

**NINETY FIFTH DAY**

House Chamber, Olympia, Thursday, April 18, 2013

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

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Patrick Hoover and Jessica Dashkel. The Speaker (Representative Moeller presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Rabbi Seth Goldstein, Temple Beth Hatfiloh, Olympia, Washington.

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

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

There being no objection, the Committee on Rules was relieved of the following bills and the bills were placed on the second reading calendar:

HOUSE BILL NO. 1287  
HOUSE BILL NO. 1421  
HOUSE BILL NO. 1437  
HOUSE BILL NO. 1634  
HOUSE BILL NO. 1957  
HOUSE BILL NO. 1978  
HOUSE BILL NO. 1979  
HOUSE BILL NO. 1986  
HOUSE BILL NO. 1988

**MESSAGES FROM THE SENATE**

April 17, 2013

MR. SPEAKER:

The President has signed:

SUBSTITUTE SENATE BILL NO. 5195  
SENATE BILL NO. 5411  
SUBSTITUTE SENATE BILL NO. 5416  
ENGROSSED SENATE BILL NO. 5603  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5669  
SUBSTITUTE SENATE BILL NO. 5702

and the same are herewith transmitted.

Hunter G. Goodman, Secretary

April 17, 2013

MR. SPEAKER:

The Senate has passed:

HOUSE BILL NO. 1003  
SUBSTITUTE HOUSE BILL NO. 1009  
SUBSTITUTE HOUSE BILL NO. 1012  
HOUSE BILL NO. 1045  
HOUSE BILL NO. 1065  
SUBSTITUTE HOUSE BILL NO. 1071  
SUBSTITUTE HOUSE BILL NO. 1075  
HOUSE BILL NO. 1149  
HOUSE BILL NO. 1218

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1381  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1403  
SUBSTITUTE HOUSE BILL NO. 1420  
SUBSTITUTE HOUSE BILL NO. 1456  
HOUSE BILL NO. 1468  
SUBSTITUTE HOUSE BILL NO. 1568  
HOUSE BILL NO. 1576  
SUBSTITUTE HOUSE BILL NO. 1613  
SUBSTITUTE HOUSE BILL NO. 1617  
SUBSTITUTE HOUSE BILL NO. 1629  
HOUSE BILL NO. 1644  
HOUSE BILL NO. 1683  
SUBSTITUTE HOUSE BILL NO. 1822  
HOUSE BILL NO. 1863  
SUBSTITUTE HOUSE BILL NO. 1868  
ENGROSSED HOUSE BILL NO. 1887

and the same are herewith transmitted.

Hunter G. Goodman, Secretary

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

**INTRODUCTIONS AND FIRST READING**

HB 2040 by Representatives Springer, Clibborn, Pettigrew and Liias

AN ACT Relating to consolidating small loans and small consumer installment loans under chapter 31.45 RCW.

Referred to Committee on Business & Financial Services.

HB 2041 by Representatives Clibborn, Moscoso, Fey, Fitzgibbon, Carlyle, Liias, Tarleton, Uptegrove, Pedersen, Orwall, Farrell and Tharinger

AN ACT Relating to repealing the deduction for handling losses of motor vehicle fuel; and repealing RCW 82.36.029.

Referred to Committee on Transportation.

HB 2042 by Representatives Cody, Hunter and Sullivan

AN ACT Relating to modifying the nursing facility medicaid payment system by delaying the rebase of certain rate components and extending certain rate add-ons; amending RCW 74.46.431 and 74.46.501; creating a new section; providing an effective date; and declaring an emergency.

Referred to Committee on Appropriations.

HB 2043 by Representatives Hunter and Sullivan

AN ACT Relating to temporarily suspending inflationary increases in educational employee compensation; amending RCW 28A.400.205, 28B.50.465, 28B.50.468, and 28A.405.415; providing an effective date; and declaring an emergency.

Referred to Committee on Appropriations.

HB 2044 by Representatives Hunter and Sullivan

AN ACT Relating to delaying the implementation of the family leave insurance program until funding and payment of benefits are authorized in law; and amending RCW 49.86.030 and 49.86.210.

Referred to Committee on Appropriations.

HB 2045 by Representatives Hunter and Sullivan

AN ACT Relating to payments to counties in lieu of taxes; and amending RCW 77.12.201 and 77.12.203.

Referred to Committee on Appropriations.

HB 2046 by Representatives Hunter and Sullivan

AN ACT Relating to transferring funds from the budget stabilization account to the general fund; and creating a new section.

Referred to Committee on Appropriations.

HB 2047 by Representatives Springer, Hunter, Sullivan and Tharinger

AN ACT Relating to reducing the costs of the student assessment system by using consortium-developed assessments and reducing the assessments required for graduation to three content areas; amending RCW 28A.655.061, 28A.655.070, 28A.655.066, 28A.655.071, 28A.655.185, 28B.105.010, 28B.105.030, and 28B.105.060; and creating a new section.

Referred to Committee on Appropriations.

HB 2048 by Representatives Pollet and Roberts

AN ACT Relating to eliminating the investment income business and occupation tax deduction for corporations and other business entities; amending RCW 82.04.4281; creating a new section; and providing an effective date.

Referred to Committee on Finance.

HB 2049 by Representatives Seaquist, Pollet, Ryu, Tarleton, Moscoso and Wylie

AN ACT Relating to creating the new economy scholars fund; amending RCW 82.04.4452 and 82.63.030; reenacting and amending RCW 43.79A.040; adding a new section to chapter 28B.77 RCW; and adding a new section to chapter 82.32 RCW.

Referred to Committee on Finance.

HB 2050 by Representatives Hunter, Ormsby and Roberts

AN ACT Relating to achieving correctional savings related to certification of jail time served; and amending RCW 9.94A.729 and 9.92.151.

Referred to Committee on Appropriations.

HB 2051 by Representatives Lytton, Hunter, Sullivan, Maxwell and Pollet

AN ACT Relating to implementation of basic education expenditures; amending RCW 28A.150.220, 28A.150.260, 28A.150.315, 28A.150.390, 28A.180.030, 28A.180.040, 28A.230.090, 28A.160.192, and 43.135.025; adding a new section to chapter 28A.150 RCW; creating new sections; and providing effective dates.

Referred to Committee on Appropriations.

HB 2052 by Representatives Habib and Magendanz

AN ACT Relating to promoting the start-up economy in Washington by providing a business and occupation tax preference for Washington-based high technology businesses during their first three years of operation and directing the department of commerce to develop a comprehensive strategy to facilitate the growth and development of start-ups in Washington; amending RCW 82.32.585; adding new sections to chapter 82.04 RCW; adding a new section to chapter 43.330 RCW; adding a new section to chapter 43.136 RCW; creating new sections; and providing expiration dates.

Referred to Committee on Appropriations.

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.

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

## SECOND READING

**HOUSE BILL NO. 1957, by Representatives Clibborn, Liias, Moscoso and Fey**

**Concerning department of transportation project delivery.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 1957 was substituted for House Bill No. 1957 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1957 was read the second time.

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

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

## MOTION

On motion of Representative Scott, Representatives Crouse, DeBolt and Hope were excused.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1957.

**ROLL CALL**

The Clerk called the roll on the final passage of Substitute House Bill No. 1957, and the bill passed the House by the following vote: Yeas, 90; Nays, 5; Absent, 0; Excused, 3.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Roberts, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Seaquist, Sells, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Condotta, Overstreet, Scott, Shea and Taylor.

Excused: Representatives Crouse, DeBolt and Hope.

SUBSTITUTE HOUSE BILL NO. 1957, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 1978, by Representatives Zeiger, Clibborn, Orcutt, O'Ban, Hargrove, Liias, Fey, Moscoso and Morrell**

**Addressing the permitting of certain transportation projects.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 1978 was substituted for House Bill No. 1978 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1978 was read the second time.

Representative Zeiger moved the adoption of amendment (458).

On page 6, line 27, after "must" strike "lead" and insert "supervise"

On page 6, line 35, after "department" insert ", or consultant staff hired directly by the department,"

Representatives Zeiger and Fitzgibbon spoke in favor of the adoption of the amendment.

Amendment (458) was adopted.

The bill was ordered engrossed.

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

Representatives Zeiger, Fitzgibbon and Taylor spoke in favor of the passage of the bill.

Representative Pollet spoke against the passage of the bill.

**MOTION**

On motion of Representative Van De Wege, Representative Roberts was excused.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1978.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1978, and the bill passed the House by the following vote: Yeas, 93; Nays, 1; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representative Pollet.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1978, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 1986, by Representatives O'Ban, Rodne, Magendanz, Zeiger, Kristiansen, Klippert and Hayes**

**Requiring the reporting of highway construction project errors.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 1986 was substituted for House Bill No. 1986 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1986 was read the second time.

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

Representatives O'Ban and Clibborn spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1986.

**ROLL CALL**

The Clerk called the roll on the final passage of Substitute House Bill No. 1986, and the bill passed the House by the following vote: Yeas, 87; Nays, 7; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Riccelli, Rodne, Ross, Santos, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Taylor, Tharinger, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Hunt, McCoy, Reykdal, Ryu, Sawyer, Tarleton and Upthegrove.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

SUBSTITUTE HOUSE BILL NO. 1986, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 1988, by Representatives Rodne, Magendanz, Zeiger, Kristiansen, Hayes and O'Ban**

**Concerning the application of right-sizing to transportation projects.**

The bill was read the second time.

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

Representatives Rodne, Liias and Rodne (again) spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 1988.

**ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 1988, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

HOUSE BILL NO. 1988, having received the necessary constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 18, 2013

MR. SPEAKER:

The President has signed:

SENATE BILL NO. 5052  
SUBSTITUTE SENATE BILL NO. 5182  
SUBSTITUTE SENATE BILL NO. 5263  
SUBSTITUTE SENATE BILL NO. 5264  
SENATE BILL NO. 5297  
SENATE BILL NO. 5476  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5681  
SENATE BILL NO. 5715

and the same are herewith transmitted.

Hunter G. Goodman, Secretary

**THIRD READING**

**MESSAGE FROM THE SENATE**

April 12, 2013

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1115 with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 62A.4A-108 and 1991 sp.s. c 21 s 4A-108 are each amended to read as follows:

RELATIONSHIP TO ELECTRONIC FUND TRANSFER ACT.

(a) Except as provided in subsection (b) of this section, this Article does not apply to a funds transfer any part of which is governed by the Electronic Fund Transfer Act of 1978 (Title XX, P.L. 95-630, 92 Stat. 3728, 15 U.S.C. Sec. 1693 et seq.) ~~((as amended from time to time))~~.

(b) This Article applies to a funds transfer that is a remittance transfer as defined in the Electronic Fund Transfer Act (15 U.S.C. Sec. 1693o-1), unless the remittance transfer is an electronic fund transfer as defined in the Electronic Fund Transfer Act (15 U.S.C. Sec. 1693a).

(c) In a funds transfer to which this Article applies, in the event of an inconsistency between an applicable provision of this Article and an applicable provision of the Electronic Fund Transfer Act, the provision of the Electronic Fund Transfer Act governs to the extent of the inconsistency.

Sec. 2. RCW 62A.4A-103 and 1991 sp.s. c 21 s 4A-103 are each amended to read as follows:

~~((+))~~ (a) In this Article:

~~((+))~~ (1) "Payment order" means an instruction of a sender to a receiving bank, transmitted orally, electronically, or in writing, to pay, or to cause another bank to pay, a fixed or determinable amount of money to a beneficiary if:

(i) The instruction does not state a condition ~~((€))~~ to payment to the beneficiary other than time of payment;

(ii) The receiving bank is to be reimbursed by debiting an account of, or otherwise receiving payment from, the sender; and

(iii) The instruction is transmitted by the sender directly to the receiving bank or to an agent, funds-transfer system, or communication system for transmittal to the receiving bank.

~~((+))~~ (2) "Beneficiary" means the person to be paid by the beneficiary's bank.

~~((+))~~ (3) "Beneficiary's bank" means the bank identified in a payment order in which an account of the beneficiary is to be credited pursuant to the order or which otherwise is to make payment to the beneficiary if the order does not provide for payment to an account.

~~((+))~~ (4) "Receiving bank" means the bank to which the sender's instruction is addressed.

~~((+))~~ (5) "Sender" means the person giving the instruction to the receiving bank.

~~((2))~~ ~~(b)~~ If an instruction complying with subsection ~~((1)(a))~~ ~~(a)(1)~~ of this section is to make more than one payment to a beneficiary, the instruction is a separate payment order with respect to each payment.

~~((3))~~ ~~(c)~~ A payment order is issued when it is sent to the receiving bank.

**Sec. 3.** RCW 62A.4A-104 and 1991 sp.s. c 21 s 4A-104 are each amended to read as follows:

In this Article:

~~((1))~~ ~~(a)~~ "Funds transfer" means the series of transactions, beginning with the originator's payment order, made for the purpose of making payment to the beneficiary of the order. The term includes any payment order issued by the originator's bank or an intermediary bank intended to carry out the originator's payment order. A funds transfer is completed by acceptance by the beneficiary's bank of a payment order for the benefit of the beneficiary of the originator's payment order.

~~((2))~~ ~~(b)~~ "Intermediary bank" means a receiving bank other than the originator's bank or the beneficiary's bank.

~~((3))~~ ~~(c)~~ "Originator" means the sender of the first payment order in a funds transfer.

~~((4))~~ ~~(d)~~ "Originator's bank" means ~~((a))~~ ~~(i)~~ the receiving bank to which the payment order of the originator is issued if the originator is not a bank, or ~~((b))~~ ~~(ii)~~ the originator if the originator is a bank.

**Sec. 4.** RCW 62A.4A-105 and 2012 c 214 s 1201 are each amended to read as follows:

~~((1))~~ ~~(a)~~ In this Article:

~~((a))~~ ~~(1)~~ "Authorized account" means a deposit account of a customer in a bank designated by the customer as a source of payment of payment orders issued by the customer to the bank. If a customer does not so designate an account, any account of the customer is an authorized account if payment of a payment order from that account is not inconsistent with a restriction on the use of ~~((the))~~ that account.

~~((b))~~ ~~(2)~~ "Bank" means a person engaged in the business of banking and includes a savings bank, savings and loan association, credit union, and trust company. A branch or separate office of a bank is a separate bank for purposes of this Article.

~~((c))~~ ~~(3)~~ "Customer" means a person, including a bank, having an account with a bank or from whom a bank has agreed to receive payment orders.

~~((d))~~ ~~(4)~~ "Funds-transfer business day" of a receiving bank means the part of a day during which the receiving bank is open for the receipt, processing, and transmittal of payment orders and cancellations and amendments of payment orders.

~~((e))~~ ~~(5)~~ "Funds-transfer system" means a wire transfer network, automated clearing house, or other communication system of a clearing house or other association of banks through which a payment order by a bank may be transmitted to the bank to which the order is addressed.

~~((f))~~ ~~(6)~~ [Reserved.]

~~((g))~~ ~~(7)~~ "Prove" with respect to a fact means to meet the burden of establishing the fact (RCW 62A.1-201(b)(8)).

~~((2))~~ ~~(b)~~ Other definitions applying to this Article and the sections in which they appear are:

"Acceptance"	RCW 62A.4A-209
"Beneficiary"	RCW 62A.4A-103
"Beneficiary's bank"	RCW 62A.4A-103
"Executed"	RCW 62A.4A-301
"Execution date"	RCW 62A.4A-301

"Funds transfer"	RCW 62A.4A-104
"Funds-transfer system rule"	RCW 62A.4A-501
"Intermediary bank"	RCW 62A.4A-104
"Originator"	RCW 62A.4A-104
"Originator's bank"	RCW 62A.4A-104
"Payment by beneficiary's bank to beneficiary"	RCW 62A.4A-405
"Payment by originator to beneficiary"	RCW 62A.4A-406
"Payment by sender to receiving bank"	RCW 62A.4A-403
"Payment date"	RCW 62A.4A-401
"Payment order"	RCW 62A.4A-103
"Receiving bank"	RCW 62A.4A-103
"Security procedure"	RCW 62A.4A-201
"Sender"	RCW 62A.4A-103

~~((3))~~ ~~(c)~~ The following definitions in Article 4 (RCW 62A.4-101 through 62A.4-504) apply to this Article:

"Clearing house"	RCW 62A.4-104
"Item"	RCW 62A.4-104
"Suspends payments"	RCW 62A.4-104

~~((4))~~ ~~(d)~~ In addition, Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

**Sec. 5.** RCW 62A.4A-106 and 2012 c 214 s 1202 are each amended to read as follows:

~~((1))~~ ~~(a)~~ The time of receipt of a payment order or communication canceling or amending a payment order is determined by the rules applicable to receipt of a notice stated in RCW 62A.1-202. A receiving bank may fix a cut-off time or times on a funds-transfer business day for the receipt and processing of payment orders and communications canceling or amending payment orders. Different cut-off times may apply to payment orders, cancellations, or amendments, or to different categories of payment orders, cancellations, or amendments. A cut-off time may apply to senders generally or different cut-off times may apply to different senders or categories of payment orders. If a payment order or communication canceling or amending a payment order is received after the close of a funds-transfer business day or after the appropriate cut-off time on a funds-transfer business day, the receiving bank may treat the payment order or communication as received at the opening of the next funds-transfer business day.

~~((2))~~ ~~(b)~~ If this Article refers to an execution date or payment date or states a day on which a receiving bank is required to take action, and the date or day does not fall on a funds-transfer business day, the next day that is a funds-transfer business day is treated as the date or day stated, unless the contrary is stated in this Article.

**Sec. 6.** RCW 62A.4A-202 and 1991 sp.s. c 21 s 4A-202 are each amended to read as follows:

~~((+))~~ (a) A payment order received by the receiving bank is the authorized order of the person identified as sender if that person authorized the order or is otherwise bound by it under the law of agency.

