether the juvenile is entitled to dismissal of the deferred disposition only when the court finds:~~

~~(i) The deferred disposition has not been previously revoked;~~

~~(ii) The juvenile has completed the terms of supervision;~~

~~(iii) There are no pending motions concerning lack of compliance pursuant to subsection (7) of this section; and~~

~~(iv) The juvenile has either paid the full amount of restitution, or made a good faith effort to pay the full amount of restitution during the period of supervision.~~

~~(b) If the court finds the juvenile is entitled to dismissal of the deferred disposition pursuant to (a) of this subsection, the ((respondent's)) juvenile's conviction shall be vacated and the court shall dismiss the case with prejudice, except that a conviction under RCW 16.52.205 shall not be vacated. Whenever a case is dismissed with restitution still owing, the court shall enter a restitution order pursuant to RCW 13.40.190 for any unpaid restitution. Jurisdiction to enforce payment and modify terms of the restitution order shall be the same as those set forth in RCW 13.40.190.~~

~~(c) If the court finds the juvenile is not entitled to dismissal of the deferred disposition pursuant to (a) of this subsection, the court shall revoke the deferred disposition and enter an order of disposition. A deferred disposition shall remain a conviction unless the case is dismissed and the conviction is vacated pursuant to (b) of this subsection or sealed pursuant to RCW 13.50.050.~~

~~(10)(a) ((Records of deferred disposition cases vacated under subsection (9) of this section shall be sealed no later than thirty days after the juvenile's eighteenth birthday provided that the juvenile does not have any charges pending at that time. If a juvenile has already reached his or her eighteenth birthday before July 26, 2009, and does not have any charges pending, he or she may request that the court issue an order sealing the records of his or her deferred disposition cases vacated under subsection (9) of this section, and this request shall be granted.)) (i) Any time the court vacates a conviction pursuant to subsection (9) of this section, if the juvenile is eighteen years of age or older and the full amount of restitution ordered has been paid, the court shall enter a written order sealing the case.~~

~~(ii) Any time the court vacates a conviction pursuant to subsection (9) of this section, if the juvenile is not eighteen years of age or older and full restitution ordered has been paid, the court shall schedule an administrative sealing hearing to take place no later than thirty days after the respondent's eighteenth birthday, at which time the court shall enter a written order sealing the case. The respondent's presence at the administrative sealing hearing is not required.~~

~~(iii) Any deferred disposition vacated prior to the effective date of this section is not subject to sealing under this subsection.~~

~~(b) Nothing in this subsection shall preclude a juvenile from petitioning the court to have the records of his or her deferred dispositions sealed under RCW 13.50.050 (11) and (12).~~

~~((b)) (c) Records sealed under this provision shall have the same legal status as records sealed under RCW 13.50.050.~~

Sec. 2. RCW 13.50.050 and 2011 c 338 s 4 and 2011 c 333 s 4 are each reenacted and amended to read as follows:

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

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

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

(4) Except as otherwise provided in this section and RCW 13.50.010, records retained or produced by any juvenile justice or care agency may be released to other participants in the juvenile

justice or care system only when an investigation or case involving the juvenile in question is being pursued by the other participant or when that other participant is assigned the responsibility for supervising the juvenile.

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

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

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

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

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

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

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

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

(i) Since the last date of release from confinement, including full-time residential treatment, if any, or entry of disposition, the person has spent five consecutive years in the community without

committing any offense or crime that subsequently results in an adjudication or conviction;

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

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

(iv) The person is no longer required to register as a sex offender under RCW 9A.44.130 or has been relieved of the duty to register under RCW 9A.44.143 if the person was convicted of a sex offense;

(v) The person has not been convicted of rape in the first degree, rape in the second degree, or indecent liberties that was actually committed with forcible compulsion; and

(vi) Full restitution has been paid.

(b) The court shall not grant any motion to seal records for class B, C, gross misdemeanor and misdemeanor offenses and diversions made under subsection (11) of this section unless:

(i) Since the date of last release from confinement, including full-time residential treatment, if any, entry of disposition, or completion of the diversion agreement, the person has spent two consecutive years in the community without being convicted of any offense or crime;

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

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

(iv) The person is no longer required to register as a sex offender under RCW 9A.44.130 or has been relieved of the duty to register under RCW 9A.44.143 if the person was convicted of a sex offense; and

(v) Full restitution has been paid.

(c) Notwithstanding the requirements in (a) or (b) of this subsection, the court shall grant any motion to seal records of any deferred disposition vacated under RCW 13.40.127(9) prior to the effective date of this section if restitution has been paid and the person is eighteen years of age or older at the time of the motion.

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

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

(b) In the event the subject of the juvenile records receives a full and unconditional pardon, the proceedings in the matter upon which the pardon has been granted shall be treated as if they never occurred, and the subject of the records may reply accordingly to any inquiry about the events upon which the pardon was received. Any agency shall reply to any inquiry concerning the records pertaining to the events for which the subject received a pardon that records are confidential, and no information can be given about the existence or nonexistence of records concerning an individual.

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

(16) Any adjudication of a juvenile offense or a crime subsequent to sealing has the effect of nullifying the sealing order. Any charging of an adult felony subsequent to the sealing has the effect of nullifying

the sealing order for the purposes of chapter 9.94A RCW. The administrative office of the courts shall ensure that the superior court judicial information system provides prosecutors access to information on the existence of sealed juvenile records.

(17)(a)(i) Subject to subsection (23) of this section, all records maintained by any court or law enforcement agency, including the juvenile court, local law enforcement, the Washington state patrol, and the prosecutor's office, shall be automatically destroyed within ninety days of becoming eligible for destruction. Juvenile records are eligible for destruction when:

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

(B) His or her criminal history consists entirely of one diversion agreement or counsel and release entered on or after June 12, 2008;

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

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

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

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

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

(b) All records maintained by any court or law enforcement agency, including the juvenile court, local law enforcement, the Washington state patrol, and the prosecutor's office, shall be automatically destroyed within thirty days of being notified by the governor's office that the subject of those records received a full and unconditional pardon by the governor.

(c) A person eighteen years of age or older whose criminal history consists entirely of one diversion agreement or counsel and release entered prior to June 12, 2008, may request that the court order the records in his or her case destroyed. The request shall be granted, subject to subsection (23) of this section, if the court finds that two years have elapsed since completion of the agreement or counsel and release.

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

(18) If the court grants the motion to destroy records made pursuant to subsection (17)(c) or (d) of this section, it shall, subject to subsection (23) of this section, order the official juvenile court file, the social file, and any other records named in the order to be destroyed.

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

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

(21) Nothing in this section may be construed to prevent a crime victim or a member of the victim's family from divulging the identity

of the alleged or proven juvenile offender or his or her family when necessary in a civil proceeding.

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

(a) Records may be routinely destroyed only when the person the subject of the information or complaint has attained twenty-three years of age or older or pursuant to subsection (17)(a) of this section.

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

(23) Except for subsection (17)(b) of this section, no identifying information held by the Washington state patrol in accordance with chapter 43.43 RCW is subject to destruction or sealing under this section. For the purposes of this subsection, identifying information includes photographs, fingerprints, palmprints, soleprints, toeprints and any other data that identifies a person by physical characteristics, name, birthdate or address, but does not include information regarding criminal activity, arrest, charging, diversion, conviction or other information about a person's treatment by the criminal justice system or about the person's behavior.

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

Sec. 3. RCW 13.40.180 and 2002 c 175 s 24 are each amended to read as follows:

(1) Where a disposition in a single disposition order is imposed on a youth for two or more offenses, the terms shall run consecutively, subject to the following limitations:

~~((+))~~ (a) Where the offenses were committed through a single act or omission, omission, or through an act or omission which in itself constituted one of the offenses and also was an element of the other, the aggregate of all the terms shall not exceed one hundred fifty percent of the term imposed for the most serious offense;

~~((=))~~ (b) The aggregate of all consecutive terms shall not exceed three hundred percent of the term imposed for the most serious offense; and

~~((=))~~ (c) The aggregate of all consecutive terms of community supervision shall not exceed two years in length, or require payment of more than two hundred dollars in fines or the performance of more than two hundred hours of community restitution.

(2) Where disposition in separate disposition orders is imposed on a youth, the periods of community supervision contained in separate orders, if any, shall run concurrently. All other terms contained in separate disposition orders shall run consecutively.

Sec. 4. RCW 13.40.0357 and 2008 c 230 s 3 and 2008 c 158 s 1 are each reenacted and amended to read as follows:

DESCRIPTION AND OFFENSE CATEGORY		JUVENILE DISPOSITION CATEGORY FOR ATTEMPT, BAILJUMP, CONSPIRACY, OR SOLICITATION
JUVENILE DISPOSITION OFFENSE CATEGORY	DESCRIPTION (RCW CITATION)	

Arson and Malicious Mischief

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

Assault and Other Crimes Involving Physical Harm

A	Assault 1 (9A.36.011)	B+
B+	Assault 2 (9A.36.021)	C+
C+	Assault 3 (9A.36.031)	D+
D+	Assault 4 (9A.36.041)	E
B+	Drive-By Shooting (9A.36.045)	C+
D+	Reckless Endangerment (9A.36.050)	E
C+	Promoting Suicide Attempt (9A.36.060)	D+
D+	Coercion (9A.36.070)	E
C+	Custodial Assault (9A.36.100)	D+

Burglary and Trespass

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

Drugs

E	Possession/Consumption of Alcohol (66.44.270)	E	B+	Kidnap 2 (9A.40.030)	C+
C	Illegally Obtaining Legend Drug (69.41.020)	D	C+	Unlawful Imprisonment (9A.40.040)	D+
C+	Sale, Delivery, Possession of Legend Drug with Intent to Sell (69.41.030(2)(a))	D+		Obstructing Governmental Operation	
E	Possession of Legend Drug (69.41.030(2)(b))	E	D	Obstructing a Law Enforcement Officer (9A.76.020)	E
B+	Violation of Uniform Controlled Substances Act - Narcotic, Methamphetamine, or Flunitrazepam Sale (69.50.401(2) (a) or (b))	B+	E	Resisting Arrest (9A.76.040)	E
C	Violation of Uniform Controlled Substances Act - Nonnarcotic Sale (69.50.401(2)(c))	C	B	Introducing Contraband 1 (9A.76.140)	C
E	Possession of Marihuana <40 grams (69.50.4014)	E	C	Introducing Contraband 2 (9A.76.150)	D
C	Fraudulently Obtaining Controlled Substance (69.50.403)	E	E	Introducing Contraband 3 (9A.76.160)	E
C+	Sale of Controlled Substance for Profit (69.50.410)	C	B+	Intimidating a Public Servant (9A.76.180)	C+
E	Unlawful Inhalation (9.47A.020)	C+	B+	Intimidating a Witness (9A.72.110)	C+
B	Violation of Uniform Controlled Substances Act - Narcotic, Methamphetamine, or Flunitrazepam Counterfeit Substances (69.50.4011(2) (a) or (b))	E		Public Disturbance	
C	Violation of Uniform Controlled Substances Act - Nonnarcotic Counterfeit Substances (69.50.4011(2) (c), (d), or (e))	B	C+	Riot with Weapon (9A.84.010(2)(b))	D+
C	Violation of Uniform Controlled Substances Act - Possession of a Controlled Substance (69.50.4013)	C	D+	Riot Without Weapon (9A.84.010(2)(a))	E
C	Violation of Uniform Controlled Substances Act - Possession of a Controlled Substance (69.50.4012)	C	E	Failure to Disperse (9A.84.020)	E
	Firearms and Weapons		E	Disorderly Conduct (9A.84.030)	E
B	Theft of Firearm (9A.56.300)	C	A	Sex Crimes	
B	Possession of Stolen Firearm (9A.56.310)	C	A-	Rape 1 (9A.44.040)	B+
E	Carrying Loaded Pistol Without Permit (9.41.050)	E	C+	Rape 2 (9A.44.050)	B+
C	Possession of Firearms by Minor (<18) (9.41.040(2)(a)(iii))	C	A-	Rape 3 (9A.44.060)	D+
D+	Possession of Dangerous Weapon (9.41.250)	E	A-	Rape of a Child 1 (9A.44.073)	B+
D	Intimidating Another Person by use of Weapon (9.41.270)	E	B+	Rape of a Child 2 (9A.44.076)	C+
	Homicide		B	Incest 1 (9A.64.020(1))	C
A+	Murder 1 (9A.32.030)	A	C	Incest 2 (9A.64.020(2))	D
A+	Murder 2 (9A.32.050)	B+	D+	Indecent Exposure (Victim <14) (9A.88.010)	E
B+	Manslaughter 1 (9A.32.060)	C+	E	Indecent Exposure (Victim 14 or over) (9A.88.010)	E
C+	Manslaughter 2 (9A.32.070)	D+	B+	Promoting Prostitution 1 (9A.88.070)	C+
B+	Vehicular Homicide (46.61.520)	C+	C+	Promoting Prostitution 2 (9A.88.080)	D+
	Kidnapping		E	O & A (Prostitution) (9A.88.030)	E
A	Kidnap 1 (9A.40.020)	B+	B+	Indecent Liberties (9A.44.100)	C+
			A-	Child Molestation 1 (9A.44.083)	B+
			D+	Child Molestation 2 (9A.44.086)	C+
			C	Failure to Register as a Sex Offender ((9A.44.130)) 9A.44.132)	D
				Theft, Robbery, Extortion, and Forgery	
			B+		

B	Theft 1 (9A.56.030)
C	Theft 2 (9A.56.040)
D	Theft 3 (9A.56.050)
B	Theft of Livestock 1 and 2 (9A.56.080 and 9A.56.083)
C	Forgery (9A.60.020)
A	Robbery 1 (9A.56.200)
B+	Robbery 2 (9A.56.210)
B+	Extortion 1 (9A.56.120)
C+	Extortion 2 (9A.56.130)
C	Identity Theft 1 (9.35.020(2))
D	Identity Theft 2 (9.35.020(3))
D	Improperly Obtaining Financial Information (9.35.010)
B	Possession of a Stolen Vehicle (9A.56.068)
B	Possession of Stolen Property 1 (9A.56.150)
C	Possession of Stolen Property 2 (9A.56.160)
D	Possession of Stolen Property 3 (9A.56.170)
B	Taking Motor Vehicle Without Permission 1 (9A.56.070)
C	Taking Motor Vehicle Without Permission 2 (9A.56.075)
B	Theft of a Motor Vehicle (9A.56.065)

Motor Vehicle Related Crimes

E	Driving Without a License (46.20.005)
B+	Hit and Run - Death (46.52.020(4)(a))
C	Hit and Run - Injury (46.52.020(4)(b))
D	Hit and Run-Attended (46.52.020(5))
E	Hit and Run-Unattended (46.52.010)
C	Vehicular Assault (46.61.522)
C	Attempting to Elude Pursuing Police Vehicle (46.61.024)
E	Reckless Driving (46.61.500)
D	Driving While Under the Influence (46.61.502 and 46.61.504)
B+	Felony Driving While Under the Influence (46.61.502(6))
B+	Felony Physical Control of a Vehicle While Under the Influence (46.61.504(6))

Other

B	Animal Cruelty 1 (16.52.205)
---	------------------------------

C	Bomb Threat (9.61.160)
D	Escape 1 ¹ (9A.76.110)
E	Escape 2 ¹ (9A.76.120)
C	Escape 3 (9A.76.130)
D	Obscene, Harassing, Etc., Phone Calls (9.61.230)
B+	Other Offense Equivalent to an Adult Class A Felony
C+	Other Offense Equivalent to an Adult Class B Felony
C+	Other Offense Equivalent to an Adult Class C Felony
D+	Other Offense Equivalent to an Adult Gross Misdemeanor
D	Other Offense Equivalent to an Adult Misdemeanor
E	Violation of Order of Restitution, Community Supervision, or Confinement (13.40.200) ²

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

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

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

JUVENILE SENTENCING STANDARDS

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

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

<hr/>			
A+	180 WEEKS TO AGE 21 YEARS		
<hr/>			
A	103 WEEKS TO 129 WEEKS		
<hr/>			
A	15-36 WEEKS	52-65 WEEKS	80-100 WEEKS
			103- 129 WEEKS
	EXCEPT		
B	30-40		
B	WEEKS FOR		
	15-17		

C

JOURNAL OF THE HOUSE

YEAR-OLDS					
Current	B+	15-36	52-65	80-100	103-129
Offense		WEEKS	WEEKS	WEEKS	WEEKS
Category					
B	LOCAL		52-65		
	SANCTIONS (LS)	15-36	WEEKS		
C+	LS		15-36		
			WEEKS		
C	LS		15-36		
	Local Sanctions:		WEEKS		
D+	LS	0 to 12 Months	Community Supervision		
		0 to 150 Hours	Community Restitution		
D	LS	\$0 to \$500	Fine		
E	LS				

CURRENT	B	15-36	15-36	52-65	80-100	103-129
	±	<u>week</u>	<u>week</u>	<u>week</u>	<u>week</u>	<u>week</u>
OFFENSE	B	LS	LS	15-36	15-36	52-65
				<u>week</u>	<u>week</u>	<u>week</u>
CATEGORY	C	LS	LS	LS	15-36	15-36
	±				<u>week</u>	<u>week</u>
	C	LS	LS	LS	LS	15-36
						<u>week</u>
	D	LS	LS	LS	LS	LS
	±					
	D	LS	LS	LS	LS	LS
	E	LS	LS	LS	LS	LS

PRIOR ADJUDICATIONS	0	1	2	3	4 or more

NOTE: References in the grid to days or weeks mean periods of confinement. "LS" means "local sanctions" as defined in RCW 13.40.020.

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

OR

**OPTION B
SUSPENDED DISPOSITION ALTERNATIVE**

(1) If the offender is subject to a standard range disposition involving confinement by the department, the court may impose the standard range and suspend the disposition on condition that the offender comply with one or more local sanctions and any educational or treatment requirement. The treatment programs provided to the offender must be either research-based best practice programs as identified by the Washington state institute for public policy or the joint legislative audit and review committee, or for chemical dependency treatment programs or services, they must be evidence-based or research-based best practice programs. For the purposes of this subsection:

OPTION A
JUVENILE OFFENDER SENTENCING
GRID
STANDARD RANGE

A	180 weeks to age 21 for all category A+ offenses
±	
A	103-129 weeks for all category A offenses
A-	15-36 week
	52-65 week
	80-100 week
	103-129 week
	103-129 week
	Except 30-40 week
	for 15 to 17 year olds

(a) "Evidence-based" means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population; and

(b) "Research-based" means a program or practice that has some research demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.