~~((2))~~ (b) If a bank and its customer have agreed that the authenticity of payment orders issued to the bank in the name of the customer as sender will be verified pursuant to a security procedure, a payment order received by the receiving bank is effective as the order of the customer, whether or not authorized, if ~~((+))~~ (i) the security procedure is a commercially reasonable method of providing security against unauthorized payment orders, and ~~((+))~~ (ii) the bank proves that it accepted the payment order in good faith and in compliance with the security procedure and any written agreement or instruction of the customer restricting acceptance of payment orders issued in the name of the customer. The bank is not required to follow an instruction that violates a written agreement with the customer or notice of which is not received at a time and in a manner affording the bank a reasonable opportunity to act on it before the payment order is accepted.

~~((3))~~ (c) Commercial reasonableness of a security procedure is a question of law to be determined by considering the wishes of the customer expressed to the bank, the circumstances of the customer known to the bank, including the size, type, and frequency of payment orders normally issued by the customer to the bank, alternative security procedures offered to the customer, and security procedures in general use by customers and receiving banks similarly situated. A security procedure is deemed to be commercially reasonable if ~~((+))~~ (i) the security procedure was chosen ~~((by))~~ by the customer after the bank offered, and the customer refused, a security procedure that was commercially reasonable for that customer, and ~~((+))~~ (ii) the customer expressly agreed in writing to be bound by any payment order, whether or not authorized, issued in its name, and accepted by the bank in compliance with the security procedure chosen by the customer.

~~((4))~~ (d) The term "sender" in this Article includes the customer in whose name a payment order is issued if the order is the authorized order of the customer under subsection ~~((+))~~ (a) of this section, or it is effective as the order of the customer under subsection ~~((2))~~ (b) of this section.

~~((5))~~ (e) This section applies to amendments and cancellations of payment orders to the same extent it applies to payment orders.

~~((6))~~ (f) Except as provided in this section and RCW 62A.4A-203~~((+))~~ (a)(1), rights and obligations arising under this section or RCW 62A.4A-203 may not be varied by agreement.

**Sec. 7.** RCW 62A.4A-203 and 1991 sp.s. c 21 s 4A-203 are each amended to read as follows:

~~((+))~~ (a) If an accepted payment order is not, under RCW ~~((62A.4A-201(+)))~~ 62A.4A-202(a), an authorized order of a customer identified as sender, but is effective as an order of the customer pursuant to RCW 62A.4A-202~~((2))~~ (b), the following rules apply.

~~((+))~~ (1) By express written agreement, the receiving bank may limit the extent to which it is entitled to enforce or retain payment of the payment order.

~~((+))~~ (2) The receiving bank is not entitled to enforce or retain payment of the payment order if the customer proves that the order was not caused, directly or indirectly, by a person (i) entrusted at any time with duties to act for the customer with respect to payment orders or the security procedure, or (ii) who obtained access to transmitting facilities of the customer or who obtained, from a source controlled by the customer and without authority of the receiving bank, information facilitating breach of the security procedure, regardless of how the information was obtained or whether the customer was at fault. Information includes any access device, computer software, or the like.

~~((2))~~ (b) This section applies to amendments of payment orders to the same extent it applies to payment orders.

**Sec. 8.** RCW 62A.4A-204 and 2012 c 214 s 1203 are each amended to read as follows:

~~((+))~~ (a) If a receiving bank accepts a payment order issued in the name of its customer as sender which is ~~((+))~~ (i) not authorized and not effective as the order of the customer under RCW 62A.4A-202, or ~~((+))~~ (ii) not enforceable, in whole or in part, against the customer under RCW 62A.4A-203, the bank shall refund any payment of the payment order received from the customer to the extent the bank is not entitled to enforce payment and shall pay interest on the refundable amount calculated from the date the bank received payment to the date of the refund. However, the customer is not entitled to interest from the bank on the amount to be refunded if the customer fails to exercise ordinary care to determine that the order was not authorized by the customer and to notify the bank of the relevant facts within a reasonable time not exceeding ninety days after the date the customer received notification from the bank that the order was accepted or that the customer's account was debited with respect to the order. The bank is not entitled to any recovery from the customer on account of a failure by the customer to give notification as stated in this section.

~~((2))~~ (b) Reasonable time under subsection ~~((+))~~ (a) of this section may be fixed by agreement as stated in RCW 62A.1-302(b), but the obligation of a receiving bank to refund payment as stated in subsection ~~((+))~~ (a) of this section may not otherwise be varied by agreement.

**Sec. 9.** RCW 62A.4A-205 and 1991 sp.s. c 21 s 4A-205 are each amended to read as follows:

~~((+))~~ (a) If an accepted payment order was transmitted pursuant to a security procedure for the detection of error and the payment order ~~((+))~~ (i) erroneously instructed payment to a beneficiary not intended by the sender, ~~((+))~~ (ii) erroneously instructed payment in an amount greater than the amount intended by the sender, or ~~((+))~~ (iii) was an erroneously transmitted duplicate of a payment order previously sent by the sender, the following rules apply:

~~((+))~~ (1) If the sender proves that the sender or a person acting on behalf of the sender pursuant to RCW 62A.4A-206 complied with the security procedure and that the error would have been detected if the receiving bank had also complied, the sender is not obliged to pay the order to the extent stated in ~~((+))~~ paragraphs (2) and ((+)) (3) of this subsection.

~~((+))~~ (2) If the funds transfer is completed on the basis of an erroneous payment order described in ~~((+))~~ clause (i) or ~~((+))~~ (iii) of this subsection (a), the sender is not obliged to pay the order and the receiving bank is entitled to recover from the beneficiary any amount paid to the beneficiary to the extent allowed by the law governing mistake and restitution.

~~((+))~~ (3) If the funds transfer is completed on the basis of a payment order described in ~~((+))~~ clause (ii) of this subsection (a), the sender is not obliged to pay the order to the extent the amount received by the beneficiary is greater than the amount intended by the sender. In that case, the receiving bank is entitled to recover from the beneficiary the excess amount received to the extent allowed by the law governing mistake and restitution.

~~((2))~~ (b) If ~~((+))~~ (i) the sender of an erroneous payment order described in subsection ~~((+))~~ (a) of this section is not obliged to pay all or part of the order, and ~~((+))~~ (ii) the sender receives notification from the receiving bank that the order was accepted by the bank or that the sender's account was debited with respect to the order, the sender has a duty to exercise ordinary care, on the basis of information available to the sender, to discover the error with respect to the order and to advise the bank of the relevant facts within a reasonable time, not exceeding ninety days, after the bank's notification was received by the sender. If the bank proves that the sender failed to perform that duty, the sender is liable to the bank for the loss the bank proves it incurred as a result of the failure, but the

liability of the sender may not exceed the amount of the sender's order.

~~((3))~~ (c) This section applies to amendments to payment orders to the same extent it applies to payment orders.

**Sec. 10.** RCW 62A.4A-206 and 1991 sp.s. c 21 s 4A-206 are each amended to read as follows:

~~((4))~~ (a) If a payment order addressed to a receiving bank is transmitted to a funds-transfer system or other third-party communication system for transmittal to the bank, the system is deemed to be an agent of the sender for the purpose of transmitting the payment order to the bank. If there is a discrepancy between the terms of the payment order transmitted to the system and the terms of the payment order transmitted by the system to the bank, the terms of the payment order of the sender are those transmitted by the system. This section does not apply to a funds-transfer system of the federal reserve banks.

~~((2))~~ (b) This section applies to cancellations and amendments of payment orders to the same extent it applies to payment orders.

**Sec. 11.** RCW 62A.4A-207 and 1991 sp.s. c 21 s 4A-207 are each amended to read as follows:

~~((4))~~ (a) Subject to subsection ~~((2))~~ (b) of this section, if, in a payment order received by the beneficiary's bank, the name, bank account number, or other identification of the beneficiary refers to a nonexistent or unidentifiable person or account, no person has rights as a beneficiary of the order and acceptance of the order cannot occur.

~~((2))~~ (b) If a payment order received by the beneficiary's bank identifies the beneficiary both by name and by an identifying or bank account number and the name and number identify different persons, the following rules apply:

~~((a))~~ (1) Except as otherwise provided in subsection ~~((3))~~ (c) of this section, if the beneficiary's bank does not know that the name and number refer to different persons, it may rely on the number as the proper identification of the beneficiary of the order. The beneficiary's bank need not determine whether the name and number refer to the same person.

~~((b))~~ (2) If the beneficiary's bank pays the person identified by name or knows that the name and number identify different persons, no person has rights as beneficiary except the person paid by the beneficiary's bank if that person was entitled to receive payment from the originator of the funds transfer. If no person has rights as beneficiary, acceptance of the order cannot occur.

~~((3))~~ (c) If ~~((a))~~ (i) a payment order described in subsection ~~((2))~~ (b) of this section is accepted, ~~((b))~~ (ii) the originator's payment order described the beneficiary inconsistently by name and number, and ~~((e))~~ (iii) the beneficiary's bank pays the person identified by number as permitted by subsection ~~((2)(a))~~ (b)(1) of this section, the following rules apply:

~~((i))~~ (1) If the originator is a bank, the originator is obliged to pay its order.

~~((ii))~~ (2) If the originator is not a bank and proves that the person identified by number was not entitled to receive payment from the originator, the originator is not obliged to pay its order unless the originator's bank proves that the originator, before acceptance of the originator's order, had notice that payment of a payment order issued by the originator might be made by the beneficiary's bank on the basis of an identifying or bank account number even if it identifies a person different from the named beneficiary. Proof of notice may be made by any admissible evidence. The originator's bank satisfies the burden of proof if it proves that the originator, before the payment order was accepted, signed a writing stating the information to which the notice relates.

~~((4))~~ (d) In a case governed by subsection ~~((2)(a))~~ (b)(1) of this section, if the beneficiary's bank rightfully pays the person identified by number and that person was not entitled to receive payment from the originator, the amount paid may be recovered from

that person to the extent allowed by the law governing mistake and restitution as follows:

~~((a))~~ (1) If the originator is obliged to pay its payment order as stated in subsection ~~((3))~~ (c) of this section, the originator has the right to recover.

~~((b))~~ (2) If the originator is not a bank and is not obliged to pay its payment order, the originator's bank has the right to recover.

**Sec. 12.** RCW 62A.4A-208 and 1991 sp.s. c 21 s 4A-208 are each amended to read as follows:

~~((4))~~ (a) This subsection applies to a payment order identifying an intermediary bank or the beneficiary's bank only by an identifying number.

~~((a))~~ (1) The receiving bank may rely on the number as the proper identification of the intermediary or beneficiary's bank and need not determine whether the number identifies a bank.

~~((b))~~ (2) The sender is obliged to compensate the receiving bank for any loss and expenses incurred by the receiving bank as a result of its reliance on the number in executing or attempting to execute the order.

~~((2))~~ (b) This subsection applies to a payment order identifying an intermediary bank or the beneficiary's bank both by name and an identifying number if the name and number identify different persons.

~~((a))~~ (1) If the sender is a bank, the receiving bank may rely on the number as the proper identification of the intermediary or beneficiary's bank if the receiving bank, when it executes the sender's order, does not know that the name and number identify different persons. The receiving bank need not determine whether the name and number refer to the same person or whether the number refers to a bank. The sender is obliged to compensate the receiving bank for any loss and expenses incurred by the receiving bank as a result of its reliance on the number in executing or attempting to execute the order.

~~((b))~~ (2) If the sender is not a bank and the receiving bank proves that the sender, before the payment order was accepted, had notice that the receiving bank might rely on the number as the proper identification of the intermediary or beneficiary's bank even if it identifies a person different from the bank identified by name, the rights and obligations of the sender and the receiving bank are governed by subsection ~~((2)(a))~~ (b)(1) of this section, as though the sender were a bank. Proof of notice may be made by any admissible evidence. The receiving bank satisfies the burden of proof if it proves that the sender, before the payment order was accepted, signed a writing stating the information to which the notice relates.

~~((e))~~ (3) Regardless of whether the sender is a bank, the receiving bank may rely on the name as the proper identification of the intermediary or beneficiary's bank if the receiving bank, at the time it executes the sender's order, does not know that the name and number identify different persons. The receiving bank need not determine whether the name and number refer to the same person.

~~((d))~~ (4) If the receiving bank knows that the name and number identify different persons, reliance on either the name or the number in executing the sender's payment order is a breach of the obligation stated in RCW 62A.4A-302~~((4)(a))~~ (a)(1).

**Sec. 13.** RCW 62A.4A-209 and 1991 sp.s. c 21 s 4A-209 are each amended to read as follows:

~~((4))~~ (a) Subject to subsection ~~((4))~~ (d) of this section, a receiving bank other than the beneficiary's bank accepts a payment order when it executes the order.

~~((3) and (4))~~ (c) and (d) of this section, a beneficiary's bank accepts a payment order at the earliest of the following times:

~~((a))~~ (1) When the bank (i) pays the beneficiary as stated in RCW 62A.4A-405 ~~((1) or (2))~~ (a) or (b) or (ii) notifies the beneficiary of receipt of the order or that the account of the beneficiary has been credited with respect to the order unless the notice indicates that the bank is rejecting the order or that funds with

respect to the order may not be withdrawn or used until receipt of payment from the sender of the order;

~~((b))~~ (2) When the bank receives payment of the entire amount of the sender's order pursuant to RCW 62A.4A-403~~((1)-(a) or (b))~~ (a) (1) or (2); or

~~((c))~~ (3) The opening of the next funds-transfer business day of the bank following the payment date of the order if, at that time, the amount of the sender's order is fully covered by a withdrawable credit balance in an authorized account of the sender or the bank has otherwise received full payment from the sender, unless the order was rejected before that time or is rejected within (i) one hour after that time, or (ii) one hour after the opening of the next business day of the sender following the payment date if that time is later. If notice of rejection is received by the sender after the payment date and the authorized account of the sender does not bear interest, the bank is obliged to pay interest to the sender on the amount of the order for the number of days elapsing after the payment date to the day the sender receives notice or learns that the order was not accepted, counting that day as an elapsed day. If the withdrawable credit balance during that period falls below the amount of the order, the amount of interest payable is reduced accordingly.

~~((c))~~ (c) Acceptance of a payment order cannot occur before the order is received by the receiving bank. Acceptance does not occur under subsection ~~((2)(b) or (c))~~ (b) (2) or (3) of this section if the beneficiary of the payment order does not have an account with the receiving bank, the account has been closed, or the receiving bank is not permitted by law to receive credits for the beneficiary's account.

~~((4))~~ (d) A payment order issued to the originator's bank cannot be accepted until the payment date if the bank is the beneficiary's bank, or the execution date if the bank is not the beneficiary's bank. If the originator's bank executes the originator's payment order before the execution date or pays the beneficiary of the originator's payment order before the payment date and the payment order is subsequently canceled pursuant to RCW 62A.4A-211~~((2))~~ (b), the bank may recover from the beneficiary any payment received to the extent allowed by the law governing mistake and restitution.

**Sec. 14.** RCW 62A.4A-210 and 1991 sp.s. c 21 s 4A-210 are each amended to read as follows:

~~((4))~~ (a) A payment order is rejected by the receiving bank by a notice of rejection transmitted to the sender orally, electronically, or in writing. A notice of rejection need not use any particular words and is sufficient if it indicates that the receiving bank is rejecting the order or will not execute or pay the order. Rejection is effective when the notice is given if transmission is by a means that is reasonable in the circumstances. If notice of rejection is given by a means that is not reasonable, rejection is effective when the notice is received. If an agreement of the sender and receiving bank establishes the means to be used to reject a payment order, ~~((a))~~ (i) any means complying with the agreement is reasonable and ~~((b))~~ (ii) any means not complying is not reasonable unless no significant delay in receipt of the notice resulted from the use of the noncomplying means.

~~((2))~~ (b) This subsection applies if a receiving bank other than the beneficiary's bank fails to execute a payment order despite the existence on the execution date of a withdrawable credit balance in an authorized account of the sender sufficient to cover the order. If the sender does not receive notice of rejection of the order on the execution date and the authorized account of the sender does not bear interest, the bank is obliged to pay interest to the sender on the amount of the order for the number of days elapsing after the execution date to the earlier of the day the order is canceled pursuant to RCW 62A.4A-211~~((4))~~ (d) or the day the sender receives notice or learns that the order was not executed, counting the final day of the period as an elapsed day. If the withdrawable credit balance during that period falls below the amount of the order, the amount of interest is reduced accordingly.

~~((3))~~ (c) If a receiving bank suspends payments, all unaccepted payment orders issued to it are deemed rejected at the time the bank suspends payments.

~~((4))~~ (d) Acceptance of a payment order precludes a later rejection of the order. Rejection of a payment order precludes a later acceptance of the order.

**Sec. 15.** RCW 62A.4A-211 and 1991 sp.s. c 21 s 4A-211 are each amended to read as follows:

~~((2))~~ (a) A communication of the sender of a payment order canceling or amending the order may be transmitted to the receiving bank orally, electronically, or in writing. If a security procedure is in effect between the sender and the receiving bank, the communication is not effective to cancel or amend the order unless the communication is verified pursuant to the security procedure or the bank agrees to the cancellation or amendment.

~~((2))~~ (b) Subject to subsection ~~((4))~~ (a) of this section, a communication by the sender canceling or amending a payment order is effective to cancel or amend the order if notice of the communication is received at a time and in a manner affording the receiving bank a reasonable opportunity to act on the communication before the bank accepts the payment order.

~~((3))~~ (c) After a payment order has been accepted, cancellation or amendment of the order is not effective unless the receiving bank agrees or a funds-transfer system rule allows cancellation or amendment without agreement of the bank.

~~((a))~~ (1) With respect to a payment order accepted by a receiving bank other than the beneficiary's bank, cancellation or amendment is not effective unless a conforming cancellation or amendment of the payment order issued by the receiving bank is also made.

~~((b))~~ (2) With respect to a payment order accepted by the beneficiary's bank, cancellation or amendment is not effective unless the order was issued in execution of an unauthorized payment order, or because of a mistake by a sender in the funds transfer which resulted in the issuance of a payment order (i) that is a duplicate of a payment order previously issued by the sender, (ii) that orders payment to a beneficiary not entitled to receive payment from the originator, or (iii) that orders payment in an amount greater than the amount the beneficiary was entitled to receive from the originator. If the payment order is canceled or amended, the beneficiary's bank is entitled to recover from the beneficiary any amount paid to the beneficiary to the extent allowed by the law governing mistake and restitution.

~~((4))~~ (d) An unaccepted payment order is canceled by operation of law at the close of the fifth funds-transfer business day of the receiving bank after the execution date or payment date of the order.

~~((5))~~ (e) A canceled payment order cannot be accepted. If an accepted payment order is canceled, the acceptance is nullified and no person has any right or obligation based on the acceptance. Amendment of a payment order is deemed to be cancellation of the original order at the time of amendment and issue of a new payment order in the amended form at the same time.

~~((6))~~ (f) Unless otherwise provided in an agreement of the parties or in a funds-transfer system rule, if the receiving bank, after accepting a payment order, agrees to cancellation or amendment of the order by the sender or is bound by a funds-transfer system rule allowing cancellation or amendment without the bank's agreement, the sender, whether or not cancellation or amendment is effective, is liable to the bank for any loss and expenses, including reasonable attorneys' fees, incurred by the bank as a result of the cancellation or amendment or attempted cancellation or amendment.

~~((7))~~ (g) A payment order is not revoked by the death or legal incapacity of the sender unless the receiving bank knows of the death or of an adjudication of incapacity by a court of competent jurisdiction and has reasonable opportunity to act before acceptance of the order.



~~((8))~~ (h) A funds-transfer system rule is not effective to the extent it conflicts with subsection ~~((3)(b))~~ (c)(2) of this section.

**Sec. 16.** RCW 62A.4A-212 and 1991 sp.s. c 21 s 4A-212 are each amended to read as follows:

If a receiving bank fails to accept a payment order that ~~((f))~~ (i) is obliged by express agreement to accept, the bank is liable for breach of the agreement to the extent provided in the agreement or in this Article, but does not otherwise have any duty to accept a payment order or, before acceptance, to take any action, or refrain from taking action, with respect to the order except as provided in this Article or by express agreement. Liability based on acceptance arises only when acceptance occurs as stated in RCW 62A.4A-209, and liability is limited to that provided in this Article. A receiving bank is not the agent of the sender or beneficiary of the payment order it accepts, or of any other party to the funds transfer, and the bank owes no duty to any party to the funds transfer except as provided in this Article or by express agreement.

**Sec. 17.** RCW 62A.4A-301 and 1991 sp.s. c 21 s 4A-301 are each amended to read as follows:

~~((4))~~ (a) A payment order is "executed" by the receiving bank when it issues a payment order intended to carry out the payment order received by the bank. A payment order received by the beneficiary's bank can be accepted but cannot be executed.

~~((2))~~ (b) "Execution date" of a payment order means the day on which the receiving bank may properly issue a payment order in execution of the sender's order. The execution date may be determined by instruction of the sender but cannot be earlier than the day the order is received and, unless otherwise determined, is the day the order is received. If the sender's instruction states a payment date, the execution date is the payment date or an earlier date on which execution is reasonably necessary to allow payment to the beneficiary on the payment date.

**Sec. 18.** RCW 62A.4A-302 and 1991 sp.s. c 21 s 4A-302 are each amended to read as follows:

~~((4))~~ (a) Except as provided in subsections ~~((2) through (4))~~ (b) through (d) of this section, if the receiving bank accepts a payment order pursuant to RCW 62A.4A-209~~((4))~~ (a), the bank has the following obligations in executing the order.

~~((a))~~ (1) The receiving bank is obliged to issue, on the execution date, a payment order complying with the sender's order and to follow the sender's instructions concerning (i) any intermediary bank or funds-transfer system to be used in carrying out the funds transfer, or (ii) the means by which payment orders are to be transmitted in the funds transfer. If the originator's bank issues a payment order to an intermediary bank, the originator's bank is obliged to instruct the intermediary bank according to the instruction of the originator. An intermediary bank in the funds transfer is similarly bound by an instruction given to it by the sender of the payment order it accepts.

~~((b))~~ (2) If the sender's instruction states that the funds transfer is to be carried out telephonically or by wire transfer or otherwise indicates that the funds transfer is to be carried out by the most expeditious means, the receiving bank is obliged to transmit its payment order by the most expeditious available means, and to instruct any intermediary bank accordingly. If a sender's instruction states a payment date, the receiving bank is obliged to transmit its payment order at a time and by means reasonably necessary to allow payment to the beneficiary on the payment date or as soon thereafter as is feasible.

~~((2))~~ (b) Unless otherwise instructed, a receiving bank executing a payment order may ~~((a))~~ (i) use any funds-transfer system if use of that system is reasonable in the circumstances, and ~~((b))~~ (ii) issue a payment order to the beneficiary's bank or to an intermediary bank through which a payment order conforming to the sender's order can expeditiously be issued to the beneficiary's bank if the receiving bank exercises ordinary care in the selection of the intermediary bank. A receiving bank is not required to follow an instruction of the sender

designating a funds-transfer system to be used in carrying out the funds transfer if the receiving bank, in good faith, determines that it is not feasible to follow the instruction or that following the instruction would unduly delay completion of the funds transfer.

~~((3))~~ (c) Unless subsection ~~((4)(b))~~ (a)(2) of this section applies or the receiving bank is otherwise instructed, the bank may execute a payment order by transmitting its payment order by first~~((-))~~ class mail or by any means reasonable in the circumstances. If the receiving bank is instructed to execute the sender's order by transmitting its payment order by a particular means, the receiving bank may issue its payment order by the means stated or by any means as expeditious as the means stated.

~~((4))~~ (d) Unless instructed by the sender, ~~((a))~~ (i) the receiving bank may not obtain payment of its charges for services and expenses in connection with the execution of the sender's order by issuing a payment order in an amount equal to the amount of the sender's order less the amount of the charges, and ~~((b))~~ (ii) may not instruct a subsequent receiving bank to obtain payment of its charges in the same manner.

**Sec. 19.** RCW 62A.4A-303 and 1991 sp.s. c 21 s 4A-303 are each amended to read as follows:

~~((4))~~ (a) A receiving bank that ~~((a))~~ (i) executes the payment order of the sender by issuing a payment order in an amount greater than the amount of the sender's order, or ~~((b))~~ (ii) issues a payment order in execution of the sender's order and then issues a duplicate order, is entitled to payment of the amount of the sender's order under RCW 62A.4A-402~~((3))~~ (c) if that subsection is otherwise satisfied. The bank is entitled to recover from the beneficiary of the erroneous order the excess payment received to the extent allowed by the law governing mistake and restitution.

~~((2))~~ (b) A receiving bank that executes the payment order of the sender by issuing a payment order in an amount less than the amount of the sender's order is entitled to payment of the amount of the sender's order under RCW 62A.4A-402~~((3))~~ (c) if ~~((a))~~ (i) that subsection is otherwise satisfied and ~~((b))~~ (ii) the bank corrects its mistake by issuing an additional payment order for the benefit of the beneficiary of the sender's order. If the error is not corrected, the issuer of the erroneous order is entitled to receive or retain payment from the sender of the order it accepted only to the extent of the amount of the erroneous order. This subsection does not apply if the receiving bank executes the sender's payment order by issuing a payment order in an amount less than the amount of the sender's order for the purpose of obtaining payment of its charges for services and expenses pursuant to instruction of the sender.

~~((3))~~ (c) If a receiving bank executes the payment order of the sender by issuing a payment order to a beneficiary different from the beneficiary of the sender's order and the funds transfer is completed on the basis of that error, the sender of the payment order that was erroneously executed and all previous senders in the funds transfer are not obliged to pay the payment orders they issued. The issuer of the erroneous order is entitled to recover from the beneficiary of the order the payment received to the extent allowed by the law governing mistake and restitution.

**Sec. 20.** RCW 62A.4A-304 and 1991 sp.s. c 21 s 4A-304 are each amended to read as follows:

If the sender of a payment order that is erroneously executed as stated in RCW 62A.4A-303 receives notification from the receiving bank that the order was executed or that the sender's account was debited with respect to the order, the sender has a duty to exercise ordinary care to determine, on the basis of information available to the sender, that the order was erroneously executed and to notify the bank of the relevant facts within a reasonable time not exceeding ninety days after the notification from the bank was received by the sender. If the sender fails to perform that duty, the bank is not obliged to pay interest on any amount refundable to the sender under RCW 62A.4A-402~~((4))~~ (d) for the period before the bank learns of the

execution error. The bank is not entitled to any recovery from the sender on account of a failure by the sender to perform the duty stated in this section.

**Sec. 21.** RCW 62A.4A-305 and 1991 sp.s. c 21 s 4A-305 are each amended to read as follows:

((+)) (a) If a funds transfer is completed but execution of a payment order by the receiving bank in breach of RCW 62A.4A-302 results in delay in payment to the beneficiary, the bank is obliged to pay interest to either the originator or the beneficiary of the funds transfer for the period of delay caused by the improper execution. Except as provided in subsection ((3)) (c) of this section, additional damages are not recoverable.

((2)) (b) If execution of a payment order by a receiving bank in breach of RCW 62A.4A-302 results in ((+)) (i) noncompletion of the funds transfer, ((+)) (ii) failure to use an intermediary bank designated by the originator, or ((+)) (iii) issuance of a payment order that does not comply with the terms of the payment order of the originator, the bank is liable to the originator for its expenses in the funds transfer and for incidental expenses and interest losses, to the extent not covered by subsection ((+)) (a) of this section, resulting from the improper execution. Except as provided in subsection ((3)) (c) of this section, additional damages are not recoverable.

((3)) (c) In addition to the amounts payable under subsections ((+)) and ((2)) (a) and (b) of this section, damages, including consequential damages, are recoverable to the extent provided in an express written agreement of the receiving bank.

((4)) (d) If a receiving bank fails to execute a payment order it was obliged by express agreement to execute, the receiving bank is liable to the sender for its expenses in the transaction and for incidental expenses and interest losses resulting from the failure to execute. Additional damages, including consequential damages, are recoverable to the extent provided in an express written agreement of the receiving bank, but are not otherwise recoverable.

((5)) (e) Reasonable attorneys' fees are recoverable if demand for compensation under subsection ((+)) or ((2)) (a) or (b) of this section is made and refused before an action is brought on the claim. If a claim is made for breach of an agreement under subsection ((4)) (d) of this section and the agreement does not provide for damages, reasonable attorneys' fees are recoverable if demand for compensation under subsection ((4)) (d) of this section is made and refused before an action is brought on the claim.

((6)) (f) Except as stated in this section, the liability of a receiving bank under subsections ((+)) and ((2)) (a) and (b) of this section may not be varied by agreement.

**Sec. 22.** RCW 62A.4A-402 and 1991 sp.s. c 21 s 4A-402 are each amended to read as follows:

((+)) (a) This section is subject to RCW 62A.4A-205 and 62A.4A-207.

((2)) (b) With respect to a payment order issued to the beneficiary's bank, acceptance of the order by the bank obliges the sender to pay the bank the amount of the order, but payment is not due until the payment date of the order.

((3)) (c) This subsection is subject to subsection ((5)) (e) of this section and to RCW 62A.4A-303. With respect to a payment order issued to a receiving bank other than the beneficiary's bank, acceptance of the order by the receiving bank obliges the sender to pay the bank the amount of the sender's order. Payment by the sender is not due until the execution date of the sender's order. The obligation of that sender to pay its payment order is excused if the funds transfer is not completed by acceptance by the beneficiary's bank of a payment order instructing payment to the beneficiary of that sender's payment order.

((4)) (d) If the sender of a payment order pays the order and was not obliged to pay all or part of the amount paid, the bank receiving payment is obliged to refund payment to the extent the sender was not obliged to pay. Except as provided in RCW 62A.4A-204 and

62A.4A-304, interest is payable on the refundable amount from the date of payment.

((5)) (e) If a funds transfer is not completed as stated in ((+)) (a) of this section and an intermediary bank is obliged to refund payment as stated in subsection ((4)) (d) of this section but is unable to do so because not permitted by applicable law or because the bank suspends payments, a sender in the funds transfer that executed a payment order in compliance with an instruction, as stated in RCW 62A.4A-302((+)) (a)(1), to route the funds transfer through that intermediary bank is entitled to receive or retain payment from the sender of the payment order that it accepted. The first sender in the funds transfer that issued an instruction requiring routing through that intermediary bank is subrogated to the right of the bank that paid the intermediary bank to refund as stated in subsection ((4)) (d) of this section.

((6)) (f) The right of the sender of a payment order to be excused from the obligation to pay the order as stated in subsection ((3)) (c) of this section or to receive refund under subsection ((4)) (d) of this section may not be varied by agreement.

**Sec. 23.** RCW 62A.4A-403 and 1991 sp.s. c 21 s 4A-403 are each amended to read as follows:

((+)) (a) Payment of the sender's obligation under RCW 62A.4A-402 to pay the receiving bank occurs as follows:

((+)) (1) If the sender is a bank, payment occurs when the receiving bank receives final settlement of the obligation through a federal reserve bank or through a funds-transfer system.

((+)) (2) If the sender is a bank and the sender (i) credited an account of the receiving bank with the sender, or (ii) caused an account of the receiving bank in another bank to be credited, payment occurs when the credit is withdrawn or, if not withdrawn, at midnight of the day on which the credit is withdrawable and the receiving bank learns of that fact.

((+)) (3) If the receiving bank debits an account of the sender with the receiving bank, payment occurs when the debit is made to the extent the debit is covered by a withdrawable credit balance in the account.

((2)) (b) If the sender and receiving bank are members of a funds-transfer system that nets obligations multilaterally among participants, the receiving bank receives final settlement when settlement is complete in accordance with the rules of the system. The obligation of the sender to pay the amount of a payment order transmitted through the funds-transfer system may be satisfied, to the extent permitted by the rules of the system, by setting off and applying against the sender's obligation the right of the sender to receive payment from the receiving bank of the amount of any other payment order transmitted to the sender by the receiving bank through the funds-transfer system. The aggregate balance of obligations owed by each sender to each receiving bank in the funds-transfer system may be satisfied, to the extent permitted by the rules of the system, by setting off and applying against that balance the aggregate balance of obligations owed to the sender by other members of the system. The aggregate balance is determined after the right of setoff stated in the second sentence of this subsection has been exercised.

((3)) (c) If two banks transmit payment orders to each other under an agreement that settlement of the obligations of each bank to the other under RCW 62A.4A-402 will be made at the end of the day or other period, the total amount owed with respect to all orders transmitted by one bank shall be set off against the total amount owed with respect to all orders transmitted by the other bank. To the extent of the setoff, each bank has made payment to the other.

((4)) (d) In a case not covered by subsection ((+)) (a) of this section, the time when payment of the sender's obligation under RCW 62A.4A-402 ((2) or (3)) (b) or (c) occurs is governed by applicable principles of law that determine when an obligation is satisfied.

**Sec. 24.** RCW 62A.4A-404 and 1991 sp.s. c 21 s 4A-404 are each amended to read as follows:

~~((+))~~ ~~(a)~~ Subject to RCW 62A.4A-211~~((+))~~ ~~(e)~~, 62A.4A-405~~((+))~~ ~~(d)~~, and 62A.4A-405~~((+))~~ ~~(e)~~, if a beneficiary's bank accepts a payment order, the bank is obliged to pay the amount of the order to the beneficiary of the order. Payment is due on the payment date of the order, but if acceptance occurs on the payment date after the close of the funds-transfer business day of the bank, payment is due on the next funds-transfer business day. If the bank refuses to pay after demand by the beneficiary and receipt of notice of particular circumstances that will give rise to consequential damages as a result of nonpayment, the beneficiary may recover damages resulting from the refusal to pay to the extent the bank had notice of the damages, unless the bank proves that it did not pay because of a reasonable doubt concerning the right of the beneficiary to payment.

~~((+))~~ ~~(b)~~ If a payment order accepted by the beneficiary's bank instructs payment to an account of the beneficiary, the bank is obliged to notify the beneficiary of receipt of the order before midnight of the next funds-transfer business day following the payment date. If the payment order does not instruct payment to an account of the beneficiary, the bank is required to notify the beneficiary only if notice is required by the order. Notice may be given by first-class mail or any other means reasonable in the circumstances. If the bank fails to give the required notice, the bank is obliged to pay interest to the beneficiary on the amount of the payment order from the day notice should have been given until the day the beneficiary learned of receipt of the payment order by the bank. No other damages are recoverable. Reasonable attorneys' fees are also recoverable if demand for interest is made and refused before an action is brought on the claim.

~~((+))~~ ~~(c)~~ The right of a beneficiary to receive payment and damages as stated in subsection (a) ~~(subsection (1) of this section)~~ of this section may not be varied by agreement or a funds-transfer system rule. The right of a beneficiary to be notified as stated in subsection ~~((+))~~ ~~(b)~~ of this section may be varied by agreement of the beneficiary or by a funds-transfer system rule if the beneficiary is notified of the rule before initiation of the funds transfer.

**Sec. 25.** RCW 62A.4A-405 and 1991 sp.s. c 21 s 4A-405 are each amended to read as follows:

~~((+))~~ ~~(a)~~ If the beneficiary's bank credits an account of the beneficiary of a payment order, payment of the bank's obligation under RCW 62A.4A-404~~((+))~~ ~~(a)~~ occurs when and to the extent ~~((+))~~ ~~(i)~~ the beneficiary is notified of the right to withdraw the credit, ~~((+))~~ ~~(ii)~~ the bank lawfully applies the credit to a debt of the beneficiary, or ~~((+))~~ ~~(iii)~~ funds with respect to the order are otherwise made available to the beneficiary by the bank.

~~((+))~~ ~~(b)~~ If the beneficiary's bank does not credit an account of the beneficiary of a payment order, the time when payment of the bank's obligation under RCW 62A.4A-404~~((+))~~ ~~(a)~~ occurs is governed by principles of law that determine when an obligation is satisfied.