(2) If the offender fails to comply with the suspended disposition, the court may impose sanctions pursuant to RCW 13.40.200 or may revoke the suspended disposition and order the disposition's execution.

(3) An offender is ineligible for the suspended disposition option under this section if the offender is:

(a) Adjudicated of an A+ offense;

(b) Fourteen years of age or older and is adjudicated of one or more of the following offenses:

(i) A class A offense, or an attempt, conspiracy, or solicitation to commit a class A offense;

(ii) Manslaughter in the first degree (RCW 9A.32.060); or

(iii) Assault in the second degree (RCW 9A.36.021), extortion in the first degree (RCW 9A.56.120), kidnapping in the second degree (RCW 9A.40.030), robbery in the second degree (RCW 9A.56.210), residential burglary (RCW 9A.52.025), burglary in the second degree (RCW 9A.52.030), drive-by shooting (RCW 9A.36.045), vehicular homicide (RCW 46.61.520), hit and run death (RCW 46.52.020(4)(a)), intimidating a witness (RCW 9A.72.110), violation of the uniform controlled substances act (RCW 69.50.401 (2)(a) and (b)), or manslaughter 2 (RCW 9A.32.070), when the offense includes infliction of bodily harm upon another or when during the commission or immediate withdrawal from the offense the respondent was armed with a deadly weapon;

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

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

OR

OPTION C

CHEMICAL DEPENDENCY DISPOSITION ALTERNATIVE

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

OR

OPTION D

MANIFEST INJUSTICE

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

Correct the title.

Strike everything after the enacting clause and insert the following:

"Sec. 5. RCW 13.40.127 and 2009 c 236 s 1 are each amended to read as follows:

(1) A juvenile is eligible for deferred disposition unless he or she:

(a) Is charged with a sex or violent offense;

(b) Has a criminal history which includes any felony;

(c) Has a prior deferred disposition or deferred adjudication; or

(d) Has two or more adjudications.

(2) The juvenile court may, upon motion at least fourteen days before commencement of trial and, after consulting the juvenile's custodial parent or parents or guardian and with the consent of the juvenile, continue the case for disposition for a period not to exceed one year from the date the juvenile is found guilty. The court shall consider whether the offender and the community will benefit from a deferred disposition before deferring the disposition. The court may waive the fourteen-day period anytime before the commencement of trial for good cause.

(3) Any juvenile who agrees to a deferral of disposition shall:

(a) Stipulate to the admissibility of the facts contained in the written police report;

(b) Acknowledge that the report will be entered and used to support a finding of guilt and to impose a disposition if the juvenile fails to comply with terms of supervision; ~~(and)~~

(c) Waive the following rights to: (i) A speedy disposition; and (ii) call and confront witnesses; and

(d) Acknowledge the direct consequences of being found guilty and the direct consequences that will happen if an order of disposition is entered.

The adjudicatory hearing shall be limited to a reading of the court's record.

(4) Following the stipulation, acknowledgment, waiver, and entry of a finding or plea of guilt, the court shall defer entry of an order of disposition of the juvenile.

(5) Any juvenile granted a deferral of disposition under this section shall be placed under community supervision. The court may impose any conditions of supervision that it deems appropriate including posting a probation bond. Payment of restitution under RCW 13.40.190 shall be a condition of community supervision under this section.

The court may require a juvenile offender convicted of animal cruelty in the first degree to submit to a mental health evaluation to determine if the offender would benefit from treatment and such intervention would promote the safety of the community. After consideration of the results of the evaluation, as a condition of community supervision, the court may order the offender to attend treatment to address issues pertinent to the offense.

(6) A parent who signed for a probation bond has the right to notify the counselor if the juvenile fails to comply with the bond or conditions of supervision. The counselor shall notify the court and surety of any failure to comply. A surety shall notify the court of the juvenile's failure to comply with the probation bond. The state shall bear the burden to prove, by a preponderance of the evidence, that the juvenile has failed to comply with the terms of community supervision.

~~(7) ((A juvenile's lack of compliance shall be determined by the judge upon written motion by the prosecutor or the juvenile's juvenile court community supervision counselor. If a juvenile fails to comply with terms of supervision, the court shall enter an order of disposition))~~ (a) Anytime prior to the conclusion of the period of supervision, the prosecutor or the juvenile's juvenile court community supervision counselor may file a motion with the court requesting the court revoke the deferred disposition based on the juvenile's lack of compliance or treat the juvenile's lack of compliance as a violation pursuant to RCW 13.40.200.

(b) If the court finds the juvenile failed to comply with the terms of the deferred disposition, the court may:

(i) Revoke the deferred disposition and enter an order of disposition; or

(ii) Impose sanctions for the violation pursuant to RCW 13.40.200.

(8) At any time following deferral of disposition the court may, following a hearing, continue ~~((the case))~~ supervision for an additional one-year period for good cause.

~~(9)(a) At the conclusion of the period ((set forth in the order of deferral and upon a finding by the court of full compliance with conditions of supervision and payment of full restitution)) of supervision, the court shall determine whether the juvenile is entitled to dismissal of the deferred disposition only when the court finds:~~

~~(i) The deferred disposition has not been previously revoked;~~
~~(ii) The juvenile has completed the terms of supervision;~~
~~(iii) There are no pending motions concerning lack of compliance pursuant to subsection (7) of this section; and~~
~~(iv) The juvenile has either paid the full amount of restitution, or made a good faith effort to pay the full amount of restitution during the period of supervision.~~

~~(b) If the court finds the juvenile is entitled to dismissal of the deferred disposition pursuant to (a) of this subsection, the ((respondent's)) juvenile's conviction shall be vacated and the court shall dismiss the case with prejudice, except that a conviction under RCW 16.52.205 shall not be vacated. Whenever a case is dismissed with restitution still owing, the court shall enter a restitution order pursuant to RCW 13.40.190 for any unpaid restitution. Jurisdiction to enforce payment and modify terms of the restitution order shall be the same as those set forth in RCW 13.40.190.~~

~~(c) If the court finds the juvenile is not entitled to dismissal of the deferred disposition pursuant to (a) of this subsection, the court shall revoke the deferred disposition and enter an order of disposition. A deferred disposition shall remain a conviction unless the case is dismissed and the conviction is vacated pursuant to (b) of this subsection or sealed pursuant to RCW 13.50.050.~~

~~(10)(a) ((Records of deferred disposition cases vacated under subsection (9) of this section shall be sealed no later than thirty days after the juvenile's eighteenth birthday provided that the juvenile does not have any charges pending at that time. If a juvenile has already reached his or her eighteenth birthday before July 26, 2009, and does not have any charges pending, he or she may request that the court issue an order sealing the records of his or her deferred disposition cases vacated under subsection (9) of this section, and this request shall be granted.)) (i) Any time the court vacates a conviction pursuant to subsection (9) of this section, if the juvenile is eighteen years of age or older and the full amount of restitution ordered has been paid, the court shall enter a written order sealing the case.~~

~~(ii) Any time the court vacates a conviction pursuant to subsection (9) of this section, if the juvenile is not eighteen years of age or older and full restitution ordered has been paid, the court shall schedule an administrative sealing hearing to take place no later than thirty days after the respondent's eighteenth birthday, at which time the court shall enter a written order sealing the case. The respondent's presence at the administrative sealing hearing is not required.~~
~~(iii) Any deferred disposition vacated prior to the effective date of this section is not subject to sealing under this subsection.~~

~~(b) Nothing in this subsection shall preclude a juvenile from petitioning the court to have the records of his or her deferred dispositions sealed under RCW 13.50.050 (11) and (12).~~

~~((b)) (c) Records sealed under this provision shall have the same legal status as records sealed under RCW 13.50.050.~~

Sec. 6. RCW 13.50.050 and 2011 c 338 s 4 and 2011 c 333 s 4 are each reenacted and amended to read as follows:

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

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

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

(4) Except as otherwise provided in this section and RCW 13.50.010, records retained or produced by any juvenile justice or care agency may be released to other participants in the juvenile

justice or care system only when an investigation or case involving the juvenile in question is being pursued by the other participant or when that other participant is assigned the responsibility for supervising the juvenile.

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

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

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

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

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

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

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

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

(i) Since the last date of release from confinement, including full-time residential treatment, if any, or entry of disposition, the person has spent five consecutive years in the community without

committing any offense or crime that subsequently results in an adjudication or conviction;

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

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

(iv) The person is no longer required to register as a sex offender under RCW 9A.44.130 or has been relieved of the duty to register under RCW 9A.44.143 if the person was convicted of a sex offense;

(v) The person has not been convicted of rape in the first degree, rape in the second degree, or indecent liberties that was actually committed with forcible compulsion; and

(vi) Full restitution has been paid.

(b) The court shall not grant any motion to seal records for class B, C, gross misdemeanor and misdemeanor offenses and diversions made under subsection (11) of this section unless:

(i) Since the date of last release from confinement, including full-time residential treatment, if any, entry of disposition, or completion of the diversion agreement, the person has spent two consecutive years in the community without being convicted of any offense or crime;

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

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

(iv) The person is no longer required to register as a sex offender under RCW 9A.44.130 or has been relieved of the duty to register under RCW 9A.44.143 if the person was convicted of a sex offense; and

(v) Full restitution has been paid.

(c) Notwithstanding the requirements in (a) or (b) of this subsection, the court shall grant any motion to seal records of any deferred disposition vacated under RCW 13.40.127(9) prior to the effective date of this section if the person is eighteen years of age or older at the time of the motion.

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

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

(b) In the event the subject of the juvenile records receives a full and unconditional pardon, the proceedings in the matter upon which the pardon has been granted shall be treated as if they never occurred, and the subject of the records may reply accordingly to any inquiry about the events upon which the pardon was received. Any agency shall reply to any inquiry concerning the records pertaining to the events for which the subject received a pardon that records are confidential, and no information can be given about the existence or nonexistence of records concerning an individual.

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

(16) Any adjudication of a juvenile offense or a crime subsequent to sealing has the effect of nullifying the sealing order. Any charging of an adult felony subsequent to the sealing has the effect of nullifying

the sealing order for the purposes of chapter 9.94A RCW. The administrative office of the courts shall ensure that the superior court judicial information system provides prosecutors access to information on the existence of sealed juvenile records.

(17)(a)(i) Subject to subsection (23) of this section, all records maintained by any court or law enforcement agency, including the juvenile court, local law enforcement, the Washington state patrol, and the prosecutor's office, shall be automatically destroyed within ninety days of becoming eligible for destruction. Juvenile records are eligible for destruction when:

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

(B) His or her criminal history consists entirely of one diversion agreement or counsel and release entered on or after June 12, 2008;

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

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

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

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

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

(b) All records maintained by any court or law enforcement agency, including the juvenile court, local law enforcement, the Washington state patrol, and the prosecutor's office, shall be automatically destroyed within thirty days of being notified by the governor's office that the subject of those records received a full and unconditional pardon by the governor.

(c) A person eighteen years of age or older whose criminal history consists entirely of one diversion agreement or counsel and release entered prior to June 12, 2008, may request that the court order the records in his or her case destroyed. The request shall be granted, subject to subsection (23) of this section, if the court finds that two years have elapsed since completion of the agreement or counsel and release.

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

(18) If the court grants the motion to destroy records made pursuant to subsection (17)(c) or (d) of this section, it shall, subject to subsection (23) of this section, order the official juvenile court file, the social file, and any other records named in the order to be destroyed.

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

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

(21) Nothing in this section may be construed to prevent a crime victim or a member of the victim's family from divulging the identity

of the alleged or proven juvenile offender or his or her family when necessary in a civil proceeding.

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

(a) Records may be routinely destroyed only when the person the subject of the information or complaint has attained twenty-three years of age or older or pursuant to subsection (17)(a) of this section.

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

(23) Except for subsection (17)(b) of this section, no identifying information held by the Washington state patrol in accordance with chapter 43.43 RCW is subject to destruction or sealing under this section. For the purposes of this subsection, identifying information includes photographs, fingerprints, palmprints, soleprints, toeprints and any other data that identifies a person by physical characteristics, name, birthdate or address, but does not include information regarding criminal activity, arrest, charging, diversion, conviction or other information about a person's treatment by the criminal justice system or about the person's behavior.

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

Sec. 7. RCW 13.40.180 and 2002 c 175 s 24 are each amended to read as follows:

(1) Where a disposition in a single disposition order is imposed on a youth for two or more offenses, the terms shall run consecutively, subject to the following limitations:

~~((+))~~ (a) Where the offenses were committed through a single act or omission, omission, or through an act or omission which in itself constituted one of the offenses and also was an element of the other, the aggregate of all the terms shall not exceed one hundred fifty percent of the term imposed for the most serious offense;

~~((2))~~ (b) The aggregate of all consecutive terms shall not exceed three hundred percent of the term imposed for the most serious offense; and

~~((3))~~ (c) The aggregate of all consecutive terms of community supervision shall not exceed two years in length, or require payment of more than two hundred dollars in fines or the performance of more than two hundred hours of community restitution.

(2) Where disposition in separate disposition orders is imposed on a youth, the periods of community supervision contained in separate orders, if any, shall run concurrently. All other terms contained in separate disposition orders shall run consecutively."

Correct the title.

Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Hope, Assistant Ranking Minority Member; Dickerson; Goodman and Orwall.

MINORITY recommendation: Do not pass. Signed by Representatives Walsh, Ranking Minority Member; Johnson and Overstreet.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6242

Prime Sponsor, Committee on Financial Institutions, Housing & Insurance: Addressing specialty producer licenses. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 48.120.005 and 2008 c 217 s 94 are each amended to read as follows:

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

(1) (~~("Communications equipment" means handsets, pagers, personal digital assistants, portable computers, automatic answering devices, batteries, and their accessories or other devices used to originate or receive communications signals or service approved for coverage by rule of the commissioner, and also includes services related to the use of the devices.)~~) "Portable electronics" means personal, self-contained, easily carried by an individual, battery-operated electronic communication, viewing, listening, recording, gaming, computing or global positioning devices and other similar devices and their accessories, and service related to the use of such devices.

(2) (~~("Communications equipment")~~) Portable electronics insurance program" means an insurance program as described in RCW 48.120.015.

(3) (~~("Communications service" means the service necessary to send, receive, or originate communications signals)~~) "Portable electronics transaction" means the sale or lease of portable electronics or the sale of a service related to the use of portable electronics by a vendor to a customer.

(4) "Customer" means a person (~~(or entity purchasing or leasing communications equipment or communications services from)~~) that enters into a portable electronics transaction with a vendor.

(5) "Specialty producer license" means a license issued under RCW 48.120.010 that authorizes a vendor to offer or sell insurance as provided in RCW 48.120.015.

(6) "Supervising (~~agent~~) person" means a licensed insurer or an appointed insurance producer licensed under RCW 48.17.090 who provides training as described in RCW 48.120.020 and is (~~affiliated to a licensed vendor~~) appointed by an insurer to supervise the administration of a portable electronics insurance program.

(7) "Vendor" means a person (~~(or entity resident or with offices in this state)~~) in the business of (~~(leasing, selling, or providing communications equipment or communications service to customers)~~), directly or indirectly, engaging in portable electronics transactions.

(8) "Appointing insurer" means the insurer appointing the vendor as its agent under a specialty producer license.

(9) "Federal securities law" means the securities act of 1933, the securities exchange act of 1934, and the investment company act of 1940.

(10) "Location" means any physical locale in this state and any web site, call center site, or similar site directed to residents of this state.

Sec. 2. RCW 48.120.010 and 2008 c 217 s 95 are each amended to read as follows:

(1) A vendor that intends to offer insurance under RCW 48.120.015 must file a specialty producer license application with the commissioner. Before the commissioner issues such a license, the vendor must be appointed as the insurance producer of one or more authorized appointing insurers under a vendor's specialty producer license.

(2) Upon receipt of an application, if the commissioner is satisfied that the application is complete, the commissioner may issue a specialty producer license to the vendor.

(3) An application for licensure pursuant to this section must conform to the requirements of chapter 48.17 RCW. However, information with respect to an applicant's officers, directors, and shareholders of record having beneficial ownership of ten percent or more of any class of securities registered under federal securities law may only be required if the vendor derives more than fifty percent of its revenue from the sale of portable electronics insurance.

Sec. 3. RCW 48.120.015 and 2002 c 357 s 3 are each amended to read as follows:

(1) A specialty producer license authorizes a vendor and its employees and authorized representatives to offer and sell to, enroll in, and bill and collect premiums from customers for insurance covering ~~((communications equipment))~~ portable electronics on a master, corporate, group, or on an individual policy basis at each location at which the vendor engages in portable electronics transactions. However:

(a) The supervising person must maintain a list of a vendor's locations that are authorized to sell or solicit portable electronics insurance coverage; and

(b) The list under (a) of this subsection must be provided to the commissioner within ten days of a request by the commissioner.

(2) An employee or authorized representative of a vendor may sell or offer portable electronics insurance to the vendor's customers without being individually licensed as an insurance producer if the vendor is licensed under this chapter and is acting in compliance with this chapter and any rules adopted by the commissioner.

(3) A vendor billing and collecting premiums from customers for portable electronics insurance coverage is not required to maintain these funds in a segregated account if the vendor:

(a) Is authorized by the insurer to hold the funds in an alternative manner; and

(b) Remits the funds to the supervising person within sixty days of receipt.

(4) All funds received by a vendor from an enrolled customer for the sale of portable electronics insurance are considered funds held in trust by the vendor in a fiduciary capacity for the benefit of the insurer.

(5) Any charge to the enrolled customer for coverage that is not included in the cost associated with the purchase or lease of portable electronics or related services must be separately itemized on the enrolled customer's bill.

(6) If portable electronics insurance coverage is included with the purchase or lease of portable electronics or related services, the vendor must clearly and conspicuously disclose to the enrolled customer that the portable electronics insurance coverage is included with the portable electronics or related services.

(7) Vendors may receive compensation for billing and collection services.