~~((+))~~ ~~(c)~~ Except as stated in subsections ~~((+))~~ ~~(d)~~ and ~~((+))~~ ~~(e)~~ of this ~~(act section)~~ section, if the beneficiary's bank pays the beneficiary of a payment order under a condition to payment or agreement of the beneficiary giving the bank the right to recover payment from the beneficiary if the bank does not receive payment of the order, the condition to payment or agreement is not enforceable.

~~((+))~~ ~~(d)~~ A funds-transfer system rule may provide that payments made to beneficiaries of funds transfers made through the system are provisional until receipt of payment by the beneficiary's bank of the payment order it accepted. A beneficiary's bank that makes a payment that is provisional under the rule is entitled to refund from the beneficiary if ~~((+))~~ ~~(i)~~ the rule requires that both the beneficiary and the originator be given notice of the provisional nature of the payment before the funds transfer is initiated, ~~((+))~~ ~~(ii)~~ the beneficiary, the beneficiary's bank and the originator's bank

agreed to be bound by the rule, and ~~((+))~~ ~~(iii)~~ the beneficiary's bank did not receive payment of the payment order that it accepted. If the beneficiary is obliged to refund payment to the beneficiary's bank, acceptance of the payment order by the beneficiary's bank is nullified and no payment by the originator of the funds transfer to the beneficiary occurs under RCW 62A.4A-406.

~~((+))~~ ~~(e)~~ This subsection applies to a funds transfer that includes a payment order transmitted over a funds-transfer system that ~~((+))~~ ~~(i)~~ nets obligations multilaterally among participants, and ~~((+))~~ ~~(ii)~~ has in effect a loss-sharing agreement among participants for the purpose of providing funds necessary to complete settlement of the obligations of one or more participants that do not meet their settlement obligations. If the beneficiary's bank in the funds transfer accepts a payment order and the system fails to complete settlement pursuant to its rules with respect to any payment order in the funds transfer, (i) the acceptance by the beneficiary's bank is nullified and no person has any right or obligation based on the acceptance, (ii) the beneficiary's bank is entitled to recover payment from the beneficiary, (iii) no payment by the originator to the beneficiary occurs under RCW 62A.4A-406, and (iv) subject to RCW 62A.4A-402~~((+))~~ ~~(e)~~, ~~((each sender in the funds transfer is excused from its obligation to pay its payment order under RCW 62A.4A-402(5),))~~ each sender in the funds transfer is excused from its obligation to pay its payment order under RCW 62A.4A-402~~((+))~~ ~~(c)~~ because the funds transfer has not been completed.

**Sec. 26.** RCW 62A.4A-406 and 1991 sp.s. c 21 s 4A-406 are each amended to read as follows:

~~((+))~~ ~~(a)~~ Subject to RCW 62A.4A-211~~((+))~~ ~~(e)~~, 62A.4A-405~~((+))~~ ~~(d)~~, and 62A.4A-405~~((+))~~ ~~(e)~~, the originator of a funds transfer pays the beneficiary of the originator's payment order ~~((+))~~ ~~(i)~~ at the time a payment order for the benefit of the beneficiary is accepted by the beneficiary's bank in the funds transfer and ~~((+))~~ ~~(ii)~~ in an amount equal to the amount of the order accepted by the beneficiary's bank, but not more than the amount of the originator's order.

~~((+))~~ ~~(b)~~ If payment under subsection ~~((+))~~ ~~(a)~~ of this section is made to satisfy an obligation, the obligation is discharged to the same extent discharge would result from payment to the beneficiary of the same amount in money, unless ~~((+))~~ ~~(i)~~ the payment under subsection ~~((+))~~ ~~(a)~~ of this section was made by a means prohibited by the contract of the beneficiary with respect to the obligation, ~~((+))~~ ~~(ii)~~ the beneficiary, within a reasonable time after receiving notice of receipt of the order by the beneficiary's bank, notified the originator of the beneficiary's refusal of the payment, ~~((+))~~ ~~(iii)~~ funds with respect to the order were not withdrawn by the beneficiary or applied to a debt of the beneficiary, and ~~((+))~~ ~~(iv)~~ the beneficiary would suffer a loss that could reasonably have been avoided if payment had been made by a means complying with the contract. If payment by the originator does not result in discharge under this section, the originator is subrogated to the rights of the beneficiary to receive payment from the beneficiary's bank under RCW 62A.4A-404~~((+))~~ ~~(a)~~.

~~((+))~~ ~~(c)~~ For the purpose of determining whether discharge of an obligation occurs under subsection ~~((+))~~ ~~(b)~~ of this section, if the beneficiary's bank accepts a payment order in an amount equal to the amount of the originator's payment order less charges of one or more receiving banks in the funds transfer, payment to the beneficiary is deemed to be in the amount of the originator's order unless upon demand by the beneficiary the originator does not pay the beneficiary the amount of the deducted charges.

~~((+))~~ ~~(d)~~ Rights of the originator or of the beneficiary of a funds transfer under this section may be varied only by agreement of the originator and the beneficiary.

**Sec. 27.** RCW 62A.4A-501 and 1991 sp.s. c 21 s 4A-501 are each amended to read as follows:

~~((+))~~ (a) Except as otherwise provided in this Article, the rights and obligations of a party to a funds transfer may be varied by agreement of the affected party.

~~((2))~~ (b) "Funds-transfer system rule" means a rule of an association of banks ~~((+))~~ (i) governing transmission of payment orders by means of a funds-transfer system of the association or rights and obligations with respect to those orders, or ~~((+))~~ (ii) to the extent the rule governs rights and obligations between banks that are parties to a funds transfer in which a federal reserve bank, acting as an intermediary bank, sends a payment order to the beneficiary's bank. Except as otherwise provided in this Article, a funds-transfer system rule governing rights and obligations between participating banks using the system may be effective even if the rule conflicts with ~~((he))~~ this Article and indirectly affects another party to the funds transfer who does not consent to the rule. A funds-transfer system rule may also govern rights and obligations of parties other than participating banks using the system to the extent stated in RCW 62A.4A-404~~((3))~~ (c), 62A.4A-405~~((4))~~ (d), and 62A.4A-507~~((3))~~ (c).

**Sec. 28.** RCW 62A.4A-502 and 1991 sp.s. c 21 s 4A-502 are each amended to read as follows:

~~((+))~~ (a) As used in this section, "creditor process" means levy, attachment, garnishment, notice of lien, sequestration, or similar process issued by or on behalf of a creditor or other claimant with respect to an account.

~~((2))~~ (b) This subsection applies to creditor process with respect to an authorized account of the sender of a payment order if the creditor process is served on the receiving bank. For the purpose of determining rights with respect to the creditor process, if the receiving bank accepts the payment order the balance in the authorized account is deemed to be reduced by the amount of the payment order to the extent the bank did not otherwise receive payment of the order, unless the creditor process is served at ~~((he))~~ a time and in a manner affording the bank a reasonable opportunity to act on it before the bank accepts the payment order.

~~((3))~~ (c) If a beneficiary's bank has received a payment order for payment to the beneficiary's account in the bank, the following rules apply:

~~((+))~~ (1) The bank may credit the beneficiary's account. The amount credited may be set off against an obligation owed by the beneficiary to the bank or may be applied to satisfy creditor process served on the bank with respect to the account.

~~((+))~~ (2) The bank may credit the beneficiary's account and allow withdrawal of the amount credited unless creditor process with respect to the account is served at ~~((he))~~ a time and in a manner affording the bank a reasonable opportunity to act to prevent withdrawal.

~~((+))~~ (3) If creditor process with respect to the beneficiary's account has been served and the bank has had a reasonable opportunity to act on it, the bank may not reject the payment order except for a reason unrelated to the service of process.

~~((+))~~ (d) Creditor process with respect to a payment by the originator to the beneficiary pursuant to a funds transfer may be served only on the beneficiary's bank with respect to the debt owed by that bank to the beneficiary. Any other bank served with the creditor process is not obliged to act with respect to the process.

**Sec. 29.** RCW 62A.4A-503 and 1991 sp.s. c 21 s 4A-503 are each amended to read as follows:

For proper cause and in compliance with applicable law, a court may restrain ~~((+))~~ (i) a person from issuing a payment order to initiate a funds transfer, ~~((2))~~ (ii) an originator's bank from executing the payment order of the originator, or ~~((3))~~ (iii) the beneficiary's bank from releasing funds to the beneficiary or the beneficiary from withdrawing the funds. A court may not otherwise restrain a person from issuing a payment order, paying or receiving payment of a payment order, or otherwise acting with respect to a funds transfer.

**Sec. 30.** RCW 62A.4A-504 and 1991 sp.s. c 21 s 4A-504 are each amended to read as follows:

~~((+))~~ (a) If a receiving bank has received more than one payment order of the sender or one or more payment orders and other items that are payable from the sender's account, the bank may charge the sender's account with respect to the various orders and items in any sequence.

~~((2))~~ (b) In determining whether a credit to an account has been withdrawn by the holder of the account or applied to a debt of the holder of the account, credits first made to the account are first withdrawn or applied.

**Sec. 31.** RCW 62A.4A-506 and 1991 sp.s. c 21 s 4A-506 are each amended to read as follows:

~~((+))~~ (a) If, under this Article, a receiving bank is obliged to pay interest with respect to a payment order issued to the bank, the amount payable may be determined ~~((+))~~ (i) by agreement of the sender and receiving bank, or ~~((+))~~ (ii) by a funds-transfer system rule if the payment order is transmitted through a funds-transfer system.

~~((2))~~ (b) If the amount of interest is not determined by an agreement or rule as stated in subsection ~~((+))~~ (a) of this section, the amount is calculated by multiplying the applicable federal funds rate by the amount on which interest is payable, and then multiplying the product by the number of days for which interest is payable. The applicable federal funds rate is the average of the federal funds rates published by the federal reserve bank of New York for each of the days for which interest is payable divided by three hundred sixty. The federal funds rate for any day on which a published rate is not available is the same as the published rate for the next preceding day for which there is a published rate. If a receiving bank that accepted a payment order is required to refund payment to the sender of the order because the funds transfer was not completed, but the failure to complete was not due to any fault by the bank, the interest payable is reduced by a percentage equal to the reserve requirement on deposits of the receiving bank.

**Sec. 32.** RCW 62A.4A-507 and 1991 sp.s. c 21 s 4A-507 are each amended to read as follows:

~~((+))~~ (a) The following rules apply unless the affected parties otherwise agree or subsection ~~((3))~~ (c) of this section applies~~((:))~~:

~~((+))~~ (1) The rights and obligations between the sender of a payment order and the receiving bank are governed by the law of the jurisdiction in which the receiving bank is located.

~~((+))~~ (2) The rights and obligations between the beneficiary's bank and the beneficiary are governed by the law of the jurisdiction in which the beneficiary's bank is located.

~~((+))~~ (3) The issue of when payment is made pursuant to a funds transfer by the originator to the beneficiary is governed by the law of the jurisdiction in which the beneficiary's bank is located.

~~((2))~~ (b) If the parties described in each paragraph of subsection ~~((+))~~ (a) of this section have made an agreement selecting the law of a particular jurisdiction to govern rights and obligations between each other, the law of that jurisdiction governs those rights and obligations, whether or not the payment order or the funds transfer bears a reasonable relation to that jurisdiction.

~~((3))~~ (c) A funds-transfer system rule may select the law of a particular jurisdiction to govern ~~((+))~~ (i) rights and obligations between participating banks with respect to payment orders transmitted or processed through the system, or ~~((+))~~ (ii) the rights and obligations of some or all parties to a funds transfer any part of which is carried out by means of the system. A choice of law made pursuant to ~~((+))~~ clause (i) of this subsection is binding on participating banks. A choice of law made pursuant to ~~((+))~~ clause (ii) of this subsection is binding on the originator, other sender, or a receiving bank having notice that the funds-transfer system might be used in the funds transfer and of the choice of law by the system when the originator, other sender, or receiving bank issued or accepted a

payment order. The beneficiary of a funds transfer is bound by the choice of law if, when the funds transfer is initiated, the beneficiary has notice that the funds-transfer system might be used in the funds transfer and of the choice of law by the system. The law of a jurisdiction selected pursuant to this subsection may govern, whether or not that law bears a reasonable relation to the matter in issue.

~~((4))~~ (d) In the event of inconsistency between an agreement under subsection ~~((2))~~ (b) of this section and a choice-of-law rule under subsection ~~((3))~~ (c) of this section, the agreement under subsection ~~((2))~~ (b) of this section prevails.

~~((5))~~ (e) If a funds transfer is made by use of more than one funds-transfer system and there is inconsistency between choice-of-law rules of the systems, the matter in issue is governed by the law of the selected jurisdiction that has the most significant relationship to the matter in issue.

**Sec. 33.** RCW 62A.9A-502 and 2000 c 250 s 9A-502 are each amended to read as follows:

(a) **Sufficiency of financing statement.** Subject to subsection (b) of this section, a financing statement is sufficient only if it:

(1) Provides the name of the debtor;

(2) Provides the name of the secured party or a representative of the secured party; and

(3) Indicates the collateral covered by the financing statement.

(b) **Real-property-related financing statements.** Except as otherwise provided in RCW 62A.9A-501(b), to be sufficient, a financing statement that covers as-extracted collateral or timber to be cut, or which is filed as a fixture filing and covers goods that are or are to become fixtures, must satisfy subsection (a) of this section and also:

(1) Indicate that it covers this type of collateral;

(2) Indicate that it is to be filed for record in the real property records;

(3) Provide a description of the real property to which the collateral is related sufficient to give constructive notice of a mortgage under the law of this state if the description were contained in a record of the mortgage of the real property; and

(4) If the debtor does not have an interest of record in the real property, provide the name of a record owner.

(c) **Record of mortgage as financing statement.** A record of a mortgage is effective, from the date of recording, as a financing statement filed as a fixture filing or as a financing statement covering as-extracted collateral or timber to be cut only if:

(1) The record indicates the goods or accounts that it covers;

(2) The goods are or are to become fixtures related to the real property described in the record or the collateral is related to the real property described in the record and is as-extracted collateral or timber to be cut;

(3) The record satisfies the requirements for a financing statement in this section ~~((other than an indication)), but:~~

(A) The record need not indicate that it is to be filed in the real property records; and

(B) The record sufficiently provides the name of a debtor who is an individual if it provides the individual name of the debtor or the surname and first personal name of the debtor, even if the debtor is an individual to whom RCW 62A.9A-503(a)(4) applies; and

(4) The record is recorded.

(d) **Filing before security agreement or attachment.** A financing statement may be filed before a security agreement is made or a security interest otherwise attaches.

**Sec. 34.** RCW 62A.9A-503 and 2011 c 74 s 401 are each amended to read as follows:

(a) **Sufficiency of debtor's name.** A financing statement sufficiently provides the name of the debtor:

(1) Except as otherwise provided in (3) of this subsection (a), if the debtor is a registered organization or the collateral is held in a trust that is a registered organization, only if the financing statement

provides the name that is stated to be the registered organization's name on the public organic record most recently filed with or issued or enacted by the registered organization's jurisdiction of organization which purports to state, amend, or restate the registered organization's name;

(2) Subject to subsection (f) of this section, if the collateral is being administered by the personal representative of a decedent, only if the financing statement provides, as the name of the debtor, the name of the decedent and, in a separate part of the financing statement, indicates that the collateral is being administered by a personal representative;

(3) If the collateral is held in a trust that is not a registered organization, only if the financing statement:

(A) Provides, as the name of the debtor:

(i) If the organic record of the trust specifies a name for the trust, the name specified; or

(ii) If the organic record of the trust does not specify a name for the trust, the name of the settlor or testator; and

(B) In a separate part of the financing statement:

(i) If the name is provided in accordance with (3)(A)(i) of this subsection, indicates that the collateral is held in a trust; or

(ii) If the name is provided in accordance with (3)(A)(ii) of this subsection, provides additional information sufficient to distinguish the trust from other trusts having one or more of the same settlors or the same testator and indicates that the collateral is held in a trust, unless the additional information so indicates;

(4) Subject to subsection (g) of this section, if the debtor is an individual to whom this state has issued a driver's license or identification card that has not expired, only if the financing statement~~(:~~

~~—(A) Provides the individual name of the debtor;~~

~~—(B) Provides the surname and first personal name of the debtor;~~

~~or~~

~~—(C) Subject to subsection (g) of this section,)) provides the name of the individual which is indicated on ((a)) the driver's license or identification card ((that this state has issued to the individual and which has not expired));~~

(5) If the debtor is an individual to whom (4) of this subsection (a) does not apply, only if the financing statement provides the individual name of the debtor or the surname and first personal name of the debtor; and

~~((5))~~ (6) In other cases:

(A) If the debtor has a name, only if the financing statement provides the organizational name of the debtor; and

(B) If the debtor does not have a name, only if the financing statement provides the names of the partners, members, associates, or other persons comprising the debtor, in a manner that each name provided would be sufficient if the person named were the debtor.

(b) **Additional debtor-related information.** A financing statement that provides the name of the debtor in accordance with subsection (a) of this section is not rendered ineffective by the absence of:

(1) A trade name or other name of the debtor; or

(2) Unless required under subsection ~~((a)(5)(B))~~ (a)(6)(B) of this section, names of partners, members, associates, or other persons comprising the debtor.

(c) **Debtor's trade name insufficient.** A financing statement that provides only the debtor's trade name does not sufficiently provide the name of the debtor.

(d) **Representative capacity.** Failure to indicate the representative capacity of a secured party or representative of a secured party does not affect the sufficiency of a financing statement.

(e) **Multiple debtors and secured parties.** A financing statement may provide the name of more than one debtor and the name of more than one secured party.

(f) **Name of decedent.** The name of the decedent indicated on the order appointing the personal representative of the decedent issued by the court having jurisdiction over the collateral is sufficient as the "name of the decedent" under subsection (a)(2) of this section.

(g) **Multiple driver's licenses.** If this state has issued to an individual more than one driver's license or identification card of a kind described in subsection (a)(4) of this section, the one that was issued most recently is the one to which subsection (a)(4) of this section refers.