Sec. 4. RCW 48.120.020 and 2002 c 357 s 4 are each amended to read as follows:

(1) A vendor issued a specialty producer license may not issue insurance under RCW 48.120.015 unless:

(a) At every location where customers are enrolled in ~~((communications equipment))~~ portable electronics insurance programs, written material regarding the program is made available to prospective customers that:

(i) Discloses that portable electronics insurance may provide a duplication of coverage already provided by a customer's homeowner's insurance policy, renter's insurance policy, or other source of coverage;

(ii) States that the enrollment by the customer in a portable electronics insurance program is not required in order to purchase or lease portable electronics or services;

(iii) Summarizes the material terms of the insurance coverage, including the identity of the insurer, the identity of the supervising person, the amount of any applicable deductible and how it is to be paid, benefits of the coverage, and key terms and conditions of coverage, such as whether portable electronics may be replaced with a similar make and model or reconditioned make and model or repaired with nonoriginal manufacturer parts or equipment;

(iv) Summarizes the process for filing a claim, including a description of how to return portable electronics and the maximum fee applicable in the event the customer fails to comply with any equipment return requirements; and

(v) States that an enrolled customer may cancel enrollment for coverage under a portable electronics insurance policy at any time and the person paying the premium will receive a refund of any applicable unearned premium; and

(b) The ~~((communications equipment))~~ portable electronics insurance program is operated with the participation of a supervising ~~((agent))~~ person who, with authorization and approval from the appointing insurer, supervises a training program for employees of the licensed vendor. The training must comply with the following:

(i) The training must be delivered to employees and authorized representatives of vendors who are directly engaged in the activity of selling or offering portable electronics insurance;

(ii) The training may be provided in electronic form. However, if conducted in an electronic form, the supervising person must implement a supplemental education program regarding the portable electronics insurance product that is conducted and overseen by licensed employees of the supervising person; and

(iii) Each employee and authorized representative must receive basic instruction about the portable electronics insurance offered to customers and the disclosures required under this section.

(2) No employee or authorized representative of a vendor of portable electronics may advertise, represent, or otherwise hold himself or herself out as a nonlimited lines licensed insurance producer.

~~((2))~~ (3) Employees and authorized representatives of a vendor issued a specialty producer license may only act on behalf of the vendor in the offer, sale, solicitation, or enrollment of customers in a ~~((communications equipment))~~ portable electronics insurance program. The conduct of these employees and authorized representatives within the scope of their employment or agency is the same as conduct of the vendor for purposes of this title.

Sec. 5. RCW 48.17.170 and 2009 c 162 s 19 and 2009 c 119 s 11 are each reenacted and amended to read as follows:

(1) Unless denied licensure under RCW 48.17.530, persons who have met the requirements of RCW 48.17.090 and 48.17.110 shall be issued an insurance producer license. An insurance producer may receive a license in one or more of the following lines of authority:

(a) "Life," which is insurance coverage on human lives, including benefits of endowment and annuities, and may include benefits in the event of death or dismemberment by accident and benefits for disability income;

(b) "Disability," which is insurance coverage for accident, health, and disability or sickness, bodily injury, or accidental death, and may include benefits for disability income;

(c) "Property," which is insurance coverage for the direct or consequential loss or damage to property of every kind;

(d) "Casualty," which is insurance coverage against legal liability, including that for death, injury, or disability or damage to real or personal property;

(e) "Variable life and variable annuity products," which is insurance coverage provided under variable life insurance contracts, variable annuities, or any other life insurance or annuity product that reflects the investment experience of a separate account;

(f) "Personal lines," which is property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes;

(g) Limited lines:

(i) Surety;

(ii) Limited line credit insurance;

(iii) Travel;

(h) Specialty lines:

(i) ~~((Communications equipment or services))~~ Portable electronics;

(ii) Rental car;

(iii) Self-service storage; or

(i) Any other line of insurance permitted under state laws or rules.

(2) Unless denied licensure under RCW 48.17.530, persons who have met the requirements of RCW 48.17.090(4) shall be issued a title insurance agent license.

(3) All insurance producers', title insurance agents', and adjusters' licenses issued by the commissioner shall be valid for the time period established by the commissioner unless suspended or revoked at an earlier date.

(4) Subject to the right of the commissioner to suspend, revoke, or refuse to renew any insurance producer's, title insurance agent's, or adjuster's license as provided in this title, the license may be renewed into another like period by filing with the commissioner by any means acceptable to the commissioner on or before the expiration date a request, by or on behalf of the licensee, for such renewal accompanied by payment of the renewal fee as specified in RCW 48.14.010.

(5) If the request and fee for renewal of an insurance producer's, title insurance agent's, or adjuster's license are filed with the commissioner prior to expiration of the existing license, the licensee may continue to act under such license, unless sooner revoked or suspended, until the issuance of a renewal license, or until the expiration of fifteen days after the commissioner has refused to renew the license and has mailed notification of such refusal to the licensee. If the request and fee for the license renewal are not received by the expiration date, the authority conferred by the license ends on the expiration date.

(6) If the request for renewal of an insurance producer's, title insurance agent's, or adjuster's license and payment of the fee are not received by the commissioner prior to the expiration date, the applicant for renewal shall pay to the commissioner, in addition to the renewal fee, a surcharge as follows:

(a) For the first thirty days or part thereof of delinquency, the surcharge is fifty percent of the renewal fee;

(b) For the next thirty days or part thereof of delinquency, the surcharge is one hundred percent of the renewal fee.

(7) If the request for renewal of an insurance producer's, title insurance agent's, or adjuster's license and fee for the renewal are received by the commissioner after sixty days but prior to twelve months after the expiration date, the application is for reinstatement of the license and the applicant for reinstatement must pay to the commissioner the license fee and a surcharge of two hundred percent of the license fee.

(8) Subsections (6) and (7) of this section do not exempt any person from any penalty provided by law for transacting business without a valid and subsisting license or appointment.

(9) An individual insurance producer, title insurance agent, or adjuster who allows his or her license to lapse may, within twelve months after the expiration date, reinstate the same license without necessity of passing a written examination.

(10) A licensed insurance producer who is unable to comply with license renewal procedures due to military service or some other extenuating circumstance such as a long-term medical disability, may request a waiver of those procedures. The producer may also request

a waiver of any examination requirement or any other fine or sanction imposed for failure to comply with renewal procedures.

(11) The license shall contain the licensee's name, address, personal identification number, and the date of issuance, lines of authority, expiration date, and any other information the commissioner deems necessary.

(12) Licensees shall inform the commissioner by any means acceptable to the commissioner of a change of address within thirty days of the change. Failure to timely inform the commissioner of a change in legal name or address may result in a penalty under either RCW 48.17.530 or 48.17.560, or both.

NEW SECTION. Sec. 6. A new section is added to chapter 48.17 RCW to read as follows:

(1) An individual who collects claim information from, or furnishes claim information to, insureds or claimants, and who enters data is not an "adjuster" for the purpose of this chapter if both of the following are satisfied:

(a) The individual's claim-related activity is limited exclusively to claims originating from policies of insurance issued through a portable electronics insurance program as defined in RCW 48.120.005(2); and

(b) The individual is an employee of, and is supervised by, a person that is licensed as an independent adjuster. For purposes of this section, "employee" includes employees of entities under common ownership with the licensed person.

(2) The person that is licensed as an independent adjuster must maintain complete records of its employees engaged in the activity described in subsection (1) of this section and must comply with either (a) or (b) of this subsection:

(a) The person must submit a list of the names of all such employees to the commissioner on forms prescribed by the commissioner annually and must keep the list current by reporting all changes, deletions, or additions within thirty days after the change, deletion, or addition occurred. Each list must be retained by the licensed independent adjuster for a period of three years from submission; or

(b) The person must maintain a system to track and document in the claim records each employee engaged in the activity described in subsection (1) of this section and, upon request of the commissioner, must identify the employee who has engaged in the activity.

(3) The person licensed as an independent adjuster must provide a training and education program for each employee engaged in the activity described in subsection (1) of this section prior to allowing the employee to engage in the activity. The training must include a section on compliance with applicable insurance laws for which a syllabus outlining the content of this section must be submitted to the commissioner for approval prior to use, and resubmitted for approval of any changes prior to use.

(4) The licensed independent adjuster that supervises the persons engaged in the activity described in subsection (1) of this section is responsible for their conduct. The commissioner may place on probation, revoke, suspend, or refuse to renew the adjuster's license of the independent adjuster, levy a civil penalty in accordance with RCW 48.17.560, or any combination of actions for any of the causes for which an adjuster's license may be revoked under chapter 48.17 RCW for the violation of any insurance laws, or any rule, subpoena, or order of the commissioner by a person engaged in the activity described in subsection (1) of this section who is employed by the licensed adjuster."

On page 1, line 1 of the title, after "licenses;" strike the remainder of the title and insert "amending RCW 48.120.005, 48.120.010, 48.120.015, and 48.120.020; reenacting and amending RCW 48.17.170; and adding a new section to chapter 48.17 RCW."

Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Blake; Condotta; Hudgins; Hurst; Kretz; Pedersen; Rivers; Ryu and Stanford.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6325 Prime Sponsor, Committee on Labor, Commerce & Consumer Protection: Exempting common interest community managers from real estate broker and managing broker licensing requirements. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Buys, Assistant Ranking Minority Member; Blake; Condotta; Hudgins; Hurst; Kretz; Pedersen; Rivers; Ryu and Stanford.

Passed to Committee on Rules for second reading.

February 21, 2012

ESSB 6383 Prime Sponsor, Committee on Government Operations, Tribal Relations & Elections: Regarding Washington interscholastic activities association penalties. Reported by Committee on Education

MAJORITY recommendation: Do pass. Signed by Representatives Santos, Chair; Lytton, Vice Chair; Dammeier, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Dahlquist, Assistant Ranking Minority Member; Ahern; Angel; Billig; Fagan; Finn; Haigh; Hunt; Ladenburg; Parker and Wilcox.

MINORITY recommendation: Do not pass. Signed by Representatives Hargrove; Klippert; Liias; Maxwell and McCoy.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6384 Prime Sponsor, Committee on Health & Long-Term Care: Ensuring that persons with developmental disabilities be given the opportunity to transition to a community access program after enrollment in an employment program. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** A new section is added to chapter 71A.12 RCW to read as follows:

(1) Clients age twenty-one and older who are receiving employment services must be offered the choice to transition to a community access program after nine months of enrollment in an employment program, and the option to transition from a community access program to an employment program at any time. Enrollment in an employment program begins at the time the client is authorized to receive employment.

(2) Prior approval by the department shall not be required to effectuate the client's choice to transition from an employment program to community access services after verifying nine months of participation in employment-related services.

(3) The department shall inform clients and their legal representatives of all available options for employment and day services, including the opportunity to request an exception from enrollment in an employment program. Information provided to the client and the client's legal representative must include the types of activities each service option provides, and the amount, scope, and duration of service for which the client would be eligible under each service option. An individual client may be authorized for only one service option, either employment services or community access services. Clients may not participate in more than one of these services at any given time.

(4) The department shall work with counties and stakeholders to strengthen and expand the existing community access program, including the consideration of options that allow for alternative service settings outside of the client's residence. The program should emphasize support for the clients so that they are able to participate in activities that integrate them into their community and support independent living and skills.

(5) The department shall develop rules to allow for an exception to the requirement that a client participate in an employment program for nine months prior to transitioning to a community access program."

Correct the title.

Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson; Orwall and Overstreet.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6386 Prime Sponsor, Committee on Human Services & Corrections: Enacting measures to reduce public assistance fraud. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** The legislature finds that fraud associated with public assistance programs is a significant problem in the state of Washington. Therefore, the legislature encourages the office of fraud and accountability within the department of social and health services to coordinate with the office of the state auditor and the department of early learning to improve the prevention, detection, and prosecution of fraudulent activity taking place in public assistance programs. It is the purpose of this act to significantly reduce fraud and to ensure that public assistance dollars reach the intended populations in need.

Sec. 2. RCW 74.08.580 and 2011 1st sp.s. c 42 s 14 are each amended to read as follows:

(1) Any person receiving public assistance is prohibited from using electronic benefit cards or cash obtained with electronic benefit cards:

(a) For the purpose of participating in any of the activities authorized under chapter 9.46 RCW;

(b) For the purpose of parimutuel wagering authorized under chapter 67.16 RCW;

(c) To purchase lottery tickets or shares authorized under chapter 67.70 RCW;

(d) For the purpose of participating in or purchasing any activities located in a tattoo, body piercing, or body art shop licensed under chapter 18.300 RCW;

(e) To purchase cigarettes as defined in RCW 82.24.010 or tobacco products as defined in RCW 82.26.010;

(f) To purchase any items regulated under Title 66 RCW; or

(g) For the purpose of purchasing or participating in any activities in any location listed in subsection (2) of this section.

(2) On or before January 1, 2012, the businesses listed in this subsection must disable the ability of ATM and point-of-sale machines located on their business premises to accept the electronic benefit card. The following businesses are required to comply with this mandate:

(a) Taverns licensed under RCW 66.24.330;

(b) Beer/wine specialty stores licensed under RCW 66.24.371;

(c) Nightclubs licensed under RCW 66.24.600;

(d) Contract liquor stores defined under RCW 66.04.010;

(e) Bail bond agencies regulated under chapter 18.185 RCW;

(f) Gambling establishments licensed under chapter 9.46 RCW;

(g) Tattoo, body piercing, or body art shops regulated under chapter 18.300 RCW;

(h) Adult entertainment venues with performances that contain erotic material where minors under the age of eighteen are prohibited under RCW 9.68A.150; and

(i) Any establishments where persons under the age of eighteen are not permitted.

(3) The department must notify the licensing authority of any business listed in subsection (2) of this section that such business has continued to allow the use of the electronic benefit card in violation of subsection (2) of this section.

(4) Only the recipient, an eligible member of the household, or the recipient's authorized representative may use an electronic benefit card or the benefit and such use shall only be for the respective benefit program purposes. Unless a recipient's family member is an eligible member of the household, the recipient's authorized representative, an alternative cardholder, or has been assigned as a protective payee, no family member may use the benefit card. The recipient shall not sell, or attempt to sell, exchange, or donate an electronic benefit card or any benefits to any other person or entity.

(5) The first violation of subsection (1) (~~(or (4))~~) of this section by a recipient constitutes a class 4 civil infraction under RCW 7.80.120. Second and subsequent violations of subsection (1) (~~(or (4))~~) of this section constitute a class 3 civil infraction under RCW 7.80.120.

(a) The department shall notify, in writing, all recipients of electronic benefit cards that any violation of subsection (1) or (4) of this section could result in legal proceedings and forfeiture of all cash public assistance.

(b) Whenever the department receives notice that a person has violated subsection (1) (~~(or (4))~~) of this section, the department shall notify the person in writing that the violation could result in legal proceedings and forfeiture of all cash public assistance.

(c) The department shall assign a protective payee to the person receiving public assistance who violates subsection (1) (~~(or (4))~~) of this section two or more times.

(6) In assigning a personal identification number to an electronic benefit card, the department shall not routinely use any sequence of numbers that appear on the card except in circumstances resulting from in-state or national disasters. Personal identification numbers assigned to electronic benefit cards issued to support the distribution of benefits when there is a disaster may include a sequence of numbers that appears on the card.

NEW SECTION. **Sec. 3.** A new section is added to chapter 74.08 RCW to read as follows:

A person who has in his or her possession or under his or her control electronic benefit cards issued in the names of two or more persons and who is not authorized by those persons to have any of the cards in his or her possession is guilty of a misdemeanor.

Sec. 4. RCW 74.04.014 and 2011 1st sp.s. c 42 s 24 are each amended to read as follows:

(1) In carrying out the provisions of this chapter, the office of fraud and accountability shall have prompt access to all individuals, records, electronic data, reports, audits, reviews, documents, and other materials available to the department of revenue, department of labor and industries, department of early learning, employment security department, department of licensing, and any other government entity that can be used to help facilitate investigations of fraud or abuse as determined necessary by the director of the office of fraud and accountability.

(2) The investigator shall have access to all child care records maintained by licensed and unlicensed child care providers with the consent of the provider or with a court order or valid search warrant.

(3) Information gathered by the department, the office, or the fraud ombudsman shall be safeguarded and remain confidential as required by applicable state or federal law. Whenever information or assistance requested under subsection (1) or (2) of this section is, in the judgment of the director, unreasonably refused or not provided, the director of the office of fraud and accountability must report the circumstances to the secretary immediately.

Sec. 5. RCW 43.215.135 and 2011 1st sp.s. c 42 s 11 are each amended to read as follows:

(1) The department shall establish and implement policies in the working connections child care program to promote stability and quality of care for children from low-income households. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures defined in RCW 74.08A.410 and the standards established in this section intended to promote continuity of care for children.

(2) ~~((As a condition of receiving a child care subsidy or a working connections child care subsidy, the applicant or recipient must seek child support enforcement services from the department of social and health services, division of child support, unless the department finds that the applicant or recipient has good cause not to cooperate.~~

~~(3))~~ Except as provided in subsection ~~((4))~~ (3) of this section, an applicant or recipient of a child care subsidy or a working connections child care subsidy is eligible to receive that subsidy for six months before having to recertify his or her income eligibility. The six-month certification provision applies only if enrollments in the child care subsidy or working connections child care program are capped.

~~((4))~~ (3) Beginning in fiscal year 2011, for families with children enrolled in an early childhood education and assistance program, a head start program, or an early head start program, authorizations for the working connections child care subsidy shall be effective for twelve months unless a change in circumstances necessitates reauthorization sooner than twelve months.

~~((5))~~ (4) The department, in consultation with the department of social and health services, shall report to the legislature by September 1, 2011, with:

(a) An analysis of the impact of the twelve-month authorization period on the stability of child care, program costs, and administrative savings; and

(b) Recommendations for expanding the application of the twelve-month authorization period to additional populations of children in care.

NEW SECTION. **Sec. 6.** No later than October 1, 2013, the office of fraud and accountability within the department of social and health services, along with the state auditor's office and the department of early learning, shall collaborate in an effort to identify, review, and provide the legislature with recommendations for

integrated monitoring and detection systems to prevent overpayments of public assistance from occurring."

Correct the title.

Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson and Orwall.

MINORITY recommendation: Do not pass. Signed by Representative Overstreet.

Referred to Committee on Ways & Means.

February 21, 2012

ESSB 6462 Prime Sponsor, Committee on Human Services & Corrections: Redefining "income" and "resource" with regard to eligibility for public assistance programs. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 74.04.005 and 2011 1st sp.s. c 36 s 8 and 2011 1st sp.s. c 15 s 61 are each reenacted and amended to read as follows:

For the purposes of this title, unless the context indicates otherwise, the following definitions shall apply:

(1) "Aged, blind, or disabled assistance program" means the program established under RCW 74.62.030.

(2) "Applicant" means any person who has made a request, or on behalf of whom a request has been made, to any county or local office for assistance.

(3) "Authority" means the health care authority.

(4) "County or local office" means the administrative office for one or more counties or designated service areas.

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

(6) "Director" means the director of the health care authority.

(7) "Essential needs and housing support program" means the program established in RCW 43.185C.220.

(8) "Federal aid assistance" means the specific categories of assistance for which provision is made in any federal law existing or hereafter passed by which payments are made from the federal government to the state in aid or in respect to payment by the state for public assistance rendered to any category of needy persons for which provision for federal funds or aid may from time to time be made, or a federally administered needs-based program.

(9) "Income" means:

(a)(i) All appreciable gains in real or personal property (cash or kind) or other assets, which are received by or become available for use and enjoyment by an applicant or recipient during the month of application or after applying for or receiving public assistance.

(ii) Profits of a business owned or controlled, in whole or in part, by the applicant or recipient and from which the applicant or recipient receives a salary is considered income for the purposes of this title. The share of a business included as income of an applicant or recipient shall be proportionate to his or her share of ownership or control of the asset. To the extent this subsection conflicts with federal maintenance of effort requirements, it does not apply to medicaid.

(b) Notwithstanding (a) of this subsection, the department may by rule and regulation exempt income received by an applicant for or recipient of public assistance which can be used by him or her to decrease his or her need for public assistance or to aid in rehabilitating

him or her or his or her dependents, but such exemption shall not, unless otherwise provided in this title, exceed the exemptions of resources granted under this chapter to an applicant for public assistance. In addition, for cash assistance the department may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

(b) If, under applicable federal requirements, the state has the option of considering property in the form of lump sum compensatory awards or related settlements received by an applicant or recipient as income or as a resource, the department shall consider such property to be a resource.

(10) "Need" means the difference between the applicant's or recipient's standards of assistance for himself or herself and the dependent members of his or her family, as measured by the standards of the department, and value of all nonexempt resources and nonexempt income received by or available to the applicant or recipient and the dependent members of his or her family.

(11) "Public assistance" or "assistance" means public aid to persons in need thereof for any cause, including services, medical care, assistance grants, disbursing orders, work relief, benefits under RCW 74.62.030 and 43.185C.220, and federal aid assistance.

(12) "Recipient" means any person receiving assistance and in addition those dependents whose needs are included in the recipient's assistance.

(13) "Resource" means any asset, tangible or intangible, including ownership in a business, whether that business is a sole proprietorship, partnership, limited liability company, or corporation, owned by ((~~the~~)), available to, or whose assets may be available to, the applicant at the time of application, which can be applied toward meeting the applicant's need, either directly or by conversion into money or its equivalent. The department may by rule designate resources that an applicant may retain and not be ineligible for public assistance because of such resources. Exempt resources shall include, but are not limited to:

(a) A home that an applicant, recipient, or their dependents is living in, including the surrounding property;

(b) Household furnishings and personal effects;

(c) A motor vehicle, other than a motor home, used and useful having an equity value not to exceed five thousand dollars;

(d) A motor vehicle necessary to transport a household member with a physical disability. This exclusion is limited to one vehicle per person with a physical disability;

(e) All other resources, including any excess of values exempted, not to exceed one thousand dollars or other limit as set by the department, to be consistent with limitations on resources and exemptions necessary for federal aid assistance. The department shall also allow recipients of temporary assistance for needy families to exempt savings accounts with combined balances of up to an additional three thousand dollars;

(f) Applicants for or recipients of benefits under RCW 74.62.030 and 43.185C.220 shall have their eligibility based on resource limitations consistent with the temporary assistance for needy families program rules adopted by the department; and

(g) If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value shall be used in determining the need of the applicant or recipient, except that: (i) The department may exempt resources or income when the income and resources are determined necessary to the applicant's or recipient's restoration to independence, to decrease the need for public assistance, or to aid in rehabilitating the applicant or recipient or a dependent of the applicant or recipient; and (ii) the department may provide grant assistance for a period not to exceed nine months from the date the agreement is signed pursuant to this section to persons who are otherwise ineligible because of excess real property owned by such persons when they are making a good faith effort to dispose of that property if:

(A) The applicant or recipient signs an agreement to repay the lesser of the amount of aid received or the net proceeds of such sale;

(B) If the owner of the excess property ceases to make good faith efforts to sell the property, the entire amount of assistance may become an overpayment and a debt due the state and may be recovered pursuant to RCW 43.20B.630;

(C) Applicants and recipients are advised of their right to a fair hearing and afforded the opportunity to challenge a decision that good faith efforts to sell have ceased, prior to assessment of an overpayment under this section; and

(D) At the time assistance is authorized, the department files a lien without a sum certain on the specific property.

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

(15) "Standards of assistance" means the level of income required by an applicant or recipient to maintain a level of living specified by the department.

(16) For purposes of determining eligibility for public assistance and participation levels in the cost of medical care, the department shall exempt restitution payments made to people of Japanese and Aleut ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian and Pribilof Island Restitution Act passed by congress, P.L. 100-383, including all income and resources derived therefrom.

(17) In the construction of words and phrases used in this title, the singular number shall include the plural, the masculine gender shall include both the feminine and neuter genders, and the present tense shall include the past and future tenses, unless the context thereof shall clearly indicate to the contrary."

Correct the title.

Signed by Representatives Kagi, Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson; Orwall and Overstreet.

MINORITY recommendation: Do not pass. Signed by Representative Roberts, Vice Chair.

Passed to Committee on Rules for second reading.

February 21, 2012

SSB 6508 Prime Sponsor, Committee on Human Services & Corrections: Authorizing waivers from certain DSHS overpayment recovery efforts. Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.20B.030 and 2005 c 292 s 5 are each amended to read as follows:

(1) Except as otherwise provided by law, including subsection (2) of this section, there will be no collection of overpayments and other debts due the department after the expiration of six years from the date of notice of such overpayment or other debt unless the department has commenced recovery action in a court of law or unless an administrative remedy authorized by statute is in place. However, any amount due in a case thus extended shall cease to be a debt due the department at the expiration of ten years from the date of the notice of the overpayment or other debt unless a court-ordered remedy would be in effect for a longer period.

(2) There will be no collection of debts due the department after the expiration of twenty years from the date a lien is recorded pursuant to RCW 43.20B.080.

(3) The department, at any time, may accept offers of compromise of disputed claims or may grant partial or total write-off of any debt due the department if it is no longer cost-effective to pursue. The department shall adopt rules establishing the considerations to be made in the granting or denial of a partial or total write-off of debts.

(4) Notwithstanding the requirements of RCW 43.20B.630, 43.20B.635, 43.20B.640, and 43.20B.645, the department may waive all efforts to collect overpayments from a client when the department determines that the elements of equitable estoppel as set forth in WAC 388-02-0495, as it existed on January 1, 2012, are met.

NEW SECTION. Sec. 2. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

NEW SECTION. Sec. 3. No later than October 1, 2013, the office of fraud and accountability within the department of social and health services, along with the state auditor's office and the department of early learning, shall collaborate in an effort to identify, review, and provide the legislature with recommendations for integrated monitoring and detection systems to prevent overpayments of public assistance from occurring."

Correct the title.

Strike everything after the enacting clause and insert the following:

"**Sec. 4.** RCW 43.20B.030 and 2005 c 292 s 5 are each amended to read as follows:

(1) Except as otherwise provided by law, including subsection (2) of this section, there will be no collection of overpayments and other debts due the department after the expiration of six years from the date of notice of such overpayment or other debt unless the department has commenced recovery action in a court of law or unless an administrative remedy authorized by statute is in place. However, any amount due in a case thus extended shall cease to be a debt due the department at the expiration of ten years from the date of the notice of the overpayment or other debt unless a court-ordered remedy would be in effect for a longer period.

(2) There will be no collection of debts due the department after the expiration of twenty years from the date a lien is recorded pursuant to RCW 43.20B.080.

(3) The department, at any time, may accept offers of compromise of disputed claims or may grant partial or total write-off of any debt due the department if it is no longer cost-effective to pursue. The department shall adopt rules establishing the considerations to be made in the granting or denial of a partial or total write-off of debts.

(4) Notwithstanding the requirements of RCW 43.20B.630, 43.20B.635, 43.20B.640, and 43.20B.645, the department may waive all efforts to collect overpayments from a client when the department, the health care authority, or any state agency administering public assistance benefits determines the overpayment occurred through no fault of the client, the client was unaware that he or she was not eligible for the overpaid benefits, the client cannot repay the overpayment without drawing on funds needed for basic support, and the client relied on those benefits for basic support. These are the applicable elements that are to be considered in any administrative hearing or judicial review proceeding concerning the overpayment of public assistance benefits.

NEW SECTION. Sec. 5. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

NEW SECTION. Sec. 6. No later than October 1, 2013, the office of fraud and accountability within the department of social and health services, along with the state auditor's office and the department of early learning, shall collaborate in an effort to identify, review, and provide the legislature with recommendations for integrated monitoring and detection systems to prevent overpayments of public assistance from occurring."

Correct the title.

Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson; Orwall and Overstreet.

Passed to Committee on Rules for second reading.

February 21, 2012

ESSB 6555 Prime Sponsor, Committee on Human Services & Corrections: Providing for family assessments in cases involving child abuse or neglect. (REVISED FOR PASSED LEGISLATURE: Implementing provisions relating to child protection.) Reported by Committee on Early Learning & Human Services

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 26.44.020 and 2010 c 176 s 1 are each reenacted and amended to read as follows:

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

(1) "Abuse or neglect" means sexual abuse, sexual exploitation, or injury of a child by any person under circumstances which cause harm to the child's health, welfare, or safety, excluding conduct permitted under RCW 9A.16.100; or the negligent treatment or maltreatment of a child by a person responsible for or providing care to the child. An abused child is a child who has been subjected to child abuse or neglect as defined in this section.

(2) "Child" or "children" means any person under the age of eighteen years of age.

(3) "Child protective services" means those services provided by the department designed to protect children from child abuse and neglect and safeguard such children from future abuse and neglect, and conduct investigations of child abuse and neglect reports. Investigations may be conducted regardless of the location of the alleged abuse or neglect. Child protective services includes referral to services to ameliorate conditions that endanger the welfare of children, the coordination of necessary programs and services relevant to the prevention, intervention, and treatment of child abuse and neglect, and services to children to ensure that each child has a permanent home. In determining whether protective services should be provided, the department shall not decline to provide such services solely because of the child's unwillingness or developmental inability to describe the nature and severity of the abuse or neglect.

(4) "Child protective services section" means the child protective services section of the department.

(5) "Children's advocacy center" means a child-focused facility in good standing with the state chapter for children's advocacy centers and that coordinates a multidisciplinary process for the investigation, prosecution, and treatment of sexual and other types of child abuse. Children's advocacy centers provide a location for forensic interviews and coordinate access to services such as, but not limited to, medical evaluations, advocacy, therapy, and case review by multidisciplinary teams within the context of county protocols as defined in RCW 26.44.180 and 26.44.185.

(6) "Clergy" means any regularly licensed or ordained minister, priest, or rabbi of any church or religious denomination, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

(7) "Court" means the superior court of the state of Washington, juvenile department.

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

(9) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child abuse or neglect, and family strengths and needs that is applied to a child abuse or neglect report. Family assessment does not include a determination as to whether child abuse or neglect occurred, but does determine the need for services to address the safety of the child and the risk of subsequent maltreatment.

(10) "Family assessment response" means a way of responding to certain reports of child abuse or neglect made under this chapter using a differential response approach to child protective services. The family assessment response shall focus on the safety of the child, the integrity and preservation of the family, and shall assess the status of the child and the family in terms of risk of abuse and neglect including the parent's or guardian's or other caretaker's capacity and willingness to protect the child and, if necessary, plan and arrange the provision of services to reduce the risk and otherwise support the family. No one is named as a perpetrator, and no investigative finding is entered in the record as a result of a family assessment.

(11) "Founded" means the determination following an investigation by the department that, based on available information, it is more likely than not that child abuse or neglect did occur.

~~((40))~~ (12) "Inconclusive" means the determination following an investigation by the department, prior to October 1, 2008, that based on available information a decision cannot be made that more likely than not, child abuse or neglect did or did not occur.

~~((44))~~ (13) "Institution" means a private or public hospital or any other facility providing medical diagnosis, treatment, or care.

~~((42))~~ (14) "Law enforcement agency" means the police department, the prosecuting attorney, the state patrol, the director of public safety, or the office of the sheriff.

~~((43))~~ (15) "Malice" or "maliciously" means an intent, wish, or design to intimidate, annoy, or injure another person. Such malice may be inferred from an act done in willful disregard of the rights of another, or an act wrongfully done without just cause or excuse, or an act or omission of duty betraying a willful disregard of social duty.

~~((44))~~ (16) "Negligent treatment or maltreatment" means an act or a failure to act, or the cumulative effects of a pattern of conduct, behavior, or inaction, that evidences a serious disregard of consequences of such magnitude as to constitute a clear and present danger to a child's health, welfare, or safety, including but not limited to conduct prohibited under RCW 9A.42.100. When considering whether a clear and present danger exists, evidence of a parent's substance abuse as a contributing factor to negligent treatment or maltreatment shall be given great weight. The fact that siblings share a bedroom is not, in and of itself, negligent treatment or maltreatment. Poverty, homelessness, or exposure to domestic violence as defined in RCW 26.50.010 that is perpetrated against someone other than the

child does not constitute negligent treatment or maltreatment in and of itself.

~~((15))~~ (17) "Pharmacist" means any registered pharmacist under chapter 18.64 RCW, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

~~((16))~~ (18) "Practitioner of the healing arts" or "practitioner" means a person licensed by this state to practice podiatric medicine and surgery, optometry, chiropractic, nursing, dentistry, osteopathic medicine and surgery, or medicine and surgery or to provide other health services. The term "practitioner" includes a duly accredited Christian Science practitioner. A person who is being furnished Christian Science treatment by a duly accredited Christian Science practitioner will not be considered, for that reason alone, a neglected person for the purposes of this chapter.

~~((17))~~ (19) "Professional school personnel" include, but are not limited to, teachers, counselors, administrators, child care facility personnel, and school nurses.

~~((18))~~ (20) "Psychologist" means any person licensed to practice psychology under chapter 18.83 RCW, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

~~((19))~~ (21) "Screened-out report" means a report of alleged child abuse or neglect that the department has determined does not rise to the level of a credible report of abuse or neglect and is not referred for investigation.

~~((20))~~ (22) "Sexual exploitation" includes: (a) Allowing, permitting, or encouraging a child to engage in prostitution by any person; or (b) allowing, permitting, encouraging, or engaging in the obscene or pornographic photographing, filming, or depicting of a child by any person.

~~((21))~~ (23) "Sexually aggressive youth" means a child who is defined in RCW 74.13.075(1)(b) as being a sexually aggressive youth.

~~((22))~~ (24) "Social service counselor" means anyone engaged in a professional capacity during the regular course of employment in encouraging or promoting the health, welfare, support, or education of children, or providing social services to adults or families, including mental health, drug and alcohol treatment, and domestic violence programs, whether in an individual capacity, or as an employee or agent of any public or private organization or institution.

~~((23))~~ (25) "Supervising agency" means an agency licensed by the state under RCW 74.15.090 or an Indian tribe under RCW 74.15.190 that has entered into a performance-based contract with the department to provide child welfare services.

~~((24))~~ (26) "Unfounded" means the determination following an investigation by the department that available information indicates that, more likely than not, child abuse or neglect did not occur, or that there is insufficient evidence for the department to determine whether the alleged child abuse did or did not occur.

NEW SECTION. Sec. 2. A new section is added to chapter 26.44 RCW to read as follows:

(1) No later than December 1, 2013, the department shall implement the family assessment response. The department may implement the family assessment response on a phased-in basis, by geographical area.

(2) The department shall develop an implementation plan in consultation with stakeholders, including tribes. The department shall submit a report of the implementation plan to the appropriate committees of the legislature by December 31, 2012. At a minimum, the following must be developed before implementation and included in the report to the legislature:

- (a) Description of the family assessment response practice model;
- (b) Identification of possible additional noninvestigative responses or pathways;
- (c) Development of an intake screening tool and a family assessment tool specifically to be used in the family assessment

response. The family assessment tool must, at minimum, evaluate the safety of the child and determine services needed by the family to improve or restore family well-being;

(d) Delineation of staff training requirements;

(e) Development of strategies to reduce disproportionality;

(f) Development of strategies to assist and connect families with the appropriate private or public housing support agencies, for those parents whose inability to obtain or maintain safe housing creates a risk of harm to the child, risk of out-of-home placement of the child, or a barrier to reunification;

(g) Identification of methods to involve local community partners in the development of community-based resources to meet families' needs. Local community partners may include, but are not limited to: Alumni of the foster care system and veteran parents, local private service delivery agencies, schools, local health departments and other health care providers, juvenile court, law enforcement, office of public defense social workers or local defense attorneys, domestic violence victims advocates, and other available community-based entities;

(h) Delineation of procedures to assure continuous quality assurance;

(i) Identification of current departmental expenditures for services appropriate for the family assessment response, to the greatest practicable extent;

(j) Identification of philanthropic funding and other private funding available to supplement public resources in response to identified family needs;

(k) Development of effective mechanisms which assure and maximize, to the greatest extent practicable, that family assessment response for Native American Indian children will be completed in a timely manner by a worker from the child's tribe or by a worker approved by the child's tribe;

(l) A potential phase-in schedule if proposed; and

(m) Recommendations for legislative action required to implement the plan.