(h) **Definition.** In this section, the "name of the settlor or testator" means:

(1) If the settlor is a registered organization, the name that is stated to be the settlor's name on the public organic record most recently filed with or issued or enacted by the settlor's jurisdiction of organization which purports to state, amend, or restate the settlor's name; or

(2) In other cases, the name of the settlor or testator indicated in the trust's organic record.

**NEW SECTION. Sec. 35.** Section captions as used in this act are law.

**NEW SECTION. Sec. 36.** Sections 33 and 34 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2013."

On page 1, line 1 of the title, after "code;" strike the remainder of the title and insert "amending RCW 62A.4A-108, 62A.4A-103, 62A.4A-104, 62A.4A-105, 62A.4A-106, 62A.4A-202, 62A.4A-203, 62A.4A-204, 62A.4A-205, 62A.4A-206, 62A.4A-207, 62A.4A-208, 62A.4A-209, 62A.4A-210, 62A.4A-211, 62A.4A-212, 62A.4A-301, 62A.4A-302, 62A.4A-303, 62A.4A-304, 62A.4A-305, 62A.4A-402, 62A.4A-403, 62A.4A-404, 62A.4A-405, 62A.4A-406, 62A.4A-501, 62A.4A-502, 62A.4A-503, 62A.4A-504, 62A.4A-506, 62A.4A-507, 62A.9A-502, and 62A.9A-503; creating a new section; providing an effective date; and declaring an emergency."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1115 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Rodne and Pedersen spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1115, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1115, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz,

Kristiansen, Lias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

SUBSTITUTE HOUSE BILL NO. 1115, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 15, 2013

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1116 with the following amendment:

Strike everything after the enacting clause and insert the following:

**NEW SECTION. Sec. 1. SHORT TITLE.** This chapter may be known and cited as the "uniform collaborative law act."

**NEW SECTION. Sec. 2. DEFINITIONS.** In this chapter:

(1) "Collaborative law communication" means a statement, whether oral or in a record, or verbal or nonverbal, that:

(a) Is made to conduct, participate in, continue, or reconvene a collaborative law process; and

(b) Occurs after the parties sign a collaborative law participation agreement and before the collaborative law process is concluded.

(2) "Collaborative law participation agreement" means an agreement by persons to participate in a collaborative law process.

(3) "Collaborative law process" means a procedure intended to resolve a collaborative matter without intervention by a tribunal in which persons:

(a) Sign a collaborative law participation agreement; and

(b) Are represented by collaborative lawyers.

(4) "Collaborative lawyer" means a lawyer who represents a party in a collaborative law process.

(5) "Collaborative matter" means a dispute, transaction, claim, problem, or issue for resolution, including a dispute, claim, or issue in a proceeding, which is described in a collaborative law participation agreement.

(6) "Law firm" means:

(a) Lawyers who practice law together in a partnership, professional corporation, sole proprietorship, limited liability company, or association; and

(b) Lawyers employed in a legal services organization, or the legal department of a corporation or other organization, or the legal department of a government or governmental subdivision, agency, or instrumentality.

(7) "Nonparty participant" means a person, other than a party and the party's collaborative lawyer, that participates in a collaborative law process.

(8) "Party" means a person that signs a collaborative law participation agreement and whose consent is necessary to resolve a collaborative matter.

(9) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(10) "Proceeding" means a judicial, administrative, arbitral, or other adjudicative process before a tribunal, including related prehearing and posthearing motions, conferences, and discovery.

(11) "Prospective party" means a person that discusses with a prospective collaborative lawyer the possibility of signing a collaborative law participation agreement.

(12) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(13) "Related to a collaborative matter" means involving the same parties, transaction or occurrence, nucleus of operative fact, dispute, claim, or issue as the collaborative matter.

(14) "Sign" means, with present intent to authenticate or adopt a record:

(a) To execute or adopt a tangible symbol; or

(b) To attach to or logically associate with the record an electronic symbol, sound, or process.

(15) "Tribunal" means a court, arbitrator, administrative agency, or other body acting in an adjudicative capacity which, after presentation of evidence or legal argument, has jurisdiction to render a decision affecting a party's interests in a matter.

**NEW SECTION. Sec. 3. APPLICABILITY.** (1) This chapter applies to a collaborative law participation agreement that meets the requirements of section 4 of this act signed on or after the effective date of this section.

(2) The use of collaborative law applies only to matters that would be resolved in civil court and may not be used to resolve matters in criminal cases.

**NEW SECTION. Sec. 4. COLLABORATIVE LAW PARTICIPATION AGREEMENT; REQUIREMENTS.** (1) A collaborative law participation agreement must:

(a) Be in a record;

(b) Be signed by the parties;

(c) State the parties' intention to resolve a collaborative matter through a collaborative law process under this chapter;

(d) Describe the nature and scope of the matter;

(e) Identify the collaborative lawyer who represents each party in the process; and

(f) Contain a statement by each collaborative lawyer confirming the lawyer's representation of a party in the collaborative law process.

(2) Parties may agree to include in a collaborative law participation agreement additional provisions not inconsistent with this chapter.

**NEW SECTION. Sec. 5. BEGINNING AND CONCLUDING COLLABORATIVE LAW PROCESS.** (1) A collaborative law process begins when the parties sign a collaborative law participation agreement.

(2) A tribunal may not order a party to participate in a collaborative law process over that party's objection.

(3) A collaborative law process is concluded by a:

(a) Resolution of a collaborative matter as evidenced by a signed record;

(b) Resolution of a part of the collaborative matter, evidenced by a signed record, in which the parties agree that the remaining parts of the matter will not be resolved in the process; or

(c) Termination of the process.

(4) A collaborative law process terminates:

(a) When a party gives notice to other parties in a record that the process is ended; or

(b) When a party:

(i) Begins a proceeding related to a collaborative matter without the agreement of all parties; or

(ii) In a pending proceeding related to the matter:

(A) Initiates a pleading, motion, order to show cause, or request for a conference with the tribunal without the agreement of all parties as to the relief sought;

(B) Requests that the proceeding be put on the tribunal's active calendar; or

(C) Takes similar contested action requiring notice to be sent to the parties; or

(c) Except as otherwise provided by subsection (7) of this section, when a party discharges a collaborative lawyer or a collaborative lawyer withdraws from further representation of a party.

(5) A party's collaborative lawyer shall give prompt notice to all other parties in a record of a discharge or withdrawal.

(6) A party may terminate a collaborative law process with or without cause.

(7) Notwithstanding the discharge or withdrawal of a collaborative lawyer, a collaborative law process continues, if not later than thirty days after the date that the notice of the discharge or withdrawal of a collaborative lawyer required by subsection (5) of this section is sent to the parties:

(a) The unrepresented party engages a successor collaborative lawyer; and

(b) In a signed record:

(i) The parties consent to continue the process by reaffirming the collaborative law participation agreement;

(ii) The agreement is amended to identify the successor collaborative lawyer; and

(iii) The successor collaborative lawyer confirms the lawyer's representation of a party in the collaborative law process.

(8) A collaborative law process does not conclude if, with the consent of the parties, a party requests a tribunal to approve a resolution of the collaborative matter or any part thereof as evidenced by a signed record.

(9) A collaborative law participation agreement may provide additional methods of concluding a collaborative law process.

**NEW SECTION. Sec. 6. PROCEEDINGS PENDING BEFORE TRIBUNAL; STATUS REPORT.** (1) Persons in a proceeding pending before a tribunal may sign a collaborative law participation agreement to seek to resolve a collaborative matter related to the proceeding. Parties shall file promptly with the tribunal a notice of the agreement after it is signed. Subject to subsection (3) of this section and sections 7 and 8 of this act, the filing operates as an application for a stay of the proceeding.

(2) The parties shall file promptly with the tribunal notice in a record when a collaborative law process concludes. The stay of the proceeding under subsection (1) of this section is lifted when the notice is filed. The notice may not specify any reason for termination of the process.

(3) A tribunal in which a proceeding is stayed under subsection (1) of this section may require the parties and collaborative lawyers to provide a status report on the collaborative law process and the proceeding. A status report may include only information on whether the process is ongoing or concluded. It may not include a report, assessment, evaluation, recommendation, finding, or other communication regarding a collaborative law process or collaborative matter.

(4) A tribunal may not consider a communication made in violation of subsection (3) of this section.

(5) A tribunal shall provide parties notice and an opportunity to be heard before dismissing a proceeding in which a notice of collaborative law process is filed based on delay or failure to prosecute.

**NEW SECTION. Sec. 7. EMERGENCY ORDER.** During a collaborative law process, a tribunal may issue emergency orders to protect the health, safety, welfare, or interest of a party or a family or household member, as defined in RCW 26.50.010.

**NEW SECTION. Sec. 8. APPROVAL OF AGREEMENT BY TRIBUNAL.** A tribunal may approve an agreement resulting from a collaborative law process.

**NEW SECTION. Sec. 9. DISQUALIFICATION OF COLLABORATIVE LAWYER AND LAWYERS IN ASSOCIATED LAW FIRM.** (1) Except as otherwise provided in

subsection (3) of this section, a collaborative lawyer is disqualified from appearing before a tribunal to represent a party in a proceeding related to the collaborative matter.

(2) Except as otherwise provided in subsection (3) of this section and section 10 of this act, a lawyer in a law firm with which the collaborative lawyer is associated is disqualified from appearing before a tribunal to represent a party in a proceeding related to the collaborative matter if the collaborative lawyer is disqualified from doing so under subsection (1) of this section.

(3) A collaborative lawyer or a lawyer in a law firm with which the collaborative lawyer is associated may represent a party:

(a) To ask a tribunal to approve an agreement resulting from the collaborative law process; or

(b) To seek or defend an emergency order to protect the health, safety, welfare, or interest of a party, or family or household member, as defined in RCW 26.50.010, if a successor lawyer is not immediately available to represent that person.

(4) If subsection (3)(b) of this section applies, a collaborative lawyer, or lawyer in a law firm with which the collaborative lawyer is associated, may represent a party or family or household member only until the person is represented by a successor lawyer or reasonable measures are taken to protect the health, safety, welfare, or interest of the person.

**NEW SECTION. Sec. 10. GOVERNMENTAL ENTITY AS PARTY.** (1) The disqualification of section 9(1) of this act applies to a collaborative lawyer representing a party that is a government or governmental subdivision, agency, or instrumentality.

(2) After a collaborative law process concludes, another lawyer in a law firm with which the collaborative lawyer is associated may represent a government or governmental subdivision, agency, or instrumentality in the collaborative matter or a matter related to the collaborative matter if:

(a) The collaborative law participation agreement so provides; and

(b) The collaborative lawyer is isolated from any participation in the collaborative matter or a matter related to the collaborative matter through procedures within the law firm which are reasonably calculated to isolate the collaborative lawyer from such participation.

**NEW SECTION. Sec. 11. DISCLOSURE OF INFORMATION.** Except as provided by law other than this chapter, during the collaborative law process, on the request of another party, a party shall make timely, full, candid, and informal disclosure of information related to the collaborative matter without formal discovery. A party also shall update promptly previously disclosed information that has materially changed. The parties may define the scope of disclosure during the collaborative law process.

**NEW SECTION. Sec. 12. STANDARDS OF PROFESSIONAL RESPONSIBILITY AND MANDATORY REPORTING NOT AFFECTED.** (1) This chapter does not affect the professional responsibility obligations and standards applicable to a lawyer or other licensed professional or relieve a lawyer or other licensed professional from the duty to comply with all applicable professional responsibility obligations and standards.

(2) This chapter does not affect the obligation of a person to report abuse or neglect, abandonment, or exploitation of a child or adult under the law of this state.

(3) Noncompliance with an obligation or prohibition imposed by this chapter does not in itself establish grounds for professional discipline.

**NEW SECTION. Sec. 13. APPROPRIATENESS OF COLLABORATIVE LAW PROCESS.** Before a prospective party signs a collaborative law participation agreement, the prospective party must:

(1) Be advised as to whether a collaborative law process is appropriate for the prospective party's matter;

(2) Be provided with sufficient information to make an informed decision about the material benefits and risks of a collaborative law process as compared to the material benefits and risks of other reasonably available alternatives for resolving the proposed collaborative matter, such as litigation, mediation, arbitration, or expert evaluation;

(3) Be informed that after signing an agreement if a party initiates a proceeding or seeks tribunal intervention in a pending proceeding related to the collaborative matter, the collaborative law process terminates;

(4) Be informed that participation in a collaborative law process is voluntary and any party has the right to terminate unilaterally a collaborative law process with or without cause; and

(5) Be informed that the collaborative lawyer and any lawyer in a law firm with which the collaborative lawyer is associated may not appear before a tribunal to represent a party in a proceeding related to the collaborative matter, except as authorized by law or court rule.

**NEW SECTION. Sec. 14. COERCIVE OR VIOLENT RELATIONSHIP.** (1) Before a prospective party signs a collaborative law participation agreement, a prospective collaborative lawyer shall make reasonable inquiry whether the prospective party has a history of a coercive or violent relationship with another prospective party.

(2) Throughout a collaborative law process, a collaborative lawyer reasonably and continuously shall assess whether the party the collaborative lawyer represents has a history of a coercive or violent relationship with another party.

(3) If a collaborative lawyer reasonably believes that the party the lawyer represents or the prospective party who consults the lawyer has a history of a coercive or violent relationship with another party or prospective party, the lawyer may not begin or continue a collaborative law process unless:

(a) The party or the prospective party requests beginning or continuing a process; and

(b) The collaborative lawyer reasonably believes that the safety of the party or prospective party can be protected adequately during a process.

**NEW SECTION. Sec. 15. CONFIDENTIALITY OF COLLABORATIVE LAW COMMUNICATION.** Subject to section 12 of this act, a collaborative law communication is confidential to the extent agreed by the parties in a signed record or as provided by law of this state other than this chapter.

**NEW SECTION. Sec. 16. PRIVILEGE AGAINST DISCLOSURE FOR COLLABORATIVE LAW COMMUNICATION; ADMISSIBILITY; DISCOVERY.** (1) Subject to sections 17 and 18 of this act, a collaborative law communication is privileged under subsection (2) of this section, is not subject to discovery, and is not admissible in evidence.

(2) In a proceeding, the following privileges apply:

(a) A party may refuse to disclose, and may prevent any other person from disclosing, a collaborative law communication.

(b) A nonparty participant may refuse to disclose, and may prevent any other person from disclosing, a collaborative law communication of the nonparty participant.

(3) Evidence or information that is otherwise admissible or subject to discovery does not become inadmissible or protected from discovery solely because of its disclosure or use in a collaborative law process.

**NEW SECTION. Sec. 17. WAIVER AND PRECLUSION OF PRIVILEGE.** (1) A privilege under section 16 of this act may be waived in a record or orally during a proceeding if it is expressly waived by all parties and, in the case of the privilege of a nonparty participant, it is also expressly waived by the nonparty participant.

(2) A person that makes a disclosure or representation about a collaborative law communication which prejudices another person in a proceeding may not assert a privilege under section 16 of this act,



but this preclusion applies only to the extent necessary for the person prejudiced to respond to the disclosure or representation.

**NEW SECTION. Sec. 18. LIMITS OF PRIVILEGE.** (1) There is no privilege under section 16 of this act for a collaborative law communication that is:

(a) Available to the public under chapter 42.56 RCW or made during a session of a collaborative law process that is open, or is required by law to be open, to the public;

(b) A threat or statement of a plan to inflict bodily injury or commit a crime of violence;

(c) Intentionally used to plan a crime, commit or attempt to commit a crime, or conceal an ongoing crime or ongoing criminal activity; or

(d) In an agreement resulting from the collaborative law process, evidenced by a record signed by all parties to the agreement.

(2) The privileges under section 16 of this act for a collaborative law communication do not apply to the extent that a communication is:

(a) Sought or offered to prove or disprove a claim or complaint of professional misconduct or malpractice arising from or related to a collaborative law process;

(b) Sought or offered to prove or disprove abuse, neglect, abandonment, or exploitation of a child or adult, unless the child protective services agency or adult protective services agency is a party to or otherwise participates in the process; or

(c) Sought or offered to prove or disprove stalking or cyber stalking of a party or child.

(3) There is no privilege under section 16 of this act if a tribunal finds, after a hearing in camera, that the party seeking discovery or the proponent of the evidence has shown the evidence is not otherwise available, the need for the evidence substantially outweighs the interest in protecting confidentiality, and the collaborative law communication is sought or offered in:

(a) A court proceeding involving a felony or misdemeanor; or

(b) A proceeding seeking rescission or reformation of a contract arising out of the collaborative law process or in which a defense to avoid liability on the contract is asserted.

(4) If a collaborative law communication is subject to an exception under subsection (2) or (3) of this section, only the part of the communication necessary for the application of the exception may be disclosed or admitted.

(5) Disclosure or admission of evidence excepted from the privilege under subsection (2) or (3) of this section does not make the evidence or any other collaborative law communication discoverable or admissible for any other purpose.

(6) The privileges under section 16 of this act do not apply if the parties agree in advance in a signed record, or if a record of a proceeding reflects agreement by the parties, that all or part of a collaborative law process is not privileged. This subsection does not apply to a collaborative law communication made by a person that did not receive actual notice of the agreement before the communication was made.

**NEW SECTION. Sec. 19. AUTHORITY OF TRIBUNAL IN CASE OF NONCOMPLIANCE.** (1) If an agreement fails to meet the requirements of section 4 of this act, or a lawyer fails to comply with section 13 or 14 of this act, a tribunal may nonetheless find that the parties intended to enter into a collaborative law participation agreement if they:

(a) Signed a record indicating an intention to enter into a collaborative law participation agreement; and

(b) Reasonably believed they were participating in a collaborative law process.

(2) If a tribunal makes the findings specified in subsection (1) of this section, and the interests of justice require, the tribunal may:

(a) Enforce an agreement evidenced by a record resulting from the process in which the parties participated;

(b) Apply the disqualification provisions of sections 5, 6, 9, and 10 of this act; and

(c) Apply a privilege under section 16 of this act.