Sec. 3. RCW 26.44.030 and 2009 c 480 s 1 are each amended to read as follows:

(1)(a) When any practitioner, county coroner or medical examiner, law enforcement officer, professional school personnel, registered or licensed nurse, social service counselor, psychologist, pharmacist, employee of the department of early learning, licensed or certified child care providers or their employees, employee of the department, juvenile probation officer, placement and liaison specialist, responsible living skills program staff, HOPE center staff, or state family and children's ombudsman or any volunteer in the ombudsman's office has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(b) When any person, in his or her official supervisory capacity with a nonprofit or for-profit organization, has reasonable cause to believe that a child has suffered abuse or neglect caused by a person over whom he or she regularly exercises supervisory authority, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency, provided that the person alleged to have caused the abuse or neglect is employed by, contracted by, or volunteers with the organization and coaches, trains, educates, or counsels a child or children or regularly has unsupervised access to a child or children as part of the employment, contract, or voluntary service. No one shall be required to report under this section when he or she obtains the information solely as a result of a privileged communication as provided in RCW 5.60.060.

Nothing in this subsection (1)(b) shall limit a person's duty to report under (a) of this subsection.

For the purposes of this subsection, the following definitions apply:

(i) "Official supervisory capacity" means a position, status, or role created, recognized, or designated by any nonprofit or for-profit organization, either for financial gain or without financial gain, whose scope includes, but is not limited to, overseeing, directing, or managing another person who is employed by, contracted by, or volunteers with the nonprofit or for-profit organization.

(ii) "Regularly exercises supervisory authority" means to act in his or her official supervisory capacity on an ongoing or continuing basis with regards to a particular person.

(c) The reporting requirement also applies to department of corrections personnel who, in the course of their employment, observe offenders or the children with whom the offenders are in contact. If, as a result of observations or information received in the course of his or her employment, any department of corrections personnel has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report the incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(d) The reporting requirement shall also apply to any adult who has reasonable cause to believe that a child who resides with them, has suffered severe abuse, and is able or capable of making a report. For the purposes of this subsection, "severe abuse" means any of the following: Any single act of abuse that causes physical trauma of sufficient severity that, if left untreated, could cause death; any single act of sexual abuse that causes significant bleeding, deep bruising, or significant external or internal swelling; or more than one act of physical abuse, each of which causes bleeding, deep bruising, significant external or internal swelling, bone fracture, or unconsciousness.

(e) The reporting requirement also applies to guardians ad litem, including court-appointed special advocates, appointed under Titles 11, 13, and 26 RCW, who in the course of their representation of children in these actions have reasonable cause to believe a child has been abused or neglected.

(f) The report must be made at the first opportunity, but in no case longer than forty-eight hours after there is reasonable cause to believe that the child has suffered abuse or neglect. The report must include the identity of the accused if known.

(2) The reporting requirement of subsection (1) of this section does not apply to the discovery of abuse or neglect that occurred during childhood if it is discovered after the child has become an adult. However, if there is reasonable cause to believe other children are or may be at risk of abuse or neglect by the accused, the reporting requirement of subsection (1) of this section does apply.

(3) Any other person who has reasonable cause to believe that a child has suffered abuse or neglect may report such incident to the proper law enforcement agency or to the department of social and health services as provided in RCW 26.44.040.

(4) The department, upon receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means or who has been subjected to alleged sexual abuse, shall report such incident to the proper law enforcement agency. In emergency cases, where the child's welfare is endangered, the department shall notify the proper law enforcement agency within twenty-four hours after a report is received by the department. In all other cases, the department shall notify the law enforcement agency within seventy-two hours after a report is received by the department. If the department makes an oral report, a written report must also be made to the proper law enforcement agency within five days thereafter.

(5) Any law enforcement agency receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means, or who has been subjected to alleged sexual abuse, shall report such incident in writing as provided

in RCW 26.44.040 to the proper county prosecutor or city attorney for appropriate action whenever the law enforcement agency's investigation reveals that a crime may have been committed. The law enforcement agency shall also notify the department of all reports received and the law enforcement agency's disposition of them. In emergency cases, where the child's welfare is endangered, the law enforcement agency shall notify the department within twenty-four hours. In all other cases, the law enforcement agency shall notify the department within seventy-two hours after a report is received by the law enforcement agency.

(6) Any county prosecutor or city attorney receiving a report under subsection (5) of this section shall notify the victim, any persons the victim requests, and the local office of the department, of the decision to charge or decline to charge a crime, within five days of making the decision.

(7) The department may conduct ongoing case planning and consultation with those persons or agencies required to report under this section, with consultants designated by the department, and with designated representatives of Washington Indian tribes if the client information exchanged is pertinent to cases currently receiving child protective services. Upon request, the department shall conduct such planning and consultation with those persons required to report under this section if the department determines it is in the best interests of the child. Information considered privileged by statute and not directly related to reports required by this section must not be divulged without a valid written waiver of the privilege.

(8) Any case referred to the department by a physician licensed under chapter 18.57 or 18.71 RCW on the basis of an expert medical opinion that child abuse, neglect, or sexual assault has occurred and that the child's safety will be seriously endangered if returned home, the department shall file a dependency petition unless a second licensed physician of the parents' choice believes that such expert medical opinion is incorrect. If the parents fail to designate a second physician, the department may make the selection. If a physician finds that a child has suffered abuse or neglect but that such abuse or neglect does not constitute imminent danger to the child's health or safety, and the department agrees with the physician's assessment, the child may be left in the parents' home while the department proceeds with reasonable efforts to remedy parenting deficiencies.

(9) Persons or agencies exchanging information under subsection (7) of this section shall not further disseminate or release the information except as authorized by state or federal statute. Violation of this subsection is a misdemeanor.

(10) Upon receiving a report of alleged abuse or neglect, the department shall make reasonable efforts to learn the name, address, and telephone number of each person making a report of abuse or neglect under this section. The department shall provide assurances of appropriate confidentiality of the identification of persons reporting under this section. If the department is unable to learn the information required under this subsection, the department shall only investigate cases in which:

(a) The department believes there is a serious threat of substantial harm to the child;

(b) The report indicates conduct involving a criminal offense that has, or is about to occur, in which the child is the victim; or

(c) The department has a prior founded report of abuse or neglect with regard to a member of the household that is within three years of receipt of the referral.

(11)(a) Upon receiving a report of alleged abuse or neglect, the department shall use one of the following discrete responses to reports of child abuse or neglect that are screened in and accepted for departmental response:

(i) Investigation; or

(ii) Family assessment.

(b) In making the response in (a) of this subsection the department shall:

(i) Use a method by which to assign cases to investigation or family assessment which are based on an array of factors that may include the presence of: Imminent danger, level of risk, number of previous child abuse or neglect reports, or other presenting case characteristics, such as the type of alleged maltreatment and the age of the alleged victim. Age of the alleged victim shall not be used as the sole criterion for determining case assignment;

(ii) Allow for a change in response assignment based on new information that alters risk or safety level;

(iii) Allow families assigned to family assessment to choose to receive an investigation rather than a family assessment;

(iv) Provide a full investigation if a family refuses the initial family assessment;

(v) Provide voluntary services to families based on the results of the initial family assessment. If a family refuses voluntary services, and the department cannot identify specific facts related to risk or safety that warrant assignment to investigation under this chapter, and there is not a history of reports of child abuse or neglect related to the family, then the department must close the family assessment response case. However, if at any time the department identifies risk or safety factors that warrant an investigation under this chapter, then the family assessment response case must be reassigned to investigation;

(vi) Conduct an investigation, and not a family assessment, in response to an allegation that, the department determines based on the intake assessment;

(A) Poses a risk of "imminent harm" consistent with the definition provided in RCW 13.34.050, which includes, but is not limited to, sexual abuse and sexual exploitation as defined in this chapter;

(B) Poses a serious threat of substantial harm to a child;

(C) Constitutes conduct involving a criminal offense that has, or is about to occur, in which the child is the victim;

(D) The child is an abandoned child as defined in RCW 13.34.030;

(E) The child is an adjudicated dependent child as defined in RCW 13.34.030, or the child is in a facility that is licensed, operated, or certified for care of children by the department under chapter 74.15 RCW, or by the department of early learning.

(c) The department may not be held civilly liable for the decision to respond to an allegation of child abuse or neglect by using the family assessment response under this section unless the state or its officers, agents, or employees acted with reckless disregard.

(12)(a) For reports of alleged abuse or neglect that are accepted for investigation by the department, the investigation shall be conducted within time frames established by the department in rule. In no case shall the investigation extend longer than ninety days from the date the report is received, unless the investigation is being conducted under a written protocol pursuant to RCW 26.44.180 and a law enforcement agency or prosecuting attorney has determined that a longer investigation period is necessary. At the completion of the investigation, the department shall make a finding that the report of child abuse or neglect is founded or unfounded.

(b) If a court in a civil or criminal proceeding, considering the same facts or circumstances as are contained in the report being investigated by the department, makes a judicial finding by a preponderance of the evidence or higher that the subject of the pending investigation has abused or neglected the child, the department shall adopt the finding in its investigation.

~~((12))~~ (13) For reports of alleged abuse or neglect that are responded to through family assessment response, the department shall:

(a) Provide the family with a written explanation of the procedure for assessment of the child and the family and its purposes;

(b) Collaborate with the family to identify family strengths, resources, and service needs, and develop a service plan with the goal

of reducing risk of harm to the child and improving or restoring family well-being;

(c) Complete the family assessment response within forty-five days of receiving the report; however, upon parental agreement, the family assessment response period may be extended up to ninety days;

(d) Offer services to the family in a manner that makes it clear that acceptance of the services is voluntary;

(e) Implement the family assessment response in a consistent and cooperative manner;

(f) Have the parent or guardian sign an agreement to participate in services before services are initiated that informs the parents of their rights under family assessment response, all of their options, and the options the department has if the parents do not sign the consent form.

(14) In conducting an investigation or family assessment of alleged abuse or neglect, the department or law enforcement agency:

(a) May interview children. If the department determines that the response to the allegation will be family assessment response, the preferred practice is to request a parent's, guardian's, or custodian's permission to interview the child before conducting the child interview unless doing so would compromise the safety of the child or the integrity of the assessment. The interviews may be conducted on school premises, at day-care facilities, at the child's home, or at other suitable locations outside of the presence of parents. If the allegation is investigated, parental notification of the interview must occur at the earliest possible point in the investigation that will not jeopardize the safety or protection of the child or the course of the investigation. Prior to commencing the interview the department or law enforcement agency shall determine whether the child wishes a third party to be present for the interview and, if so, shall make reasonable efforts to accommodate the child's wishes. Unless the child objects, the department or law enforcement agency shall make reasonable efforts to include a third party in any interview so long as the presence of the third party will not jeopardize the course of the investigation; and

(b) Shall have access to all relevant records of the child in the possession of mandated reporters and their employees.

~~((13))~~ (15) If a report of alleged abuse or neglect is founded and constitutes the third founded report received by the department within the last twelve months involving the same child or family, the department shall promptly notify the office of the family and children's ombudsman of the contents of the report. The department shall also notify the ombudsman of the disposition of the report.

~~((14))~~ (16) In investigating and responding to allegations of child abuse and neglect, the department may conduct background checks as authorized by state and federal law.

~~((15))~~ (17)(a) The department shall maintain investigation records and conduct timely and periodic reviews of all founded cases of abuse and neglect. The department shall maintain a log of screened-out nonabusive cases.

(b) In the family assessment response, the department shall not make a finding as to whether child abuse or neglect occurred. No one shall be named as a perpetrator and no investigative finding shall be entered in the department's child abuse or neglect database.

~~((16))~~ (18) The department shall use a risk assessment process when investigating alleged child abuse and neglect referrals. The department shall present the risk factors at all hearings in which the placement of a dependent child is an issue. Substance abuse must be a risk factor. ~~(The department shall, within funds appropriated for this purpose, offer enhanced community-based services to persons who are determined not to require further state intervention.~~

~~(17))~~ (19) Upon receipt of a report of alleged abuse or neglect the law enforcement agency may arrange to interview the person making the report and any collateral sources to determine if any malice is involved in the reporting.

~~((18))~~ (20) Upon receiving a report of alleged abuse or neglect involving a child under the court's jurisdiction under chapter 13.34 RCW, the department shall promptly notify the child's guardian ad litem of the report's contents. The department shall also notify the guardian ad litem of the disposition of the report. For purposes of this subsection, "guardian ad litem" has the meaning provided in RCW 13.34.030.

Sec. 4. RCW 26.44.031 and 2007 c 220 s 3 are each amended to read as follows:

(1) To protect the privacy in reporting and the maintenance of reports of nonaccidental injury, neglect, death, sexual abuse, and cruelty to children by their parents, and to safeguard against arbitrary, malicious, or erroneous information or actions, the department shall not disclose or maintain information related to reports of child abuse or neglect except as provided in this section or as otherwise required by state and federal law.

(2) The department shall destroy all of its records concerning:

(a) A screened-out report, within three years from the receipt of the report; and

(b) An unfounded or inconclusive report, within six years of completion of the investigation, unless a prior or subsequent founded report has been received regarding the child who is the subject of the report, a sibling or half-sibling of the child, or a parent, guardian, or legal custodian of the child, before the records are destroyed.

(3) The department may keep records concerning founded reports of child abuse or neglect as the department determines by rule.

(4) ~~((A))~~ No unfounded, screened-out, or inconclusive report or information about a family's participation or nonparticipation in the family assessment response may ~~((not))~~ be disclosed to a child-placing agency, private adoption agency, or any other provider licensed under chapter 74.15 RCW without the consent of the individual who is the subject of the report or family assessment, unless:

(a) The individual seeks to become a licensed foster parent or adoptive parent; or

(b) The individual is the parent or legal custodian of a child being served by one of the agencies referenced in this subsection.

(5)(a) If the department fails to comply with this section, an individual who is the subject of a report may institute proceedings for injunctive or other appropriate relief for enforcement of the requirement to purge information. These proceedings may be instituted in the superior court for the county in which the person resides or, if the person is not then a resident of this state, in the superior court for Thurston county.

(b) If the department fails to comply with subsection (4) of this section and an individual who is the subject of the report or family assessment response information is harmed by the disclosure of information, in addition to the relief provided in (a) of this subsection, the court may award a penalty of up to one thousand dollars and reasonable attorneys' fees and court costs to the petitioner.

(c) A proceeding under this subsection does not preclude other methods of enforcement provided for by law.

(6) Nothing in this section shall prevent the department from retaining general, nonidentifying information which is required for state and federal reporting and management purposes.

Sec. 5. RCW 26.44.050 and 1999 c 176 s 33 are each amended to read as follows:

Except as provided in RCW 26.44.030(11), upon the receipt of a report concerning the possible occurrence of abuse or neglect, the law enforcement agency or the department of social and health services must investigate and provide the protective services section with a report in accordance with chapter 74.13 RCW, and where necessary to refer such report to the court.

A law enforcement officer may take, or cause to be taken, a child into custody without a court order if there is probable cause to believe that the child is abused or neglected and that the child would be

injured or could not be taken into custody if it were necessary to first obtain a court order pursuant to RCW 13.34.050. The law enforcement agency or the department of social and health services investigating such a report is hereby authorized to photograph such a child for the purpose of providing documentary evidence of the physical condition of the child.

NEW SECTION. Sec. 6. A new section is added to chapter 26.44 RCW to read as follows:

(1) Within ten days of the conclusion of the family assessment, the department must meet with the child's parent or guardian to discuss the recommendation for services to address child safety concerns or significant risk of subsequent child maltreatment.

(2) If the parent or guardian disagrees with the department's recommendation regarding the provision of services, the department shall convene a family team decision-making meeting to discuss the recommendations and objections. The caseworker's supervisor and area administrator shall attend the meeting.

(3) If the department determines, based on the results of the family assessment, that services are not recommended then the department shall close the family assessment response case.

Sec. 7. RCW 74.13.020 and 2011 c 330 s 4 are each reenacted and amended to read as follows:

For purposes of this chapter:

(1) "Case management" means the management of services delivered to children and families in the child welfare system, including permanency services, caseworker-child visits, family visits, the convening of family group conferences, the development and revision of the case plan, the coordination and monitoring of services needed by the child and family, and the assumption of court-related duties, excluding legal representation, including preparing court reports, attending judicial hearings and permanency hearings, and ensuring that the child is progressing toward permanency within state and federal mandates, including the Indian child welfare act.

(2) "Child" means:

(a) A person less than eighteen years of age; or

(b) A person age eighteen to twenty-one years who is eligible to receive the extended foster care services authorized under RCW 74.13.031.

(3) "Child protective services" has the same meaning as in RCW 26.44.020.

(4) "Child welfare services" means social services including voluntary and in-home services, out-of-home care, case management, and adoption services which strengthen, supplement, or substitute for, parental care and supervision for the purpose of:

(a) Preventing or remedying, or assisting in the solution of problems which may result in families in conflict, or the neglect, abuse, exploitation, or criminal behavior of children;

(b) Protecting and caring for dependent, abused, or neglected children;

(c) Assisting children who are in conflict with their parents, and assisting parents who are in conflict with their children, with services designed to resolve such conflicts;

(d) Protecting and promoting the welfare of children, including the strengthening of their own homes where possible, or, where needed;

(e) Providing adequate care of children away from their homes in foster family homes or day care or other child care agencies or facilities.

"Child welfare services" does not include child protection services.

(5) "Committee" means the child welfare transformation design committee.

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

(7) "Extended foster care services" means residential and other support services the department is authorized to provide to foster

children. These services include, but are not limited to, placement in licensed, relative, or otherwise approved care, or supervised independent living settings; assistance in meeting basic needs; independent living services; medical assistance; and counseling or treatment.

(8) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child abuse or neglect, and family strengths and needs that is applied to a child abuse or neglect report. Family assessment does not include a determination as to whether child abuse or neglect occurred, but does determine the need for services to address the safety of the child and the risk of subsequent maltreatment.

(9) "Measurable effects" means a statistically significant change which occurs as a result of the service or services a supervising agency is assigned in a performance-based contract, in time periods established in the contract.

~~((9))~~ (10) "Out-of-home care services" means services provided after the shelter care hearing to or for children in out-of-home care, as that term is defined in RCW 13.34.030, and their families, including the recruitment, training, and management of foster parents, the recruitment of adoptive families, and the facilitation of the adoption process, family reunification, independent living, emergency shelter, residential group care, and foster care, including relative placement.

~~((10))~~ (11) "Performance-based contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts shall also include provisions that link the performance of the contractor to the level and timing of reimbursement.

~~((11))~~ (12) "Permanency services" means long-term services provided to secure a child's safety, permanency, and well-being, including foster care services, family reunification services, adoption services, and preparation for independent living services.

~~((12))~~ (13) "Primary prevention services" means services which are designed and delivered for the primary purpose of enhancing child and family well-being and are shown, by analysis of outcomes, to reduce the risk to the likelihood of the initial need for child welfare services.

~~((13))~~ (14) "Supervising agency" means an agency licensed by the state under RCW 74.15.090, or licensed by a federally recognized Indian tribe located in this state under RCW 74.15.190, that has entered into a performance-based contract with the department to provide case management for the delivery and documentation of child welfare services, as defined in this section.

Sec. 8. RCW 74.13.031 and 2011 c 330 s 5 and 2011 c 160 s 2 are each reenacted and amended to read as follows:

(1) The department and supervising agencies shall develop, administer, supervise, and monitor a coordinated and comprehensive plan that establishes, aids, and strengthens services for the protection and care of runaway, dependent, or neglected children.

(2) Within available resources, the department and supervising agencies shall recruit an adequate number of prospective adoptive and foster homes, both regular and specialized, i.e. homes for children of ethnic minority, including Indian homes for Indian children, sibling groups, handicapped and emotionally disturbed, teens, pregnant and parenting teens, and the department shall annually report to the governor and the legislature concerning the department's and supervising agency's success in: (a) Meeting the need for adoptive and foster home placements; (b) reducing the foster parent turnover rate; (c) completing home studies for legally free children; and (d) implementing and operating the passport program required by RCW 74.13.285. The report shall include a section entitled "Foster Home Turn-Over, Causes and Recommendations."

(3) The department shall investigate complaints of any recent act or failure to act on the part of a parent or caretaker that results in

death, serious physical or emotional harm, or sexual abuse or exploitation, or that presents an imminent risk of serious harm, and on the basis of the findings of such investigation, offer child welfare services in relation to the problem to such parents, legal custodians, or persons serving in loco parentis, and/or bring the situation to the attention of an appropriate court, or another community agency. An investigation is not required of nonaccidental injuries which are clearly not the result of a lack of care or supervision by the child's parents, legal custodians, or persons serving in loco parentis. If the investigation reveals that a crime against a child may have been committed, the department shall notify the appropriate law enforcement agency.

(4) As provided in RCW 26.44.030(11), the department may respond to a report of child abuse or neglect by using the family assessment response.

(5) The department or supervising agencies shall offer, on a voluntary basis, family reconciliation services to families who are in conflict.

~~((5))~~ (6) The department or supervising agencies shall monitor placements of children in out-of-home care and in-home dependencies to assure the safety, well-being, and quality of care being provided is within the scope of the intent of the legislature as defined in RCW 74.13.010 and 74.15.010. Under this section children in out-of-home care and in-home dependencies and their caregivers shall receive a private and individual face-to-face visit each month. The department and the supervising agencies shall randomly select no less than ten percent of the caregivers currently providing care to receive one unannounced face-to-face visit in the caregiver's home per year. No caregiver will receive an unannounced visit through the random selection process for two consecutive years. If the caseworker makes a good faith effort to conduct the unannounced visit to a caregiver and is unable to do so, that month's visit to that caregiver need not be unannounced. The department and supervising agencies are encouraged to group monthly visits to caregivers by geographic area so that in the event an unannounced visit cannot be completed, the caseworker may complete other required monthly visits. The department shall use a method of random selection that does not cause a fiscal impact to the department.

The department or supervising agencies shall conduct the monthly visits with children and caregivers to whom it is providing child welfare services.

~~((6))~~ (7) The department and supervising agencies shall have authority to accept custody of children from parents and to accept custody of children from juvenile courts, where authorized to do so under law, to provide child welfare services including placement for adoption, to provide for the routine and necessary medical, dental, and mental health care, or necessary emergency care of the children, and to provide for the physical care of such children and make payment of maintenance costs if needed. Except where required by Public Law 95-608 (25 U.S.C. Sec. 1915), no private adoption agency which receives children for adoption from the department shall discriminate on the basis of race, creed, or color when considering applications in their placement for adoption.

~~((7))~~ (8) The department and supervising agency shall have authority to provide temporary shelter to children who have run away from home and who are admitted to crisis residential centers.

~~((8))~~ (9) The department and supervising agency shall have authority to purchase care for children.

~~((9))~~ (10) The department shall establish a children's services advisory committee with sufficient members representing supervising agencies which shall assist the secretary in the development of a partnership plan for utilizing resources of the public and private sectors, and advise on all matters pertaining to child welfare, licensing of child care agencies, adoption, and services related thereto. At least one member shall represent the adoption community.

~~((10))~~ (11) The department and supervising agencies shall have authority to provide continued extended foster care services to youth ages eighteen to twenty-one years to participate in or complete a secondary education program or a secondary education equivalency program.

~~((11))~~ (12) The department~~((has))~~ shall have authority to provide adoption support benefits, or relative guardianship subsidies on behalf of youth ages eighteen to twenty-one years who achieved permanency through adoption or a relative guardianship at age sixteen or older and who meet the criteria described in subsection ~~((10))~~ (11) of this section.

~~((12))~~ (13) The department shall refer cases to the division of child support whenever state or federal funds are expended for the care and maintenance of a child, including a child with a developmental disability who is placed as a result of an action under chapter 13.34 RCW, unless the department finds that there is good cause not to pursue collection of child support against the parent or parents of the child. Cases involving individuals age eighteen through twenty shall not be referred to the division of child support unless required by federal law.

~~((13))~~ (14) The department and supervising agencies shall have authority within funds appropriated for foster care services to purchase care for Indian children who are in the custody of a federally recognized Indian tribe or tribally licensed child-placing agency pursuant to parental consent, tribal court order, or state juvenile court order; and the purchase of such care shall be subject to the same eligibility standards and rates of support applicable to other children for whom the department purchases care.

Notwithstanding any other provision of RCW 13.32A.170 through 13.32A.200 and 74.13.032 through 74.13.036, or of this section all services to be provided by the department under subsections (4), ~~((6, and))~~ (7), and (8) of this section, subject to the limitations of these subsections, may be provided by any program offering such services funded pursuant to Titles II and III of the federal juvenile justice and delinquency prevention act of 1974.

~~((14))~~ (15) Within amounts appropriated for this specific purpose, the supervising agency or department shall provide preventive services to families with children that prevent or shorten the duration of an out-of-home placement.

~~((15))~~ (16) The department and supervising agencies shall have authority to provide independent living services to youths, including individuals who have attained eighteen years of age, and have not attained twenty-one years of age who are or have been in foster care.

~~((16))~~ (17) The department and supervising agencies shall consult at least quarterly with foster parents, including members of the foster parent association of Washington state, for the purpose of receiving information and comment regarding how the department and supervising agencies are performing the duties and meeting the obligations specified in this section and RCW 74.13.250 and 74.13.320 regarding the recruitment of foster homes, reducing foster parent turnover rates, providing effective training for foster parents, and administering a coordinated and comprehensive plan that strengthens services for the protection of children. Consultation shall occur at the regional and statewide levels.

(18)(a) The department shall, within current funding levels, place on its public web site a document listing the duties and responsibilities the department has to a child subject to a dependency petition including, but not limited to, the following:

- (i) Reasonable efforts, including the provision of services, toward reunification of the child with his or her family;
- (ii) Sibling visits subject to the restrictions in RCW 13.34.136(2)(b)(ii);
- (iii) Parent-child visits;
- (iv) Statutory preference for placement with a relative or other suitable person, if appropriate; and

(v) Statutory preference for an out-of-home placement that allows the child to remain in the same school or school district, if practical and in the child's best interests.

(b) The document must be prepared in conjunction with a community-based organization and must be updated as needed.

NEW SECTION. Sec. 9. The Washington state institute for public policy shall conduct an evaluation of the implementation of the family assessment response. The institute shall define the data to be gathered and maintained. At a minimum, the evaluations must address child safety measures, out-of-home placement rates, re-referral rates, and caseload sizes and demographics. The institute shall deliver its first report no later than December 1, 2014, and its final report by December 1, 2016.

NEW SECTION. Sec. 10. The department of social and health services shall conduct two client satisfaction surveys of families that have been placed in the family assessment response. The first survey results shall be reported no later than December 1, 2014. The second survey results shall be reported no later than December 1, 2016.

Sec. 11. RCW 26.44.125 and 1998 c 314 s 9 are each amended to read as follows:

(1) A person who is named as an alleged perpetrator after October 1, 1998, in a founded report of child abuse or neglect has the right to seek review and amendment of the finding as provided in this section.

(2) Within ~~((twenty))~~ thirty calendar days after ~~((receiving written notice from the department))~~ the department has notified the alleged perpetrator under RCW 26.44.100 that ~~((a))~~ the person is named as an alleged perpetrator in a founded report of child abuse or neglect, he or she may request that the department review the finding. The request must be made in writing. The written notice provided by the department must contain at least the following information in plain language:

(a) Information about the department's investigative finding as it relates to the alleged perpetrator;

(b) Sufficient factual information to apprise the alleged perpetrator of the date and nature of the founded reports;

(c) That the alleged perpetrator has the right to submit to child protective services a written response regarding the child protective services finding which, if received, shall be filed in the department's records;

(d) That information in the department's records, including information about this founded report, may be considered in a later investigation or proceeding related to a different allegation of child abuse or neglect or child custody;

(e) That founded allegations of child abuse or neglect may be used by the department in determining:

(i) If a perpetrator is qualified to be licensed or approved to care for children or vulnerable adults; or

(ii) If a perpetrator is qualified to be employed by the department in a position having unsupervised access to children or vulnerable adults;

(f) That the alleged perpetrator has a right to challenge a founded allegation of child abuse or neglect.

(3) If a request for review is not made as provided in this subsection, the alleged perpetrator may not further challenge the finding and shall have no right to agency review or to an adjudicative hearing or judicial review of the finding, unless he or she can show that the department did not comply with the notice requirements of RCW 26.44.100.

~~((3))~~ (4) Upon receipt of a written request for review, the department shall review and, if appropriate, may amend the finding. Management level staff within the children's administration designated by the secretary shall be responsible for the review. The review must be completed within thirty days after receiving the written request for review. The review must be conducted in accordance with procedures the department establishes by rule. Upon completion of the review, the department shall notify the alleged

perpetrator in writing of the agency's determination. The notification must be sent by certified mail, return receipt requested, to the person's last known address.

~~((4))~~ (5) If, following agency review, the report remains founded, the person named as the alleged perpetrator in the report may request an adjudicative hearing to contest the finding. The adjudicative proceeding is governed by chapter 34.05 RCW and this section. The request for an adjudicative proceeding must be filed within thirty calendar days after receiving notice of the agency review determination. If a request for an adjudicative proceeding is not made as provided in this subsection, the alleged perpetrator may not further challenge the finding and shall have no right to agency review or to an adjudicative hearing or judicial review of the finding.

~~((5))~~ (6) Reviews and hearings conducted under this section are confidential and shall not be open to the public. Information about reports, reviews, and hearings may be disclosed only in accordance with federal and state laws pertaining to child welfare records and child protective services reports.

~~((6))~~ (7) The department may adopt rules to implement this section.

NEW SECTION. Sec. 12. Sections 1 through 11 of this act take effect December 1, 2013."

Correct the title.

Strike everything after the enacting clause and insert the following:

"**Sec. 13.** RCW 26.44.020 and 2010 c 176 s 1 are each reenacted and amended to read as follows:

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

(1) "Abuse or neglect" means sexual abuse, sexual exploitation, or injury of a child by any person under circumstances which cause harm to the child's health, welfare, or safety, excluding conduct permitted under RCW 9A.16.100; or the negligent treatment or maltreatment of a child by a person responsible for or providing care to the child. An abused child is a child who has been subjected to child abuse or neglect as defined in this section.

(2) "Child" or "children" means any person under the age of eighteen years of age.

(3) "Child protective services" means those services provided by the department designed to protect children from child abuse and neglect and safeguard such children from future abuse and neglect, and conduct investigations of child abuse and neglect reports. Investigations may be conducted regardless of the location of the alleged abuse or neglect. Child protective services includes referral to services to ameliorate conditions that endanger the welfare of children, the coordination of necessary programs and services relevant to the prevention, intervention, and treatment of child abuse and neglect, and services to children to ensure that each child has a permanent home. In determining whether protective services should be provided, the department shall not decline to provide such services solely because of the child's unwillingness or developmental inability to describe the nature and severity of the abuse or neglect.

(4) "Child protective services section" means the child protective services section of the department.

(5) "Children's advocacy center" means a child-focused facility in good standing with the state chapter for children's advocacy centers and that coordinates a multidisciplinary process for the investigation, prosecution, and treatment of sexual and other types of child abuse. Children's advocacy centers provide a location for forensic interviews and coordinate access to services such as, but not limited to, medical evaluations, advocacy, therapy, and case review by multidisciplinary teams within the context of county protocols as defined in RCW 26.44.180 and 26.44.185.

(6) "Clergy" means any regularly licensed or ordained minister, priest, or rabbi of any church or religious denomination, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

(7) "Court" means the superior court of the state of Washington, juvenile department.

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

(9) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child abuse or neglect, and family strengths and needs that is applied to a child abuse or neglect report. Family assessment does not include a determination as to whether child abuse or neglect occurred, but does determine the need for services to address the safety of the child and the risk of subsequent maltreatment.

(10) "Family assessment response" means a way of responding to certain reports of child abuse or neglect made under this chapter using a differential response approach to child protective services. The family assessment response shall focus on the safety of the child, the integrity and preservation of the family, and shall assess the status of the child and the family in terms of risk of abuse and neglect including the parent's or guardian's or other caretaker's capacity and willingness to protect the child and, if necessary, plan and arrange the provision of services to reduce the risk and otherwise support the family. No one is named as a perpetrator, and no investigative finding is entered in the record as a result of a family assessment.

(11) "Founded" means the determination following an investigation by the department that, based on available information, it is more likely than not that child abuse or neglect did occur.

~~((10))~~ (12) "Inconclusive" means the determination following an investigation by the department, prior to October 1, 2008, that based on available information a decision cannot be made that more likely than not, child abuse or neglect did or did not occur.

~~((11))~~ (13) "Institution" means a private or public hospital or any other facility providing medical diagnosis, treatment, or care.

~~((12))~~ (14) "Law enforcement agency" means the police department, the prosecuting attorney, the state patrol, the director of public safety, or the office of the sheriff.

~~((13))~~ (15) "Malice" or "maliciously" means an intent, wish, or design to intimidate, annoy, or injure another person. Such malice may be inferred from an act done in willful disregard of the rights of another, or an act wrongfully done without just cause or excuse, or an act or omission of duty betraying a willful disregard of social duty.

~~((14))~~ (16) "Negligent treatment or maltreatment" means an act or a failure to act, or the cumulative effects of a pattern of conduct, behavior, or inaction, that evidences a serious disregard of consequences of such magnitude as to constitute a clear and present danger to a child's health, welfare, or safety, including but not limited to conduct prohibited under RCW 9A.42.100. When considering whether a clear and present danger exists, evidence of a parent's substance abuse as a contributing factor to negligent treatment or maltreatment shall be given great weight. The fact that siblings share a bedroom is not, in and of itself, negligent treatment or maltreatment. Poverty, homelessness, or exposure to domestic violence as defined in RCW 26.50.010 that is perpetrated against someone other than the child does not constitute negligent treatment or maltreatment in and of itself.

~~((15))~~ (17) "Pharmacist" means any registered pharmacist under chapter 18.64 RCW, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

~~((16))~~ (18) "Practitioner of the healing arts" or "practitioner" means a person licensed by this state to practice podiatric medicine and surgery, optometry, chiropractic, nursing, dentistry, osteopathic medicine and surgery, or medicine and surgery or to provide other health services. The term "practitioner" includes a duly accredited Christian Science practitioner. A person who is being furnished

Christian Science treatment by a duly accredited Christian Science practitioner will not be considered, for that reason alone, a neglected person for the purposes of this chapter.

~~((17))~~ (19) "Professional school personnel" include, but are not limited to, teachers, counselors, administrators, child care facility personnel, and school nurses.

~~((18))~~ (20) "Psychologist" means any person licensed to practice psychology under chapter 18.83 RCW, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

~~((19))~~ (21) "Screened-out report" means a report of alleged child abuse or neglect that the department has determined does not rise to the level of a credible report of abuse or neglect and is not referred for investigation.

~~((20))~~ (22) "Sexual exploitation" includes: (a) Allowing, permitting, or encouraging a child to engage in prostitution by any person; or (b) allowing, permitting, encouraging, or engaging in the obscene or pornographic photographing, filming, or depicting of a child by any person.

~~((21))~~ (23) "Sexually aggressive youth" means a child who is defined in RCW 74.13.075(1)(b) as being a sexually aggressive youth.

~~((22))~~ (24) "Social service counselor" means anyone engaged in a professional capacity during the regular course of employment in encouraging or promoting the health, welfare, support, or education of children, or providing social services to adults or families, including mental health, drug and alcohol treatment, and domestic violence programs, whether in an individual capacity, or as an employee or agent of any public or private organization or institution.

~~((23))~~ (25) "Supervising agency" means an agency licensed by the state under RCW 74.15.090 or an Indian tribe under RCW 74.15.190 that has entered into a performance-based contract with the department to provide child welfare services.

~~((24))~~ (26) "Unfounded" means the determination following an investigation by the department that available information indicates that, more likely than not, child abuse or neglect did not occur, or that there is insufficient evidence for the department to determine whether the alleged child abuse did or did not occur.

NEW SECTION. Sec. 14. A new section is added to chapter 26.44 RCW to read as follows:

(1) No later than December 1, 2013, the department shall implement the family assessment response. The department may implement the family assessment response on a phased-in basis, by geographical area.