**NEW SECTION. Sec. 20. UNIFORMITY OF APPLICATION AND CONSTRUCTION.** In applying and construing this uniform act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

**NEW SECTION. Sec. 21. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.** This chapter modifies, limits, and supersedes the federal electronic signatures in global and national commerce act, 15 U.S.C. Sec. 7001, et seq., but does not modify, limit, or supersede section 101(c) of that act, 15 U.S.C. Sec. 7001(c), or authorize electronic delivery of any of the notices described in section 103(b) of that act, 15 U.S.C. Sec. 7003(b).

**NEW SECTION. Sec. 22. SEVERABILITY.** 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. 23.** Sections 1 through 22 of this act constitute a new chapter in Title 7 RCW."

On page 1, line 1 of the title, after "law," strike the remainder of the title and insert "and adding a new chapter to Title 7 RCW."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1116 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Pedersen and Rodne spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1116, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1116, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Lias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

SUBSTITUTE HOUSE BILL NO. 1116, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

April 16, 2013

Mr. Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1134 with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) The legislature finds that:

(a) American Indian and Alaska Native students make up 2.5 percent of the total student population in the state and twenty-five percent or more of the student population in fifty-seven schools across the state.

(b) American Indian students in Washington have the highest annual drop-out rate at 9.5 percent, compared to 4.6 percent of all students in each of grades nine through twelve. Of the students expected to graduate in 2010 because they entered the ninth grade in 2006, the American Indian on-time graduation rate was only fifty-eight percent, compared to 76.5 percent of all students.

(c) The teaching of American Indian language, culture, and history are important to American Indian people and critical to the educational attainment and achievement of American Indian children.

(d) The state-tribal education compacts authorized under this chapter reaffirm the state's important commitment to government-to-government relationships with the tribes that has been recognized by proclamation, and in the centennial accord and the millennium agreement. These state-tribal education compacts build upon the efforts highlighted by the office of the superintendent of public instruction in its 2012 Centennial Accord Agency Highlights, including: The Since Time Immemorial (STI): Tribal Sovereignty in Washington State Curriculum Project that imbeds the history surrounding sovereignty and intergovernmental responsibilities into this state's classrooms; the agency's regular meetings with the superintendents of the seven current tribal schools, as well as the federal bureau of Indian education representatives at the regional and national level on issues relating to student academic achievement, accessing of funding for tribal schools, and connecting tribal schools to the K-20 network; and the recent establishment, in statute, of the office of native education within the office of the superintendent of public instruction.

(e) School funding should honor tribal sovereignty and reflect the government-to-government relationship between the state and the tribes, however the current structure that requires negotiation of an interlocal agreement between a school district and a tribal school ignores tribal sovereignty and results in a siphoning of funds for administration that could be better used for teaching and learning.

(2) The legislature further finds that:

(a) There is a preparation gap among entering kindergartners with many children, especially those from low-income homes, arriving at kindergarten without the knowledge, skills, and good health necessary to succeed in school;

(b) Upon entry into the K-12 school system, the educational opportunity gap becomes more evident, with children of color and from low-income homes having lower scores on math, reading, and writing standardized tests, as well as lower graduation rates and higher rates of dropping out of school; and

(c) Comprehensive, culturally competent early learning and greater collaboration between the early learning and K-12 school systems will ensure appropriate connections and smoother transitions

for children, and help eliminate or bridge gaps that might otherwise develop.

(3) In light of these findings, it is the intent and purpose of the legislature to authorize the superintendent of public instruction to enter into state-tribal education compacts.

**NEW SECTION. Sec. 2.** (1) The superintendent of public instruction is authorized to enter into state-tribal education compacts.

(2) No later than six months after the effective date of this section, the superintendent of public instruction shall establish an application and approval process, procedures, and timelines for the negotiation, approval or disapproval, and execution of state-tribal education compacts.

(3) The process may be initiated by submission, to the superintendent of public instruction, of a resolution by:

(a) The governing body of a tribe in the state of Washington; or

(b) The governing body of any of the schools in Washington that are currently funded by the federal bureau of Indian affairs, whether directly or through a contract or compact with an Indian tribe or a tribal consortium.

(4) The resolution must be accompanied by an application that indicates the grade or grades from kindergarten through twelve that will be offered and that demonstrates that the school will be operated in compliance with all applicable laws, the rules adopted thereunder, and the terms and conditions set forth in the application.

(5) Within ninety days of receipt of a resolution and application under this section, the superintendent must convene a government-to-government meeting for the purpose of considering the resolution and application and initiating negotiations.

(6) State-tribal education compacts must include provisions regarding:

(a) Compliance;

(b) Notices of violation;

(c) Dispute resolution, which may include nonjudicial processes such as mediation;

(d) Recordkeeping and auditing;

(e) The delineation of the respective roles and responsibilities;

(f) The term or length of the contract, and whether or not it is renewable; and

(g) Provisions for compact termination.

(7) The superintendent of public instruction shall adopt such rules as are necessary to implement this chapter.

**NEW SECTION. Sec. 3.** (1) A school that is the subject of a state-tribal education compact must operate according to the terms of its compact executed in accordance with section 2 of this act.

(2) Schools that are the subjects of state-tribal education compacts are exempt from all state statutes and rules applicable to school districts and school district boards of directors, except those statutes and rules made applicable under this chapter and in the state-tribal education compact executed under section 2 of this act.

(3) Each school that is the subject of a state-tribal education compact must:

(a) Provide a curriculum and conduct an educational program that satisfies the requirements of RCW 28A.150.200 through 28A.150.240 and 28A.230.010 through 28A.230.195;

(b) Employ certificated instructional staff as required in RCW 28A.410.010, however such schools may hire noncertificated instructional staff of unusual competence and in exceptional cases as specified in RCW 28A.150.203(7);

(c) Comply with the employee record check requirements in RCW 28A.400.303 and the mandatory termination and notification provisions of RCW 28A.400.320, 28A.400.330, 28A.405.470, and 28A.405.475;

(d) Comply with nondiscrimination laws;

(e) Adhere to generally accepted accounting principles and be subject to financial examinations and audits as determined by the state auditor, including annual audits for legal and fiscal compliance; and

(f) Be subject to and comply with legislation enacted after the effective date of this section governing the operation and management of schools that are the subject of a state-tribal education compact.

(4) No such school may engage in any sectarian practices in its educational program, admissions or employment policies, or operations.

(5) Nothing in this chapter may limit or restrict any enrollment or school choice options otherwise available under Title 28A RCW.

**NEW SECTION. Sec. 4.** (1) A school that is the subject of a state-tribal education compact may not charge tuition except to the same extent as school districts may be permitted to do so with respect to out-of-state and adult students pursuant to chapter 28A.225 RCW, but may charge fees for participation in optional extracurricular events and activities.

(2) Such schools may not limit admission on any basis other than age group, grade level, or capacity and must otherwise enroll all students who apply.

(3) If capacity is insufficient to enroll all students who apply, a school that is the subject of a state-tribal education compact may prioritize the enrollment of tribal members and siblings of already enrolled students.

**NEW SECTION. Sec. 5.** (1) A school that is the subject of a state-tribal education compact must report student enrollment. Reporting must be done in the same manner and use the same definitions of enrolled students and annual average full-time equivalent enrollment as is required of school districts. The reporting requirements in this subsection are required for a school to receive state or federal funding that is allocated based on student characteristics.

(2) Funding for a school that is the subject of a state-tribal education compact shall be apportioned by the superintendent of public instruction according to the schedule established under RCW 28A.510.250, including general apportionment, special education, categorical, and other nonbasic education moneys. Allocations for certificated instructional staff must be based on the average staff mix ratio of the school, as calculated by the superintendent of public instruction using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act. Allocations for classified staff and certificated administrative staff must be based on the salary allocations of the school district in which the school is located, subject to conditions and limitations established by the omnibus appropriations act. Nothing in this section requires a school that is the subject of a state-tribal education compact to use the statewide salary allocation schedule. Such a school is eligible to apply for state grants on the same basis as a school district.

(3) Any moneys received by a school that is the subject of a state-tribal education compact from any source that remain in the school's accounts at the end of any budget year must remain in the school's accounts for use by the school during subsequent budget years.

**NEW SECTION. Sec. 6.** A new section is added to chapter 28A.642 RCW to read as follows:

Nothing in this chapter prohibits schools established under chapter 28A.--- RCW (the new chapter created in section 9 of this act) from:

(1) Implementing a policy of Indian preference in employment; or

(2) Prioritizing the admission of tribal members where capacity of the school's programs or facilities is not as large as demand.

**Sec. 7.** RCW 49.60.400 and 1999 c 3 s 1 are each amended to read as follows:

(1) The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.

(2) This section applies only to action taken after December 3, 1998.

(3) This section does not affect any law or governmental action that does not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin.

(4) This section does not affect any otherwise lawful classification that:

(a) Is based on sex and is necessary for sexual privacy or medical or psychological treatment; or

(b) Is necessary for undercover law enforcement or for film, video, audio, or theatrical casting; or

(c) Provides for separate athletic teams for each sex.

(5) This section does not invalidate any court order or consent decree that is in force as of December 3, 1998.

(6) This section does not prohibit action that must be taken to establish or maintain eligibility for any federal program, if ineligibility would result in a loss of federal funds to the state.

(7) Nothing in this section prohibits schools established under chapter 28A.--- RCW (the new chapter created in section 9 of this act) from:

(a) Implementing a policy of Indian preference in employment; or

(b) Prioritizing the admission of tribal members where capacity of the school's programs or facilities is not as large as demand.

(8) For the purposes of this section, "state" includes, but is not necessarily limited to, the state itself, any city, county, public college or university, community college, school district, special district, or other political subdivision or governmental instrumentality of or within the state.

~~((8))~~ (9) The remedies available for violations of this section shall be the same, regardless of the injured party's race, sex, color, ethnicity, or national origin, as are otherwise available for violations of Washington antidiscrimination law.

~~((9))~~ (10) This section shall be self-executing. If any part or parts of this section are found to be in conflict with federal law, the United States Constitution, or the Washington state Constitution, the section shall be implemented to the maximum extent that federal law, the United States Constitution, and the Washington state Constitution permit. Any provision held invalid shall be severable from the remaining portions of this section.

**Sec. 8.** RCW 84.52.0531 and 2012 1st sp.s. c 10 s 8 are each amended to read as follows:

The maximum dollar amount which may be levied by or for any school district for maintenance and operation support under the provisions of RCW 84.52.053 shall be determined as follows:

(1) For excess levies for collection in calendar year 1997, the maximum dollar amount shall be calculated pursuant to the laws and rules in effect in November 1996.

(2) For excess levies for collection in calendar year 1998 and thereafter, the maximum dollar amount shall be the sum of (a) plus or minus (b), (c), and (d) of this subsection minus (e) of this subsection:

(a) The district's levy base as defined in subsections (3) and (4) of this section multiplied by the district's maximum levy percentage as defined in subsection ~~((6))~~ (7) of this section;

(b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school district's maximum levy amount shall be increased by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy;

(c) Except for nonhigh districts under (d) of this subsection, for districts in an interdistrict cooperative agreement, the nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:

(i) The number of full-time equivalent students served from the resident district in the prior school year; multiplied by:

(ii) The serving district's maximum levy percentage determined under subsection ~~((6))~~ (7) of this section; increased by:

(iii) The percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year divided by fifty-five percent;

(d) The levy bases of nonhigh districts participating in an innovation academy cooperative established under RCW 28A.340.080 shall be adjusted by the office of the superintendent of public instruction to reflect each district's proportional share of student enrollment in the cooperative;

(e) The district's maximum levy amount shall be reduced by the maximum amount of state matching funds for which the district is eligible under RCW 28A.500.010.

(3) For excess levies for collection in calendar year 2005 and thereafter, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the prior school year and the amounts determined under subsection (4) of this section, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per full time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year and divided by fifty-five percent. A district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations not identified in (a) through (c) of this subsection.

(a) The district's basic education allocation as determined pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

(b) State and federal categorical allocations for the following programs:

(i) Pupil transportation;

(ii) Special education;

(iii) Education of highly capable students;

(iv) Compensatory education, including but not limited to learning assistance, migrant education, Indian education, refugee programs, and bilingual education;

(v) Food services; and

(vi) Statewide block grant programs; and

(c) Any other federal allocations for elementary and secondary school programs, including direct grants, other than federal impact aid funds and allocations in lieu of taxes.

(4) For levy collections in calendar years 2005 through 2017, in addition to the allocations included under subsection (3)(a) through (c) of this section, a district's levy base shall also include the following:

(a)(i) For levy collections in calendar year 2010, the difference between the allocation the district would have received in the current school year had RCW 84.52.068 not been amended by chapter 19, Laws of 2003 1st sp. sess. and the allocation the district received in the current school year pursuant to RCW 28A.505.220;

(ii) For levy collections in calendar years 2011 through 2017, the allocation rate the district would have received in the prior school year using the Initiative 728 rate multiplied by the full-time equivalent student enrollment used to calculate the Initiative 728 allocation for the prior school year; and

(b) The difference between the allocations the district would have received the prior school year using the Initiative 732 base and the allocations the district actually received the prior school year pursuant to RCW 28A.400.205.

(5) For levy collections in calendar years 2011 through 2017, in addition to the allocations included under subsections (3)(a) through (c) and (4)(a) and (b) of this section, a district's levy base shall also include the difference between an allocation of fifty-three and two-tenths certificated instructional staff units per thousand full-time

equivalent students in grades kindergarten through four enrolled in the prior school year and the allocation of certificated instructional staff units per thousand full-time equivalent students in grades kindergarten through four that the district actually received in the prior school year, except that the levy base for a school district whose allocation in the 2009-10 school year was less than fifty-three and two-tenths certificated instructional staff units per thousand full-time equivalent students in grades kindergarten through four shall include the difference between the allocation the district actually received in the 2009-10 school year and the allocation the district actually received in the prior school year.

(6) For levy collections beginning in calendar year 2014 and thereafter, in addition to the allocations included under subsections (3)(a) through (c), (4)(a) and (b), and (5) of this section, a district's levy base shall also include the funds allocated by the superintendent of public instruction under section 5 of this act to a school that is the subject of a state-tribal education compact and that formerly contracted with the school district to provide educational services through an interlocal agreement and received funding from the district.

(7)(a) A district's maximum levy percentage shall be twenty-four percent in 2010 and twenty-eight percent in 2011 through 2017 and twenty-four percent every year thereafter;

(b) For qualifying districts, in addition to the percentage in (a) of this subsection the grandfathered percentage determined as follows:

(i) For 1997, the difference between the district's 1993 maximum levy percentage and twenty percent; and

(ii) For 2011 through 2017, the percentage calculated as follows:

(A) Multiply the grandfathered percentage for the prior year times the district's levy base determined under subsection (3) of this section;

(B) Reduce the result of (b)(ii)(A) of this subsection by any levy reduction funds as defined in subsection ~~((7))~~ (8) of this section that are to be allocated to the district for the current school year;

(C) Divide the result of (b)(ii)(B) of this subsection by the district's levy base; and

(D) Take the greater of zero or the percentage calculated in (b)(ii)(C) of this subsection.

~~((7))~~ (8) "Levy reduction funds" shall mean increases in state funds from the prior school year for programs included under subsections (3) and (4) of this section: (a) That are not attributable to enrollment changes, compensation increases, or inflationary adjustments; and (b) that are or were specifically identified as levy reduction funds in the appropriations act. If levy reduction funds are dependent on formula factors which would not be finalized until after the start of the current school year, the superintendent of public instruction shall estimate the total amount of levy reduction funds by using prior school year data in place of current school year data. Levy reduction funds shall not include moneys received by school districts from cities or counties.

~~((8))~~ (9) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.

(b) "Current school year" means the year immediately following the prior school year.

(c) "Initiative 728 rate" means the allocation rate at which the student achievement program would have been funded under chapter 3, Laws of 2001, if all annual adjustments to the initial 2001 allocation rate had been made in previous years and in each subsequent year as provided for under chapter 3, Laws of 2001.

(d) "Initiative 732 base" means the prior year's state allocation for annual salary cost-of-living increases for district employees in the state-funded salary base as it would have been calculated under chapter 4, Laws of 2001, if each annual cost-of-living increase allocation had been provided in previous years and in each subsequent year.

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~~((9))~~ (10) Funds collected from transportation vehicle fund tax levies shall not be subject to the levy limitations in this section.

~~((40))~~ (11) The superintendent of public instruction shall develop rules and inform school districts of the pertinent data necessary to carry out the provisions of this section.

~~((11))~~ (12) For calendar year 2009, the office of the superintendent of public instruction shall recalculate school district levy authority to reflect levy rates certified by school districts for calendar year 2009.

NEW SECTION. Sec. 9. Sections 1 through 5 of this act constitute a new chapter in Title 28A RCW.

NEW SECTION. Sec. 10. Section 8 of this act expires January 1, 2018."

On page 1, line 1 of the title, after "schools;" strike the remainder of the title and insert "amending RCW 49.60.400 and 84.52.0531; adding a new section to chapter 28A.642 RCW; adding a new chapter to Title 28A RCW; and providing expiration dates."

and the same is herewith transmitted.

Hunter Goodman, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1134 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1134, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1134, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 82; Nays, 12; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Clibborn, Cody, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hayes, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Kochmar, Kretz, Lias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, O'Ban, Orcutt, Ormsby, Orwall, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Seaquist, Sells, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Chandler, Condotta, Hawkins, Holy, Klippert, Kristiansen, Nealey, Overstreet, Scott, Shea, Taylor and Vick.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1134, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1216 with the following amendment:

Strike everything after the enacting clause and insert the following:

NEW SECTION. Sec. 1. The department of health shall, using the procedures and standards set forth in chapter 48.47 RCW, conduct a sunrise review of the proposal, as set forth in House Bill No. 1216 (2013), requiring health carriers to include formulas necessary for the treatment of eosinophilia gastrointestinal associated disorders, regardless of the delivery method of the formula. The department shall report the results of the review no later than thirty days prior to the 2014 legislative session.

NEW SECTION. Sec. 2. Each carrier shall continue to apply a timely appeals and grievance process as outlined in RCW 48.43.530 to ensure medically necessary treatment is available. Expedited appeals must be completed when a delay in the appeal process could jeopardize the enrollees' life, health, or ability to regain maximum function."

On page 1, line 2 of the title, after "disorders;" strike the remainder of the title and insert "and creating new sections."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1216 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1216, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1216, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 89; Nays, 5; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Kochmar, Kretz, Kristiansen, Lias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Holy, Klippert, Overstreet, Shea and Taylor.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

SUBSTITUTE HOUSE BILL NO. 1216, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 15, 2013

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1277 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 64.04.130 and 1987 c 341 s 1 are each amended to read as follows:

A development right, easement, covenant, restriction, or other right, or any interest less than the fee simple, to protect, preserve, maintain, improve, restore, limit the future use of, or conserve for open space purposes, any land or improvement on the land, whether the right or interest be appurtenant or in gross, may be held or acquired by any state agency, federal agency, county, city, town, federally recognized Indian tribe, or metropolitan municipal corporation, nonprofit historic preservation corporation, or nonprofit nature conservancy corporation. Any such right or interest (~~shall~~) constitutes and (~~be~~) is classified as real property. All instruments for the conveyance thereof (~~shall~~) must be substantially in the form required by law for the conveyance of any land or other real property.

~~((As used in this section,))~~ The definitions in this section apply throughout this section unless the context clearly requires otherwise.

(1) "Nonprofit nature conservancy corporation" means an organization which qualifies as being tax exempt under 26 U.S.C. section 501(c)(3) (of the United States Internal Revenue Code of 1954, as amended) as it existed on June 25, 1976, and which has as one of its principal purposes the conducting or facilitating of scientific research; the conserving of natural resources, including but not limited to biological resources, for the general public; or the conserving of natural areas including but not limited to wildlife or plant habitat.

~~((As used in this section,))~~ (2) "Nonprofit historic preservation corporation" means an organization which qualifies as being tax exempt under 26 U.S.C. section 501(c)(3) of the United States Internal Revenue Code of 1954, as amended, and which has as one of its principal purposes the conducting or facilitating of historic preservation activities within the state, including conservation or preservation of historic sites, districts, buildings, and artifacts."

On page 1, line 1 of the title, after "easements;" strike the remainder of the title and insert "and amending RCW 64.04.130."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1277 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 1277, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1277, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 73; Nays, 21; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Carlyle, Clibborn, Cody, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hayes, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Kochmar, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, O'Ban, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Ross, Ryu, Santos, Sawyer, Schmick, Seaquist, Sells, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Buys, Chandler, Condotta, Hargrove, Harris, Hawkins, Holy, Klippert, Kretz, Kristiansen, Nealey, Orcutt, Overstreet, Parker, Pike, Rodne, Scott, Shea, Short, Taylor and Vick.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

HOUSE BILL NO. 1277, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 15, 2013

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1291 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature recognizes there are many state agencies and private organizations that might be called on to provide services to victims of sex trafficking. Victims of human trafficking are often in need of services such as emergency medical attention, food and shelter, vocational and English language training, mental health counseling, and legal support. The state intends to improve the response of state, local, and private entities to incidents of trafficking of humans. Victims would be better served if there is an established, coordinated system of identifying the needs of sex trafficking victims, training of service delivery agencies and staff, timely and appropriate delivery of services, and better investigations and prosecutions of trafficking.

Leadership in providing services to victims of sex trafficking also extends beyond government efforts and is grounded in the work of highly dedicated individuals and community-based groups. Without these efforts the struggle against human trafficking will be very difficult to win. The legislature, therefore, finds that such efforts merit regular public recognition and appreciation. Such recognition and appreciation will encourage the efforts of all persons to end sex trafficking, and provide the public with information and education about the necessity of its involvement in this struggle.

NEW SECTION. Sec. 2. A new section is added to chapter 43.280 RCW to read as follows:

(1) The statewide coordinating committee on sex trafficking is established to address the issues of sex trafficking, to examine the practices of local and regional entities involved in addressing sex trafficking, and to develop a statewide plan to address sex trafficking.

(2) The committee is administered by the department of commerce and consists of the following members:

(a) Two members of the house of representatives, one from each caucus, and two members of the senate, one from each caucus, to be appointed by the speaker of the house of representatives and the president of the senate, respectively;

(b) A representative of the Washington attorney general's office;

(c) The president or corporate executive officer of the center for children and youth justice or his or her designee;

(d) The secretary of the children's administration or his or her designee;

(e) The secretary of the juvenile rehabilitation administration or his or her designee;

(f) The superintendent of public instruction or his or her designee;

(g) A representative of the administrative office of the courts appointed by the administrative office of the courts;

(h) The executive director of the Washington association of sheriffs and police chiefs or his or her designee;

(i) The executive director of the Washington state criminal justice training commission or his or her designee;

(j) Representatives of community advocacy groups that work to address the issues of human trafficking, to be appointed by the department of commerce's office of crime victims advocacy;

(k) A representative of the Washington association of prosecuting attorneys appointed by the association;

(l) Representatives of community service providers that serve victims of human trafficking, to be appointed by the department of commerce's office of crime victims advocacy;

(m) The executive director of Washington engage or his or her designee;

(n) A representative from shared hope international or his or her designee;

(o) The executive director of the Washington coalition of crime victim advocates or his or her designee;

(p) The executive director of the Washington coalition of sexual assault programs or his or her designee;

(q) The executive director of the Washington state coalition against domestic violence or his or her designee;

(r) The executive director of the Washington association of cities or his or her designee;

(s) The executive director of the Washington association of counties or his or her designee; and

(t) The director or a representative from the crime victims compensation program.

(3) The duties of the committee include, but are not limited to:

(a) Gathering and assessing service practices from diverse sources regarding service demand and delivery;

(b) Analyzing data regarding the implementation of sex trafficking legislation passed in recent years by the legislature, including reports submitted to the department of commerce pursuant to RCW 9.68A.105, 9A.88.120, and 9A.88.140, and assessing the efficacy of such legislation in addressing sex trafficking, as well as any obstacles to the impact of legislation on the commercial sex trade;

(c) Receiving and reviewing reports, recommendations, and statewide protocols as implemented in the pilot sites selected by the center for children and youth justice regarding commercially sexually exploited youth submitted to the committee by organizations that coordinate local community response practices and regional entities concerned with commercially sexually exploited youth; and

(d) Gathering and reviewing existing data, research, and literature to help shape a plan of action to address human trafficking in Washington to include:

(i) Strategies for Washington to undertake to end sex trafficking; and

(ii) Necessary data collection improvements.

(4) The committee shall meet twice and, by December 2014, produce a report on its activities, together with a statewide plan to

address sex trafficking in Washington, to the governor's office and the legislature.

(5) All expenses of the committee shall come from the prostitution prevention and intervention account created in RCW 43.63A.740.

(6) The members of the committee shall serve without compensation, but shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060, within available resources.

(7) The committee expires June 30, 2015.

**Sec. 3.** RCW 43.63A.740 and 2010 c 289 s 18 are each amended to read as follows:

The prostitution prevention and intervention account is created in the state treasury. ~~((All designated receipts from fees under RCW 9.68A.105 and 9A.88.120 and fines collected under RCW 9A.88.140 shall be deposited into the account.))~~ Expenditures from the account may be used in the following order of priority:

(1) Funding the statewide coordinating committee on sex trafficking;

(2) Programs that provide mental health and substance abuse counseling, parenting skills training, housing relief, education, and vocational training for youth who have been diverted for a prostitution or prostitution loitering offense pursuant to RCW 13.40.213;

~~((2))~~ (3) Funding for services provided to sexually exploited children as defined in RCW 13.32A.030 in secure and semi-secure crisis residential centers with access to staff trained to meet their specific needs;

~~((3))~~ (4) Funding for services specified in RCW 74.14B.060 and 74.14B.070 for sexually exploited children; and

~~((4))~~ (5) Funding the grant program to enhance prostitution prevention and intervention services under RCW 43.63A.720.

**Sec. 4.** RCW 9.68A.105 and 2012 c 134 s 4 are each amended to read as follows:

(1)(a) In addition to penalties set forth in RCW 9.68A.100, 9.68A.101, and 9.68A.102, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9.68A.100, 9.68A.101, or 9.68A.102, or a comparable county or municipal ordinance shall be assessed a five thousand dollar fee.

(b) The court may not reduce, waive, or suspend payment of all or part of the fee assessed unless it finds, on the record, that the person does not have the ability to pay in which case it may reduce the fee by an amount up to two-thirds of the maximum allowable fee.

(c) When a minor has been adjudicated a juvenile offender or has entered into a statutory or nonstatutory diversion agreement for an offense which, if committed by an adult, would constitute a violation of RCW 9.68A.100, 9.68A.101, or 9.68A.102, or a comparable county or municipal ordinance, the court shall assess the fee under (a) of this subsection. The court may not reduce, waive, or suspend payment of all or part of the fee assessed unless it finds, on the record, that the minor does not have the ability to pay the fee in which case it may reduce the fee by an amount up to two-thirds of the maximum allowable fee.

(2) Fees assessed under this section shall be collected by the clerk of the court and remitted to the treasurer of the county where the offense occurred for deposit in the county general fund, except in cases in which the offense occurred in a city or town that provides for its own law enforcement, in which case these amounts shall be remitted to the treasurer of the city or town for deposit in the general fund of the city or town. Revenue from the fees must be used for local efforts to reduce the commercial sale of sex including, but not limited to, increasing enforcement of commercial sex laws.

(a) At least fifty percent of the revenue from fees imposed under this section must be spent on prevention, including education programs for offenders, such as john school, and rehabilitative

services for victims, such as mental health and substance abuse counseling, parenting skills, training, housing relief, education, vocational training, drop-in centers, and employment counseling.

(b) Two percent of the revenue from fees imposed under this section shall be remitted quarterly to the department of commerce, together with a report detailing the fees assessed, the revenue received, and how that revenue was spent.

(c) Revenues from these fees are not subject to the distribution requirements under RCW 3.50.100, 3.62.020, 3.62.040, 10.82.070, or 35.20.220.

(3) For the purposes of this section:

(a) "Statutory or nonstatutory diversion agreement" means an agreement under RCW 13.40.080 or any written agreement between a person accused of an offense listed in subsection (1) of this section and a court, county or city prosecutor, or designee thereof, whereby the person agrees to fulfill certain conditions in lieu of prosecution.

(b) "Deferred sentence" means a sentence that will not be carried out if the defendant meets certain requirements, such as complying with the conditions of probation.

**Sec. 5.** RCW 9A.88.120 and 2012 c 134 s 3 are each amended to read as follows:

(1)(a) In addition to penalties set forth in RCW 9A.88.010 and 9A.88.030, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.010, 9A.88.030, or comparable county or municipal ordinances shall be assessed a fifty dollar fee.

(b) In addition to penalties set forth in RCW 9A.88.090, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.090 or comparable county or municipal ordinances shall be assessed a fee in the amount of:

(i) One thousand five hundred dollars if the defendant has no prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense;

(ii) Two thousand five hundred dollars if the defendant has one prior conviction, deferred sentence, deferred prosecution, or statutory or nonstatutory diversion agreement for this offense; and

(iii) Five thousand dollars if the defendant has two or more prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense.

(c) In addition to penalties set forth in RCW 9A.88.110, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.110 or a comparable county or municipal ordinance shall be assessed a fee in the amount of:

(i) One thousand five hundred dollars if the defendant has no prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense;

(ii) Two thousand five hundred dollars if the defendant has one prior conviction, deferred sentence, deferred prosecution, or statutory or nonstatutory diversion agreement for this offense; and

(iii) Five thousand dollars if the defendant has two or more prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense.

(d) In addition to penalties set forth in RCW 9A.88.070 and 9A.88.080, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.070, 9A.88.080, or comparable county or municipal ordinances shall be assessed a fee in the amount of:

(i) Three thousand dollars if the defendant has no prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense;

(ii) Six thousand dollars if the defendant has one prior conviction, deferred sentence, deferred prosecution, or statutory or nonstatutory diversion agreement for this offense; and

(iii) Ten thousand dollars if the defendant has two or more prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense.

(2) When a minor has been adjudicated a juvenile offender or has entered into a statutory or nonstatutory diversion agreement for an offense which, if committed by an adult, would constitute a violation under this chapter or comparable county or municipal ordinances, the court shall assess the fee as specified under subsection (1) of this section.

(3) The court shall not reduce, waive, or suspend payment of all or part of the assessed fee in this section unless it finds, on the record, that the offender does not have the ability to pay the fee in which case it may reduce the fee by an amount up to two-thirds of the maximum allowable fee.

(a) A superior court may, as described in RCW 9.94A.760, set a sum that the offender is required to pay on a monthly basis towards satisfying the fee imposed in this section.

(b) A district or municipal court may enter into a payment plan with the defendant, in which the fee assessed in this section is paid through scheduled periodic payments. The court may assess the defendant a reasonable fee for administrative services related to the operation of the payment plan.

(4) Fees assessed under this section shall be collected by the clerk of the court and remitted to the treasurer of the county where the offense occurred for deposit in the county general fund, except in cases in which the offense occurred in a city or town that provides for its own law enforcement, in which case these amounts shall be remitted to the treasurer of the city or town for deposit in the general fund of the city or town. Revenue from the fees must be used for local efforts to reduce the commercial sale of sex including, but not limited to, increasing enforcement of commercial sex laws.

(a) At least fifty percent of the revenue from fees imposed under this section must be spent on prevention, including education programs for offenders, such as john school, and rehabilitative services for victims, such as mental health and substance abuse counseling, parenting skills, training, housing relief, education, vocational training, drop-in centers, and employment counseling.

(b) Two percent of the revenue from fees imposed under this section shall be remitted quarterly to the department of commerce, together with a report detailing the fees assessed, the revenue received, and how that revenue was spent.

(c) Revenues from these fees are not subject to the distribution requirements under RCW 3.50.100, 3.62.020, 3.62.040, 10.82.070, or 35.20.220.

(5) For the purposes of this section:

(a) "Statutory or nonstatutory diversion agreement" means an agreement under RCW 13.40.080 or any written agreement between a person accused of an offense listed in subsection (1) of this section and a court, county, or city prosecutor, or designee thereof, whereby the person agrees to fulfill certain conditions in lieu of prosecution.

(b) "Deferred sentence" means a sentence that will not be carried out if the defendant meets certain requirements, such as complying with the conditions of probation.

**Sec. 6.** RCW 9A.88.140 and 2010 c 289 s 12 are each amended to read as follows:

(1)(a) Upon an arrest for a suspected violation of patronizing a prostitute, promoting prostitution in the first degree, promoting prostitution in the second degree, promoting travel for prostitution, the arresting law enforcement officer may impound the person's vehicle if (i) the motor vehicle was used in the commission of the crime; (ii) the person arrested is the owner of the vehicle or the vehicle is a rental car as defined in RCW 46.04.465; and (iii) either (A) the person arrested has previously been convicted of one of the



offenses listed in this subsection or (B) the offense was committed within an area designated under (b) of this subsection.

(b) A local governing authority may designate areas within which vehicles are subject to impoundment under this section regardless of whether the person arrested has previously been convicted of any of the offenses listed in (a) of this subsection.

(i) The designation must be based on evidence indicating that the area has a disproportionately higher number of arrests for the offenses listed in (a) of this subsection as compared to other areas within the same jurisdiction.

(ii) The local governing authority shall post signs at the boundaries of the designated area to indicate that the area has been designated under this subsection.

(2) Upon an arrest for a suspected violation of commercial sexual abuse of a minor, promoting commercial sexual abuse of a minor, or promoting travel for commercial sexual abuse of a minor, the arresting law enforcement officer shall impound the person's vehicle if (a) the motor vehicle was used in the commission of the crime; and (b) the person arrested is the owner of the vehicle or the vehicle is a rental car as defined in RCW 46.04.465.

(3) Impoundments performed under this section shall be in accordance with chapter 46.55 RCW and the impoundment order must clearly state "prostitution hold."

(4)(a) Prior to redeeming the impounded vehicle, and in addition to all applicable impoundment, towing, and storage fees paid to the towing company under chapter 46.55 RCW, the owner of the impounded vehicle must pay a fine to the impounding agency. The fine shall be five hundred dollars for the offenses specified in subsection (1) of this section, or two thousand five hundred dollars for the offenses specified in subsection (2) of this section. ~~((The fine shall be deposited in the prostitution prevention and intervention account established under RCW 43.63A.740.))~~

(b) Upon receipt of the fine paid under (a) of this subsection, the impounding agency shall issue a written receipt to the owner of the impounded vehicle.

(c) Fines assessed under this section shall be collected by the clerk of the court and remitted to the treasurer of the county where the offense occurred for deposit in the county general fund, except in cases in which the offense occurred in a city or town that provides for its own law enforcement, in which case these amounts shall be remitted to the treasurer of the city or town for deposit in the general fund of the city or town. Revenue from the fines must be used for local efforts to reduce the commercial sale of sex including, but not limited to, increasing enforcement of commercial sex laws.

(i) At least fifty percent of the revenue from fines imposed under this section must be spent on prevention, including education programs for offenders, such as john school, and rehabilitative services for victims, such as mental health and substance abuse counseling, parenting skills, training, housing relief, education, vocational training, drop-in centers, and employment counseling.

(ii) Two percent of the revenue from fines imposed under this section shall be remitted quarterly to the department of commerce, together with a report detailing the fees assessed, the revenue received, and how that revenue was spent.

(iii) Revenues from these fees are not subject to the distribution requirements under RCW 3.50.100, 3.62.020, 3.62.040, 10.82.070, or 35.20.220.

(5)(a) In order to redeem a vehicle impounded under this section, the owner must provide the towing company with the written receipt issued under subsection (4)(b) of this section.

(b) The written receipt issued under subsection (4)(b) of this section authorizes the towing company to release the impounded vehicle upon payment of all impoundment, towing, and storage fees.