(2) The department shall develop an implementation plan in consultation with stakeholders, including tribes. The department shall submit a report of the implementation plan to the appropriate committees of the legislature by December 31, 2012. At a minimum, the following must be developed before implementation and included in the report to the legislature:

- (a) Description of the family assessment response practice model;
- (b) Identification of possible additional noninvestigative responses or pathways;
- (c) Development of an intake screening tool and a family assessment tool specifically to be used in the family assessment response;
- (d) Delineation of staff training requirements;
- (e) Development of strategies to reduce disproportionality;
- (f) Development of strategies to assist and connect families with the appropriate private or public housing support agencies, for those parents whose inability to obtain or maintain safe housing creates a risk of harm to the child, risk of out-of-home placement of the child, or a barrier to reunification;
- (g) Identification of methods to involve local community partners in the development of community-based resources to meet families' needs. Local community partners may include, but are not limited to:

Alumni of the foster care system and veteran parents, local private service delivery agencies, schools, local health departments and other health care providers, juvenile court, law enforcement, office of public defense social workers or local defense attorneys, domestic violence victims advocates, and other available community-based entities;

(h) Delineation of procedures to assure continuous quality assurance;

(i) Identification of current departmental expenditures for services appropriate for the family assessment response, to the greatest practicable extent;

(j) Identification of philanthropic funding and other private funding available to supplement public resources in response to identified family needs;

(k) A potential phase-in schedule if proposed; and

(l) Recommendations for legislative action required to implement the plan.

Sec. 15. RCW 26.44.030 and 2009 c 480 s 1 are each amended to read as follows:

(1)(a) When any practitioner, county coroner or medical examiner, law enforcement officer, professional school personnel, registered or licensed nurse, social service counselor, psychologist, pharmacist, employee of the department of early learning, licensed or certified child care providers or their employees, employee of the department, juvenile probation officer, placement and liaison specialist, responsible living skills program staff, HOPE center staff, or state family and children's ombudsman or any volunteer in the ombudsman's office has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(b) When any person, in his or her official supervisory capacity with a nonprofit or for-profit organization, has reasonable cause to believe that a child has suffered abuse or neglect caused by a person over whom he or she regularly exercises supervisory authority, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency, provided that the person alleged to have caused the abuse or neglect is employed by, contracted by, or volunteers with the organization and coaches, trains, educates, or counsels a child or children or regularly has unsupervised access to a child or children as part of the employment, contract, or voluntary service. No one shall be required to report under this section when he or she obtains the information solely as a result of a privileged communication as provided in RCW 5.60.060.

Nothing in this subsection (1)(b) shall limit a person's duty to report under (a) of this subsection.

For the purposes of this subsection, the following definitions apply:

(i) "Official supervisory capacity" means a position, status, or role created, recognized, or designated by any nonprofit or for-profit organization, either for financial gain or without financial gain, whose scope includes, but is not limited to, overseeing, directing, or managing another person who is employed by, contracted by, or volunteers with the nonprofit or for-profit organization.

(ii) "Regularly exercises supervisory authority" means to act in his or her official supervisory capacity on an ongoing or continuing basis with regards to a particular person.

(c) The reporting requirement also applies to department of corrections personnel who, in the course of their employment, observe offenders or the children with whom the offenders are in contact. If, as a result of observations or information received in the course of his or her employment, any department of corrections personnel has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report the incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(d) The reporting requirement shall also apply to any adult who has reasonable cause to believe that a child who resides with them, has suffered severe abuse, and is able or capable of making a report. For the purposes of this subsection, "severe abuse" means any of the following: Any single act of abuse that causes physical trauma of sufficient severity that, if left untreated, could cause death; any single act of sexual abuse that causes significant bleeding, deep bruising, or significant external or internal swelling; or more than one act of physical abuse, each of which causes bleeding, deep bruising, significant external or internal swelling, bone fracture, or unconsciousness.

(e) The reporting requirement also applies to guardians ad litem, including court-appointed special advocates, appointed under Titles 11, 13, and 26 RCW, who in the course of their representation of children in these actions have reasonable cause to believe a child has been abused or neglected.

(f) The report must be made at the first opportunity, but in no case longer than forty-eight hours after there is reasonable cause to believe that the child has suffered abuse or neglect. The report must include the identity of the accused if known.

(2) The reporting requirement of subsection (1) of this section does not apply to the discovery of abuse or neglect that occurred during childhood if it is discovered after the child has become an adult. However, if there is reasonable cause to believe other children are or may be at risk of abuse or neglect by the accused, the reporting requirement of subsection (1) of this section does apply.

(3) Any other person who has reasonable cause to believe that a child has suffered abuse or neglect may report such incident to the proper law enforcement agency or to the department of social and health services as provided in RCW 26.44.040.

(4) The department, upon receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means or who has been subjected to alleged sexual abuse, shall report such incident to the proper law enforcement agency. In emergency cases, where the child's welfare is endangered, the department shall notify the proper law enforcement agency within twenty-four hours after a report is received by the department. In all other cases, the department shall notify the law enforcement agency within seventy-two hours after a report is received by the department. If the department makes an oral report, a written report must also be made to the proper law enforcement agency within five days thereafter.

(5) Any law enforcement agency receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means, or who has been subjected to alleged sexual abuse, shall report such incident in writing as provided in RCW 26.44.040 to the proper county prosecutor or city attorney for appropriate action whenever the law enforcement agency's investigation reveals that a crime may have been committed. The law enforcement agency shall also notify the department of all reports received and the law enforcement agency's disposition of them. In emergency cases, where the child's welfare is endangered, the law enforcement agency shall notify the department within twenty-four hours. In all other cases, the law enforcement agency shall notify the department within seventy-two hours after a report is received by the law enforcement agency.

(6) Any county prosecutor or city attorney receiving a report under subsection (5) of this section shall notify the victim, any persons the victim requests, and the local office of the department, of the decision to charge or decline to charge a crime, within five days of making the decision.

(7) The department may conduct ongoing case planning and consultation with those persons or agencies required to report under this section, with consultants designated by the department, and with

designated representatives of Washington Indian tribes if the client information exchanged is pertinent to cases currently receiving child protective services. Upon request, the department shall conduct such planning and consultation with those persons required to report under this section if the department determines it is in the best interests of the child. Information considered privileged by statute and not directly related to reports required by this section must not be divulged without a valid written waiver of the privilege.

(8) Any case referred to the department by a physician licensed under chapter 18.57 or 18.71 RCW on the basis of an expert medical opinion that child abuse, neglect, or sexual assault has occurred and that the child's safety will be seriously endangered if returned home, the department shall file a dependency petition unless a second licensed physician of the parents' choice believes that such expert medical opinion is incorrect. If the parents fail to designate a second physician, the department may make the selection. If a physician finds that a child has suffered abuse or neglect but that such abuse or neglect does not constitute imminent danger to the child's health or safety, and the department agrees with the physician's assessment, the child may be left in the parents' home while the department proceeds with reasonable efforts to remedy parenting deficiencies.

(9) Persons or agencies exchanging information under subsection (7) of this section shall not further disseminate or release the information except as authorized by state or federal statute. Violation of this subsection is a misdemeanor.

(10) Upon receiving a report of alleged abuse or neglect, the department shall make reasonable efforts to learn the name, address, and telephone number of each person making a report of abuse or neglect under this section. The department shall provide assurances of appropriate confidentiality of the identification of persons reporting under this section. If the department is unable to learn the information required under this subsection, the department shall only investigate cases in which:

(a) The department believes there is a serious threat of substantial harm to the child;

(b) The report indicates conduct involving a criminal offense that has, or is about to occur, in which the child is the victim; or

(c) The department has a prior founded report of abuse or neglect with regard to a member of the household that is within three years of receipt of the referral.

(11)(a) Upon receiving a report of alleged abuse or neglect, the department shall use one of the following discrete responses to reports of child abuse or neglect that are screened in and accepted for departmental response:

(i) Investigation; or

(ii) Family assessment.

(b) In making the response in (a) of this subsection the department shall:

(i) Use a method by which to assign cases to investigation or family assessment which are based on an array of factors that may include the presence of: Imminent danger, level of risk, number of previous child abuse or neglect reports, or other presenting case characteristics, such as the type of alleged maltreatment and the age of the alleged victim;

(ii) Allow for a change in response assignment based on new information that alters risk or safety level;

(iii) Allow families assigned to family assessment to choose to receive an investigation rather than a family assessment;

(iv) Provide a full investigation if a family refuses the initial family assessment;

(v) Provide voluntary services to families based on the results of the initial family assessment. If a family refuses voluntary services, and the department cannot identify specific facts related to risk or safety that warrant an investigation under this chapter, or there is a history of reports of child abuse or neglect, then the department must close the family assessment response case. However, if at any time

the department identifies risk or safety factors that warrant an investigation under this chapter, then the family assessment case must be closed, and an investigation must be conducted;

(vi) Conduct an investigation, and not a family assessment, in response to an allegation that, the department determines based on the intake

assessment;

(A) Poses a risk of "imminent harm" consistent with the definition provided in RCW 13.34.050, which includes, but is not limited to, sexual abuse and sexual exploitation as defined in this chapter;

(B) Poses a serious threat of substantial harm to a child;

(C) Constitutes conduct involving a criminal offense that has, or is about to occur, in which the child is the victim;

(D) The child is an abandoned child as defined in RCW 13.34.030;

(E) The child is an adjudicated dependent child as defined in RCW 13.34.030, or the child is in a facility that is licensed, operated, or certified for care of children by the department under chapter 74.13 RCW, or by the department of early learning.

(c) The department may not be held civilly liable for the decision to respond to an allegation of child abuse or neglect by using the family assessment response under this section unless the state or its officers, agents, or employees acted with reckless disregard.

(12)(a) For reports of alleged abuse or neglect that are accepted for investigation by the department, the investigation shall be conducted within time frames established by the department in rule. In no case shall the investigation extend longer than ninety days from the date the report is received, unless the investigation is being conducted under a written protocol pursuant to RCW 26.44.180 and a law enforcement agency or prosecuting attorney has determined that a longer investigation period is necessary. At the completion of the investigation, the department shall make a finding that the report of child abuse or neglect is founded or unfounded.

(b) If a court in a civil or criminal proceeding, considering the same facts or circumstances as are contained in the report being investigated by the department, makes a judicial finding by a preponderance of the evidence or higher that the subject of the pending investigation has abused or neglected the child, the department shall adopt the finding in its investigation.

~~((12))~~ (13) For reports of alleged abuse or neglect that are placed in the family assessment response, the department shall:

(a) Provide the family with a written explanation of the procedure for assessment of the child and the family and its purposes;

(b) Complete the family assessment within forty-five days of receiving the report; however, upon parental agreement, the assessment period may be extended up to sixty days;

(c) Offer services to the family in a manner that makes it clear that acceptance of the services is voluntary;

(d) Implement the family assessment response in a consistent and cooperative manner;

(e) Have the parent or guardian sign an agreement to participate in services before services are initiated that informs the parents of their rights under the family assessment response, all of their options, and the options the department has if the parents do not sign the consent form.

(14) In conducting an investigation or family assessment of alleged abuse or neglect, the department or law enforcement agency:

(a) May interview children. If the department determines that the response to the allegation will be the family assessment response, the preferred practice is to request a parent's, guardian's, or custodian's permission to interview the child before conducting the child interview unless doing so would compromise the safety of the child. The interviews may be conducted on school premises, at day-care facilities, at the child's home, or at other suitable locations outside of the presence of parents. If the allegation is investigated, parental notification of the interview must occur at the earliest possible point

in the investigation that will not jeopardize the safety or protection of the child or the course of the investigation. Prior to commencing the interview the department or law enforcement agency shall determine whether the child wishes a third party to be present for the interview and, if so, shall make reasonable efforts to accommodate the child's wishes. Unless the child objects, the department or law enforcement agency shall make reasonable efforts to include a third party in any interview so long as the presence of the third party will not jeopardize the course of the investigation; and

(b) Shall have access to all relevant records of the child in the possession of mandated reporters and their employees.

~~((13))~~ (15) If a report of alleged abuse or neglect is founded and constitutes the third founded report received by the department within the last twelve months involving the same child or family, the department shall promptly notify the office of the family and children's ombudsman of the contents of the report. The department shall also notify the ombudsman of the disposition of the report.

~~((14))~~ (16) In investigating and responding to allegations of child abuse and neglect, the department may conduct background checks as authorized by state and federal law.

~~((15))~~ (17)(a) The department shall maintain investigation records and conduct timely and periodic reviews of all founded cases of abuse and neglect. The department shall maintain a log of screened-out nonabusive cases.

(b) In the family assessment response, the department shall not make a finding as to whether child abuse or neglect occurred. No one shall be named as a perpetrator and no investigative finding shall be entered in the department's child abuse or neglect database.

~~((16))~~ (18) The department shall use a risk assessment process when investigating alleged child abuse and neglect referrals. The department shall present the risk factors at all hearings in which the placement of a dependent child is an issue. Substance abuse must be a risk factor. ~~((The department shall, within funds appropriated for this purpose, offer enhanced community-based services to persons who are determined not to require further state intervention.~~

~~(17))~~ (19) Upon receipt of a report of alleged abuse or neglect the law enforcement agency may arrange to interview the person making the report and any collateral sources to determine if any malice is involved in the reporting.

~~((18))~~ (20) Upon receiving a report of alleged abuse or neglect involving a child under the court's jurisdiction under chapter 13.34 RCW, the department shall promptly notify the child's guardian ad litem of the report's contents. The department shall also notify the guardian ad litem of the disposition of the report. For purposes of this subsection, "guardian ad litem" has the meaning provided in RCW 13.34.030.

Sec. 16. RCW 26.44.031 and 2007 c 220 s 3 are each amended to read as follows:

(1) To protect the privacy in reporting and the maintenance of reports of nonaccidental injury, neglect, death, sexual abuse, and cruelty to children by their parents, and to safeguard against arbitrary, malicious, or erroneous information or actions, the department shall not disclose or maintain information related to reports of child abuse or neglect except as provided in this section or as otherwise required by state and federal law.

(2) The department shall destroy all of its records concerning:

(a) A screened-out report, within three years from the receipt of the report; and

(b) An unfounded or inconclusive report, within six years of completion of the investigation, unless a prior or subsequent founded report has been received regarding the child who is the subject of the report, a sibling or half-sibling of the child, or a parent, guardian, or legal custodian of the child, before the records are destroyed.

(3) The department may keep records concerning founded reports of child abuse or neglect as the department determines by rule.

(4) ~~((A#))~~ No unfounded, screened-out, or inconclusive report or information about a family's participation or nonparticipation in the family assessment response may ~~((not))~~ be disclosed to a child-placing agency, private adoption agency, or any other provider licensed under chapter 74.15 RCW without the consent of the individual who is the subject of the report or family assessment, unless:

(a) The individual seeks to become a licensed foster parent or adoptive parent; or

(b) The individual is the parent or legal custodian of a child being served by one of the agencies referenced in this subsection.

(5)(a) If the department fails to comply with this section, an individual who is the subject of a report may institute proceedings for injunctive or other appropriate relief for enforcement of the requirement to purge information. These proceedings may be instituted in the superior court for the county in which the person resides or, if the person is not then a resident of this state, in the superior court for Thurston county.

(b) If the department fails to comply with subsection (4) of this section and an individual who is the subject of the report or family assessment response information is harmed by the disclosure of information, in addition to the relief provided in (a) of this subsection, the court may award a penalty of up to one thousand dollars and reasonable attorneys' fees and court costs to the petitioner.

(c) A proceeding under this subsection does not preclude other methods of enforcement provided for by law.

(6) Nothing in this section shall prevent the department from retaining general, nonidentifying information which is required for state and federal reporting and management purposes.

Sec. 17. RCW 26.44.050 and 1999 c 176 s 33 are each amended to read as follows:

Except as provided in RCW 26.44.030(11), upon the receipt of a report concerning the possible occurrence of abuse or neglect, the law enforcement agency or the department of social and health services must investigate and provide the protective services section with a report in accordance with chapter 74.13 RCW, and where necessary to refer such report to the court.

A law enforcement officer may take, or cause to be taken, a child into custody without a court order if there is probable cause to believe that the child is abused or neglected and that the child would be injured or could not be taken into custody if it were necessary to first obtain a court order pursuant to RCW 13.34.050. The law enforcement agency or the department of social and health services investigating such a report is hereby authorized to photograph such a child for the purpose of providing documentary evidence of the physical condition of the child.

NEW SECTION. Sec. 18. A new section is added to chapter 26.44 RCW to read as follows:

(1) Upon completion of the family assessment, if, based upon the family's needs, or lack thereof, identified in the assessment, the department recommends that no services be offered, the case shall be closed.

(2) Within ten days of the conclusion of the family assessment, the department must meet with the child's parent or guardian to discuss the recommendation for services to address child safety concerns or significant risk of subsequent child maltreatment.

(3) If the parent or guardian disagrees with the department's recommendation regarding the provision of services, the department shall convene a family team decision-making meeting to discuss the recommendations and objections. The caseworker's supervisor and area administrator shall attend the meeting.

NEW SECTION. Sec. 19. A new section is added to chapter 26.44 RCW to read as follows:

The department shall develop a family assessment tool which, at a minimum, must include the following:

(1) An interview with the child's parent, guardian, or any other adult residing in the child's home who serves in a parental role. The interview shall focus on ensuring the immediate safety of the child and mitigating future risk of harm to the child in the home environment.

(2) An interview of other persons suggested by the family or whom the department believes have valuable information.

(3) An evaluation of the safety of the child and any other children living in the same home. The evaluation may include an interview with or observation of the child or children. The preferred method is to request a parent's, guardian's, or custodian's permission to interview the child before conducting the child interview unless doing so would compromise the safety of the child.

(4) In collaboration with the family, identification of family strengths, resources, and service needs, and the development of a plan of services with the goal of reducing risk of harm to the child and improving or restoring family well-being.

Sec. 20. RCW 74.13.020 and 2011 c 330 s 4 are each reenacted and amended to read as follows:

For purposes of this chapter:

(1) "Case management" means the management of services delivered to children and families in the child welfare system, including permanency services, caseworker-child visits, family visits, the convening of family group conferences, the development and revision of the case plan, the coordination and monitoring of services needed by the child and family, and the assumption of court-related duties, excluding legal representation, including preparing court reports, attending judicial hearings and permanency hearings, and ensuring that the child is progressing toward permanency within state and federal mandates, including the Indian child welfare act.

(2) "Child" means:

(a) A person less than eighteen years of age; or

(b) A person age eighteen to twenty-one years who is eligible to receive the extended foster care services authorized under RCW 74.13.031.

(3) "Child protective services" has the same meaning as in RCW 26.44.020.

(4) "Child welfare services" means social services including voluntary and in-home services, out-of-home care, case management, and adoption services which strengthen, supplement, or substitute for, parental care and supervision for the purpose of:

(a) Preventing or remedying, or assisting in the solution of problems which may result in families in conflict, or the neglect, abuse, exploitation, or criminal behavior of children;

(b) Protecting and caring for dependent, abused, or neglected children;

(c) Assisting children who are in conflict with their parents, and assisting parents who are in conflict with their children, with services designed to resolve such conflicts;

(d) Protecting and promoting the welfare of children, including the strengthening of their own homes where possible, or, where needed;

(e) Providing adequate care of children away from their homes in foster family homes or day care or other child care agencies or facilities.

"Child welfare services" does not include child protection services.

(5) "Committee" means the child welfare transformation design committee.

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

(7) "Extended foster care services" means residential and other support services the department is authorized to provide to foster children. These services include, but are not limited to, placement in licensed, relative, or otherwise approved care, or supervised independent living settings; assistance in meeting basic needs;

independent living services; medical assistance; and counseling or treatment.

(8) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child abuse or neglect, and family strengths and needs that is applied to a child abuse or neglect report. Family assessment does not include a determination as to whether child abuse or neglect occurred, but does determine the need for services to address the safety of the child and the risk of subsequent maltreatment.

(9) "Measurable effects" means a statistically significant change which occurs as a result of the service or services a supervising agency is assigned in a performance-based contract, in time periods established in the contract.

~~((9))~~ (10) "Out-of-home care services" means services provided after the shelter care hearing to or for children in out-of-home care, as that term is defined in RCW 13.34.030, and their families, including the recruitment, training, and management of foster parents, the recruitment of adoptive families, and the facilitation of the adoption process, family reunification, independent living, emergency shelter, residential group care, and foster care, including relative placement.

~~((10))~~ (11) "Performance-based contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts shall also include provisions that link the performance of the contractor to the level and timing of reimbursement.

~~((11))~~ (12) "Permanency services" means long-term services provided to secure a child's safety, permanency, and well-being, including foster care services, family reunification services, adoption services, and preparation for independent living services.

~~((12))~~ (13) "Primary prevention services" means services which are designed and delivered for the primary purpose of enhancing child and family well-being and are shown, by analysis of outcomes, to reduce the risk to the likelihood of the initial need for child welfare services.

~~((13))~~ (14) "Supervising agency" means an agency licensed by the state under RCW 74.15.090, or licensed by a federally recognized Indian tribe located in this state under RCW 74.15.190, that has entered into a performance-based contract with the department to provide case management for the delivery and documentation of child welfare services, as defined in this section.

Sec. 21. RCW 74.13.031 and 2011 c 330 s 5 and 2011 c 160 s 2 are each reenacted and amended to read as follows:

(1) The department and supervising agencies shall develop, administer, supervise, and monitor a coordinated and comprehensive plan that establishes, aids, and strengthens services for the protection and care of runaway, dependent, or neglected children.

(2) Within available resources, the department and supervising agencies shall recruit an adequate number of prospective adoptive and foster homes, both regular and specialized, i.e. homes for children of ethnic minority, including Indian homes for Indian children, sibling groups, handicapped and emotionally disturbed, teens, pregnant and parenting teens, and the department shall annually report to the governor and the legislature concerning the department's and supervising agency's success in: (a) Meeting the need for adoptive and foster home placements; (b) reducing the foster parent turnover rate; (c) completing home studies for legally free children; and (d) implementing and operating the passport program required by RCW 74.13.285. The report shall include a section entitled "Foster Home Turn-Over, Causes and Recommendations."

(3) The department shall investigate complaints of any recent act or failure to act on the part of a parent or caretaker that results in death, serious physical or emotional harm, or sexual abuse or exploitation, or that presents an imminent risk of serious harm, and on the basis of the findings of such investigation, offer child welfare

services in relation to the problem to such parents, legal custodians, or persons serving in loco parentis, and/or bring the situation to the attention of an appropriate court, or another community agency. An investigation is not required of nonaccidental injuries which are clearly not the result of a lack of care or supervision by the child's parents, legal custodians, or persons serving in loco parentis. If the investigation reveals that a crime against a child may have been committed, the department shall notify the appropriate law enforcement agency.

(4) As provided in RCW 26.44.030(11), the department may respond to a report of child abuse or neglect by using the family assessment response.

(5) The department or supervising agencies shall offer, on a voluntary basis, family reconciliation services to families who are in conflict.

~~((5))~~ (6) The department or supervising agencies shall monitor placements of children in out-of-home care and in-home dependencies to assure the safety, well-being, and quality of care being provided is within the scope of the intent of the legislature as defined in RCW 74.13.010 and 74.15.010. Under this section children in out-of-home care and in-home dependencies and their caregivers shall receive a private and individual face-to-face visit each month. The department and the supervising agencies shall randomly select no less than ten percent of the caregivers currently providing care to receive one unannounced face-to-face visit in the caregiver's home per year. No caregiver will receive an unannounced visit through the random selection process for two consecutive years. If the caseworker makes a good faith effort to conduct the unannounced visit to a caregiver and is unable to do so, that month's visit to that caregiver need not be unannounced. The department and supervising agencies are encouraged to group monthly visits to caregivers by geographic area so that in the event an unannounced visit cannot be completed, the caseworker may complete other required monthly visits. The department shall use a method of random selection that does not cause a fiscal impact to the department.

The department or supervising agencies shall conduct the monthly visits with children and caregivers to whom it is providing child welfare services.

~~((6))~~ (7) The department and supervising agencies shall have authority to accept custody of children from parents and to accept custody of children from juvenile courts, where authorized to do so under law, to provide child welfare services including placement for adoption, to provide for the routine and necessary medical, dental, and mental health care, or necessary emergency care of the children, and to provide for the physical care of such children and make payment of maintenance costs if needed. Except where required by Public Law 95- 608 (25 U.S.C. Sec. 1915), no private adoption agency which receives children for adoption from the department shall discriminate on the basis of race, creed, or color when considering applications in their placement for adoption.

~~((7))~~ (8) The department and supervising agency shall have authority to provide temporary shelter to children who have run away from home and who are admitted to crisis residential centers.

~~((8))~~ (9) The department and supervising agency shall have authority to purchase care for children.

~~((9))~~ (10) The department shall establish a children's services advisory committee with sufficient members representing supervising agencies which shall assist the secretary in the development of a partnership plan for utilizing resources of the public and private sectors, and advise on all matters pertaining to child welfare, licensing of child care agencies, adoption, and services related thereto. At least one member shall represent the adoption community.

~~((10))~~ (11) The department and supervising agencies shall have authority to provide continued extended foster care services to youth ages eighteen to twenty-one years to participate in or complete a

secondary education program or a secondary education equivalency program.

~~((11))~~ (12) The department ~~(has)~~ shall have authority to provide adoption support benefits, or relative guardianship subsidies on behalf of youth ages eighteen to twenty-one years who achieved permanency through adoption or a relative guardianship at age sixteen or older and who meet the criteria described in subsection ~~((10))~~ (11) of this section.

~~((12))~~ (13) The department shall refer cases to the division of child support whenever state or federal funds are expended for the care and maintenance of a child, including a child with a developmental disability who is placed as a result of an action under chapter 13.34 RCW, unless the department finds that there is good cause not to pursue collection of child support against the parent or parents of the child. Cases involving individuals age eighteen through twenty shall not be referred to the division of child support unless required by federal law.

~~((13))~~ (14) The department and supervising agencies shall have authority within funds appropriated for foster care services to purchase care for Indian children who are in the custody of a federally recognized Indian tribe or tribally licensed child-placing agency pursuant to parental consent, tribal court order, or state juvenile court order; and the purchase of such care shall be subject to the same eligibility standards and rates of support applicable to other children for whom the department purchases care.

Notwithstanding any other provision of RCW 13.32A.170 through 13.32A.200 and 74.13.032 through 74.13.036, or of this section all services to be provided by the department under subsections (4), ~~((6), and)~~ (7), and (8) of this section, subject to the limitations of these subsections, may be provided by any program offering such services funded pursuant to Titles II and III of the federal juvenile justice and delinquency prevention act of 1974.

~~((14))~~ (15) Within amounts appropriated for this specific purpose, the supervising agency or department shall provide preventive services to families with children that prevent or shorten the duration of an out-of-home placement.

~~((15))~~ (16) The department and supervising agencies shall have authority to provide independent living services to youths, including individuals who have attained eighteen years of age, and have not attained twenty-one years of age who are or have been in foster care.

~~((16))~~ (17) The department and supervising agencies shall consult at least quarterly with foster parents, including members of the foster parent association of Washington state, for the purpose of receiving information and comment regarding how the department and supervising agencies are performing the duties and meeting the obligations specified in this section and RCW 74.13.250 and 74.13.320 regarding the recruitment of foster homes, reducing foster parent turnover rates, providing effective training for foster parents, and administering a coordinated and comprehensive plan that strengthens services for the protection of children. Consultation shall occur at the regional and statewide levels.

(18)(a) The department shall, within current funding levels, place on its public web site a document listing the duties and responsibilities the department has to a child subject to a dependency petition including, but not limited to, the following:

- (i) Reasonable efforts, including the provision of services, toward reunification of the child with his or her family;
- (ii) Sibling visits subject to the restrictions in RCW 13.34.136(2)(b)(ii);
- (iii) Parent-child visits;
- (iv) Statutory preference for placement with a relative or other suitable person, if appropriate; and
- (v) Statutory preference for an out-of-home placement that allows the child to remain in the same school or school district, if practical and in the child's best interests.

(b) The document must be prepared in conjunction with a community-based organization and must be updated as needed.

NEW SECTION. Sec. 22. The Washington state institute for public policy shall conduct an evaluation of the implementation of the family assessment response. The institute shall define the data to be gathered and maintained. At a minimum, the evaluations must address child safety measures, out-of-home placement rates, re-referral rates, and caseload sizes and demographics. The institute shall deliver its first report no later than December 1, 2014, and its final report by December 1, 2016.

NEW SECTION. Sec. 23. The department of social and health services shall conduct two client satisfaction surveys of families that have been placed in the family assessment response. The first survey results shall be reported no later than December 1, 2014. The second survey results shall be reported no later than December 1, 2016.

Sec. 24. RCW 26.44.125 and 1998 c 314 s 9 are each amended to read as follows:

(1) A person who is named as an alleged perpetrator after October 1, 1998, in a founded report of child abuse or neglect has the right to seek review and amendment of the finding as provided in this section.

(2) Within ~~((twenty))~~ thirty calendar days after ~~((receiving written notice from the department))~~ the department has notified the alleged perpetrator under RCW 26.44.100 that ~~((a))~~ the person is named as an alleged perpetrator in a founded report of child abuse or neglect, he or she may request that the department review the finding. The request must be made in writing. The written notice provided by the department must contain at least the following information in plain language:

(a) Information about the department's investigative finding as it relates to the alleged perpetrator;

(b) Sufficient factual information to apprise the alleged perpetrator of the date and nature of the founded reports;

(c) That the alleged perpetrator has the right to submit to child protective services a written response regarding the child protective services finding which, if received, shall be filed in the department's records;

(d) That information in the department's records, including information about this founded report, may be considered in a later investigation or proceeding related to a different allegation of child abuse or neglect or child custody;

(e) That founded allegations of child abuse or neglect may be used by the department in determining:

(i) If a perpetrator is qualified to be licensed or approved to care for children or vulnerable adults; or

(ii) If a perpetrator is qualified to be employed by the department in a position having unsupervised access to children or vulnerable adults;

(f) That the alleged perpetrator has a right to challenge a founded allegation of child abuse or neglect.

(3) If a request for review is not made as provided in this subsection, the alleged perpetrator may not further challenge the finding and shall have no right to agency review or to an adjudicative hearing or judicial review of the finding, unless he or she can show that the department did not comply with the notice requirements of RCW 26.44.100.

~~((3))~~ (4) Upon receipt of a written request for review, the department shall review and, if appropriate, may amend the finding. Management level staff within the children's administration designated by the secretary shall be responsible for the review. The review must be completed within thirty days after receiving the written request for review. The review must be conducted in accordance with procedures the department establishes by rule. Upon completion of the review, the department shall notify the alleged perpetrator in writing of the agency's determination. The notification must be sent by certified mail, return receipt requested, to the person's last known address.

~~((4))~~ (5) If, following agency review, the report remains founded, the person named as the alleged perpetrator in the report may request an adjudicative hearing to contest the finding. The adjudicative proceeding is governed by chapter 34.05 RCW and this section. The request for an adjudicative proceeding must be filed within thirty calendar days after receiving notice of the agency review determination. If a request for an adjudicative proceeding is not made as provided in this subsection, the alleged perpetrator may not further challenge the finding and shall have no right to agency review or to an adjudicative hearing or judicial review of the finding.

~~((5))~~ (6) Reviews and hearings conducted under this section are confidential and shall not be open to the public. Information about reports, reviews, and hearings may be disclosed only in accordance with federal and state laws pertaining to child welfare records and child protective services reports.

~~((6))~~ (7) The department may adopt rules to implement this section.

NEW SECTION. Sec. 25. Sections 1 through 11 of this act take effect December 1, 2013."

Correct the title.

Signed by Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson; Goodman; Johnson; Orwall and Overstreet.

Referred to Committee on Ways & Means.

There being no objection, the bills listed on the day's committee reports and 1st, 2nd and 3rd supplemental committee reports under the fifth order of business were referred to the committees so designated.

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

There being no objection, the Committee on Local Government was relieved of HOUSE BILL NO. 2787, and the bill was referred to the Committee on Transportation.

There being no objection, the Committee on Public Safety & Emergency Preparedness was relieved of SENATE BILL NO. 6204, and the bill was referred to the Committee on Ways & Means.

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

There being no objection, the House adjourned until 10:00 a.m., February 22, 2012, the 45th Day of the Regular Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

2190	Committee Report	18
2373	Committee Report	18
2783	Committee Report	68
2787	Other Action	117
2789	Introduction & 1st Reading	2
2790	Introduction & 1st Reading	2
4670	Introduced	1
	Adopted	1
4671	Introduced	2
	Adopted	2
5197-S	Committee Report	18
5217-S	Committee Report	18
5259	Committee Report	20
5292-S2	Committee Report	20
5343-S2	Committee Report	69
5355-S2	Committee Report	2
5401	Committee Report	3
5412-S	Committee Report	20
5539-S2	Committee Report	3
5575-S	Committee Report	69
5620-S2	Committee Report	22
5627-S	Committee Report	4
5631-S	Committee Report	22
5661	Committee Report	22
5715-S	Committee Report	69
5730-S2	Committee Report	69
5766-S	Committee Report	22
5895-S	Committee Report	2
5966-S	Committee Report	23
5978-S	Committee Report	23
5982-S	Committee Report	23
5984-S	Committee Report	24
5991-S	Committee Report	71
5995-S		

Committee Report	24
5996-S	
Committee Report	24
5997-S	
Committee Report	4
6005-S	
Committee Report	73
6025-S	
Committee Report	24
6027-S	
Committee Report	73
6030	
Committee Report	24
6038-S	
Committee Report	73
6041-S	
Committee Report	73
6044-S	
Committee Report	24
6046	
Committee Report	25
6078-S	
Committee Report	25
6079	
Committee Report	25
6082	
Committee Report	73
6095	
Committee Report	4
6098	
Committee Report	74
6100-S	
Committee Report	74
6103-S	
Committee Report	25
6105-S	
Committee Report	30
6108	
Committee Report	30
6116-S	
Committee Report	74
6120-S2	
Committee Report	74
6121-S	
Committee Report	4
6131	
Committee Report	2
6133	
Committee Report	30
6135-S	
Committee Report	30
6140-S2	
Committee Report	30
6141	
Committee Report	35
6147-S	
Committee Report	35
6155	
Committee Report	74
6157	
Committee Report	75
6167-S	
Committee Report	4
6175	
Committee Report	36
6180-S	

Committee Report	4
6187-S	
Committee Report	4
6204	
Other Action	117
6211-S2	
Committee Report	75
6216-S	
Committee Report	37
6217	
Committee Report	37
6218	
Committee Report	4
6226-S	
Committee Report	86
6237-S	
Committee Report	37
6240-S	
Committee Report	86
6242-S	
Committee Report	96
6251-S	
Committee Report	44
6252-S	
Committee Report	44
6253-S	
Committee Report	44
6254	
Committee Report	44
6255	
Committee Report	44
6256	
Committee Report	44
6257	
Committee Report	44
6258-S	
Committee Report	45
6263-S2	
Committee Report	45
6280-S	
Committee Report	48
6289	
Committee Report	48
6296	
Committee Report	48
6312-S	
Committee Report	48
6315-S	
Committee Report	50
6325-S	
Committee Report	99
6328-S	
Committee Report	50
6355-S	
Committee Report	50
6359-S	
Committee Report	4
6383-S	
Committee Report	99
6384-S	
Committee Report	99
6385	
Committee Report	52
6386-S	
Committee Report	99
6392-S	

Committee Report	52
6403-S	
Committee Report	55
6412	
Committee Report	55
6414-S	
Committee Report	2
6421-S	
Committee Report	59
6423-S	
Committee Report	2
6440	
Committee Report	60
6462-S	
Committee Report	101
6465	
Committee Report	61
6468-S	
Committee Report	61
6470-S	
Committee Report	61
6472-S	
Committee Report	17
6477-S	
Committee Report	62
6486-S	
Committee Report	64
6493-S	
Committee Report	64
6494-S	
Committee Report	17
6507-S	
Committee Report	17
6508-S	
Committee Report	102
6512-S	
Committee Report	68
6523	
Committee Report	18
6555-S	
Committee Report	103
6566	
Committee Report	18
8016-S	
Committee Report	18
8223	
Committee Report	68