(c) A towing company that relies on a forged receipt to release a vehicle impounded under this section is not liable to the impounding authority for any unpaid fine under subsection (4)(a) of this section.

(6)(a) In any proceeding under chapter 46.55 RCW to contest the validity of an impoundment under this section where the claimant substantially prevails, the claimant is entitled to a full refund of the impoundment, towing, and storage fees paid under chapter 46.55 RCW and the five hundred dollar fine paid under subsection (4) of this section.

(b) If the person is found not guilty at trial for a crime listed under subsection (1) of this section, the person is entitled to a full refund of the impoundment, towing, and storage fees paid under chapter 46.55 RCW and the fine paid under subsection (4) of this section.

(c) All refunds made under this section shall be paid by the impounding agency.

(d) Prior to receiving any refund under this section, the claimant must provide proof of payment.

NEW SECTION. Sec. 7. A new section is added to chapter 43.280 RCW to read as follows:

(1) The department of commerce shall prepare and submit an annual report to the legislature on the amount of revenue collected by local jurisdictions under RCW 9.68A.105, 9A.88.120, or 9A.88.140 and the expenditure of that revenue.

(2) Any funds remitted to the department of commerce pursuant to RCW 9.68A.105, 9A.88.120, or 9A.88.140 shall be spent on the fulfillment of the duties described in subsection (1) of this section. Any remaining funds may be spent on the administration of grants for services for victims of the commercial sex trade, consistent with this chapter."

On page 1, line 1 of the title, after "trade;" strike the remainder of the title and insert "amending RCW 43.63A.740, 9.68A.105, 9A.88.120, and 9A.88.140; adding new sections to chapter 43.280 RCW; and creating a new section."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1291 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Orwall and Klippert spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1291, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1291, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Lias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen,

Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1291, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 16, 2013

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1383 with the following amendment:

On page 20, line 1, after "the" insert "Jennifer Paulson"

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1383 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1383, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1383, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1383, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 12, 2013

Mr. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1394 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 50.24.020 and 1983 1st ex.s. c 23 s 14 are each amended to read as follows:

The commissioner may compromise any claim for contributions, interest, or penalties due and owing from an employer, and any amount owed by an individual because of benefit overpayments (~~whether reduced to judgment or otherwise~~) existing or arising under this title in any case where collection of the full ~~(claim, in the case of contributions, interest, or penalties, would result in the insolvency of the employing unit or individual from whom such contributions, interest, or penalties are claimed, and any case where collection of the full amount of benefit overpayments made to an individual)~~ amount due and owing, whether reduced to judgment or otherwise, would be against equity and good conscience.

Whenever a compromise is made by the commissioner in the case of a claim for contributions, interest, or penalties, whether reduced to judgment or otherwise, there shall be placed on file in the office of the unemployment compensation division a statement of the amount of contributions, interest, and penalties imposed by law and claimed due, attorneys' fees and costs, if any, a complete record of the compromise agreement, and the amount actually paid in accordance with the terms of the compromise agreement. Whenever a compromise is made by the commissioner in the case of a claim of a benefit overpayment, whether reduced to judgment or otherwise, there shall be placed on file in the office of the unemployment compensation division a statement of the amount of the benefit overpayment, attorneys' fees and costs, if any, a complete record of the compromise agreement, and the amount actually paid in accordance with the terms of the compromise agreement.

If any such compromise is accepted by the commissioner, within such time as may be stated in the compromise or agreed to, such compromise shall be final and conclusive and except upon showing of fraud or malfeasance or misrepresentation of a material fact the case shall not be reopened as to the matters agreed upon. In any suit, action, or proceeding, such agreement or any determination, collection, payment, adjustment, refund, or credit made in accordance therewith shall not be annulled, modified, set aside, or disregarded.

**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 or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is inoperative solely to the extent of the conflict, and the finding or determination does not affect the operation of the remainder of this act. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

**NEW SECTION. Sec. 3.** 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. 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.

**NEW SECTION. Sec. 5.** Section 1 of this act applies retroactively to January 1, 2013."

On page 1, line 2 of the title, after "authority;" strike the remainder of the title and insert "amending RCW 50.24.020; creating new sections; and declaring an emergency."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1394 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Reykdal and Manweller spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1394, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1394, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED HOUSE BILL NO. 1394, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 16, 2013

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1432 with the following amendment:

On page 2, after line 35, insert the following:  
"(4) Subsections (2) and (3) of this section do not preclude a county from increasing the levy amount in subsection (1) of this section to an amount that is greater than the change in the regular county levy."

On page 4, after line 26, insert the following:  
"(6) Subsections (2), (4), and (5) of this section do not preclude a county from increasing the levy amount in subsection (1) of this section to an amount that is greater than the change in the regular county levy."

and the same is herewith transmitted.

Hunter Goodman, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1432 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Stanford and Nealey spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1432, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1432, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1432, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 15, 2013

Mr. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1541 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 28A.210.260 and 2012 c 16 s 1 are each amended to read as follows:

Public school districts and private schools which conduct any of grades kindergarten through the twelfth grade may provide for the administration of oral medication, topical medication, eye drops, ((☞)) ear drops, or nasal spray, of any nature to students who are in the custody of the school district or school at the time of administration, but are not required to do so by this section, subject to the following conditions:

(1) The board of directors of the public school district or the governing board of the private school or, if none, the chief administrator of the private school shall adopt policies which address the designation of employees who may administer oral medications, topical medications, eye drops, ((~~or~~)) ear drops, or nasal spray to students, the acquisition of parent requests and instructions, and the acquisition of requests from licensed health professionals prescribing within the scope of their prescriptive authority and instructions regarding students who require medication for more than fifteen consecutive school days, the identification of the medication to be administered, the means of safekeeping medications with special attention given to the safeguarding of legend drugs as defined in chapter 69.41 RCW, and the means of maintaining a record of the administration of such medication;

(2) The board of directors shall seek advice from one or more licensed physicians or nurses in the course of developing the foregoing policies;

(3) The public school district or private school is in receipt of a written, current and unexpired request from a parent, or a legal guardian, or other person having legal control over the student to administer the medication to the student;

(4) The public school district or the private school is in receipt of (a) a written, current and unexpired request from a licensed health professional prescribing within the scope of his or her prescriptive authority for administration of the medication, as there exists a valid health reason which makes administration of such medication advisable during the hours when school is in session or the hours in which the student is under the supervision of school officials, and (b) written, current and unexpired instructions from such licensed health professional prescribing within the scope of his or her prescriptive authority regarding the administration of prescribed medication to students who require medication for more than fifteen consecutive workdays;

(5) The medication is administered by an employee designated by or pursuant to the policies adopted pursuant to subsection (1) of this section and in substantial compliance with the prescription of a licensed health professional prescribing within the scope of his or her prescriptive authority or the written instructions provided pursuant to subsection (4) of this section. If a school nurse is on the premises, a nasal spray that is a legend drug or a controlled substance must be administered by the school nurse. If no school nurse is on the premises, a nasal spray that is a legend drug or a controlled substance may be administered by a trained school employee or parent-designated adult who is not a school nurse. The board of directors shall allow school personnel, who have received appropriate training and volunteered for such training, to administer a nasal spray that is a legend drug or a controlled substance. After a school employee who is not a school nurse administers a nasal spray that is a legend drug or a controlled substance, the employee shall summon emergency medical assistance as soon as practicable;

(6) The medication is first examined by the employee administering the same to determine in his or her judgment that it appears to be in the original container and to be properly labeled; and

(7) The board of directors shall designate a professional person licensed pursuant to chapter 18.71 RCW or chapter 18.79 RCW as it applies to registered nurses and advanced registered nurse practitioners, to delegate to, train, and supervise the designated school district personnel in proper medication procedures.

(8)(a) For the purposes of this section, "parent-designated adult" means a volunteer, who may be a school district employee, who receives additional training from a health care professional or expert in epileptic seizure care selected by the parents, and who provides care for the child consistent with the individual health plan.

(b) To be eligible to be a parent-designated adult, a school district employee not licensed under chapter 18.79 RCW must file, without coercion by the employer, a voluntary written, current, and unexpired

letter of intent stating the employee's willingness to be a parent-designated adult. If a school employee who is not licensed under chapter 18.79 RCW chooses not to file a letter under this section, the employee shall not be subject to any employer reprisal or disciplinary action for refusing to file a letter.

(9) The board of directors shall designate a professional person licensed under chapter 18.71, 18.57, or 18.79 RCW as it applies to registered nurses and advanced registered nurse practitioners, to consult and coordinate with the student's parents and health care provider, and train and supervise the appropriate school district personnel in proper procedures for care for students with epilepsy to ensure a safe, therapeutic learning environment. Training may also be provided by an epilepsy educator who is nationally certified. Parent-designated adults who are school employees are required to receive the training provided under this subsection. Parent-designated adults who are not school employees must show evidence of comparable training. The parent-designated adult must also receive additional training as established in subsection (8)(a) of this section for the additional care the parents have authorized the parent-designated adult to provide. The professional person designated under this subsection is not responsible for the supervision of the parent-designated adult for those procedures that are authorized by the parents.

**Sec. 2.** RCW 28A.210.270 and 2012 c 16 s 2 are each amended to read as follows:

(1) In the event a school employee administers oral medication, topical medication, eye drops, ((~~or~~)) ear drops, or nasal spray to a student pursuant to RCW 28A.210.260 in substantial compliance with the prescription of the student's licensed health professional prescribing within the scope of the professional's prescriptive authority or the written instructions provided pursuant to RCW 28A.210.260(4), and the other conditions set forth in RCW 28A.210.260 have been substantially complied with, then the employee, the employee's school district or school of employment, and the members of the governing board and chief administrator thereof shall not be liable in any criminal action or for civil damages in their individual or marital or governmental or corporate or other capacities as a result of the administration of the medication.

(2) The administration of oral medication, topical medication, eye drops, ((~~or~~)) ear drops, or nasal spray to any student pursuant to RCW 28A.210.260 may be discontinued by a public school district or private school and the school district or school, its employees, its chief administrator, and members of its governing board shall not be liable in any criminal action or for civil damages in their governmental or corporate or individual or marital or other capacities as a result of the discontinuance of such administration: PROVIDED, That the chief administrator of the public school district or private school, or his or her designee, has first provided actual notice orally or in writing in advance of the date of discontinuance to a parent or legal guardian of the student or other person having legal control over the student."

On page 1, line 2 of the title, after "spray;" strike the remainder of the title and insert "and amending RCW 28A.210.260 and 28A.210.270."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1541 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1541, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1541, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

SUBSTITUTE HOUSE BILL NO. 1541, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

April 12, 2013

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 1547 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.215.010 and 2011 c 295 s 3 and 2011 c 78 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) "Agency" means any person, firm, partnership, association, corporation, or facility that provides child care and early learning services outside a child's own home and includes the following irrespective of whether there is compensation to the agency:

(a) "Child day care center" means an agency that regularly provides child day care and early learning services for a group of children for periods of less than twenty-four hours;

(b) "Early learning" includes but is not limited to programs and services for child care; state, federal, private, and nonprofit preschool; child care subsidies; child care resource and referral; parental education and support; and training and professional development for early learning professionals;

(c) "Family day care provider" means a child day care provider who regularly provides child day care and early learning services for not more than twelve children in the provider's home in the family living quarters;

(d) "Nongovernmental private-public partnership" means an entity registered as a nonprofit corporation in Washington state with a primary focus on early learning, school readiness, and parental

support, and an ability to raise a minimum of five million dollars in contributions;

(e) "Service provider" means the entity that operates a community facility.

(2) "Agency" does not include the following:

(a) Persons related to the child in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law; or

(iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection (~~((2)(a))~~), even after the marriage is terminated;

(b) Persons who are legal guardians of the child;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the person providing care for periods of less than twenty-four hours does not conduct such activity on an ongoing, regularly scheduled basis for the purpose of engaging in business, which includes, but is not limited to, advertising such care;

(d) Parents on a mutually cooperative basis exchange care of one another's children;

(e) Nursery schools or kindergartens that are engaged primarily in educational work with preschool children and in which no child is enrolled on a regular basis for more than four hours per day;

(f) Schools, including boarding schools, that are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children, and do not accept custody of children;

(g) Seasonal camps of three months' or less duration engaged primarily in recreational or educational activities;

(h) Facilities providing child care for periods of less than twenty-four hours when a parent or legal guardian of the child remains on the premises of the facility for the purpose of participating in:

(i) Activities other than employment; or

(ii) Employment of up to two hours per day when the facility is operated by a nonprofit entity that also operates a licensed child care program at the same facility in another location or at another facility;

(i) (~~Any agency having been in operation in this state ten years before June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;~~) Any entity that provides recreational or educational programming for school-aged children only and the entity meets all of the following requirements:

(i) The entity utilizes a drop-in model for programming, where children are able to attend during any or all program hours without a formal reservation;

(ii) The entity does not assume responsibility in lieu of the parent, unless for coordinated transportation;

(iii) The entity is a local affiliate of a national nonprofit; and

(iv) The entity is in compliance with all safety and quality standards set by the associated national agency;

(j) An agency operated by any unit of local, state, or federal government or an agency, located within the boundaries of a federally recognized Indian reservation, licensed by the Indian tribe;

(k) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;

(l) An agency that offers early learning and support services, such as parent education, and does not provide child care services on a regular basis.

(3) "Applicant" means a person who requests or seeks employment in an agency.

(4) "Conviction information" means criminal history record information relating to an incident which has led to a conviction or other disposition adverse to the applicant.

(5) "Department" means the department of early learning.

(6) "Director" means the director of the department.

(7) "Employer" means a person or business that engages the services of one or more people, especially for wages or salary to work in an agency.

(8) "Enforcement action" means denial, suspension, revocation, modification, or nonrenewal of a license pursuant to RCW 43.215.300(1) or assessment of civil monetary penalties pursuant to RCW 43.215.300(3).

(9) "Negative action" means a court order, court judgment, or an adverse action taken by an agency, in any state, federal, tribal, or foreign jurisdiction, which results in a finding against the applicant reasonably related to the individual's character, suitability, and competence to care for or have unsupervised access to children in child care. This may include, but is not limited to:

(a) A decision issued by an administrative law judge;

(b) A final determination, decision, or finding made by an agency following an investigation;

(c) An adverse agency action, including termination, revocation, or denial of a license or certification, or if pending adverse agency action, the voluntary surrender of a license, certification, or contract in lieu of the adverse action;

(d) A revocation, denial, or restriction placed on any professional license; or

(e) A final decision of a disciplinary board.

(10) "Nonconviction information" means arrest, founded allegations of child abuse, or neglect pursuant to chapter 26.44 RCW, or other negative action adverse to the applicant.

(11) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(12) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency."

On page 1, line 2 of the title, after "children;" strike the remainder of the title and insert "and reenacting and amending RCW 43.215.010."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1547 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Walsh and Freeman spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 1547, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1547, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody,

Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

HOUSE BILL NO. 1547, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 15, 2013

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1652 with the following amendment:

On page 3, beginning on line 4, strike all of subsection (3)(c) and insert the following:

"(c) A county, city, or town with an impact fee deferral process on or before December 1, 2013, is exempt from the requirements of this subsection (3) if the deferral process, which may be amended in a manner consistent with this subsection (3), delays all impact fees and remains in effect after December 1, 2013."

On page 7, beginning on line 18, after "area" strike all material through "~~36.70A.030(15))~~" on line 19 and insert "as defined by the local government according to RCW 36.70A.030(15)"

On page 7, beginning on line 22, after "area" strike all material through "~~36.70A.030(15))~~" on line 23 and insert "as defined by the local government according to RCW 36.70A.030(15)"

On page 7, beginning on line 26, after "sprawl" strike all material through "~~36.70A.030~~" on line 27

and the same is herewith transmitted.

Hunter Goodman, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1652 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Liias and Taylor spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1652, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1652, as amended by the Senate, and the

bill passed the House by the following vote: Yeas, 83; Nays, 11; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Moeller, Morris, Moscoso, Nealey, O'Ban, Orcutt, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Rodne, Ross, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Appleton, Bergquist, Dunshee, Maxwell, McCoy, Morrell, Ormsby, Reykdal, Riccelli, Ryu and Stonier.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1652, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

April 15, 2013

Mr. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1808 with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** A new section is added to chapter 69.50 RCW to read as follows:

(1) Upon finding one ounce or less of marijuana inadvertently left at a retail store holding a pharmacy license, the store manager or employee must promptly notify the local law enforcement agency. After notification to the local law enforcement agency, the store manager or employee must properly dispose of the marijuana.

(2) For the purposes of this section, "properly dispose" means ensuring that the product is destroyed or rendered incapable of use by another person."

On page 1, line 3 of the title, after "license;" strike the remainder of the title and insert "and adding a new section to chapter 69.50 RCW."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1808 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Nealey and Wylie spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1808, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1808, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED HOUSE BILL NO. 1808, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### RECONSIDERATION

There being no objection, the House immediately reconsidered the vote by which ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1134, as amended by the Senate, passed the House.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1134, as amended by the Senate, on reconsideration.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1134, as amended by the Senate, on reconsideration, and the bill passed the House by the following vote: Yeas, 82; Nays, 12; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Clibborn, Cody, Dahlquist, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hayes, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Kochmar, Kretz, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, O'Ban, Orcutt, Ormsby, Orwall, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Seaquist, Sells, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Chandler, Condotta, Hawkins, Holy, Klippert, Kristiansen, Nealey, Overstreet, Scott, Shea, Taylor and Vick.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1134, as amended by the Senate, on reconsideration, having received the necessary constitutional majority, was declared passed.

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

## SECOND READING

**SUBSTITUTE SENATE BILL NO. 5152, by Senate Committee on Transportation (originally sponsored by Senators Eide, King, Hobbs, Fain, Hatfield, Delvin, Murray, Frockt, Conway, Kohl-Welles and Shin)**

**Creating Seattle Sounders FC and Seattle Seahawks special license plates.**

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Transportation was not adopted. (For Committee amendment, see Journal, Day 72, March 26, 2013).

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

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5152.

## ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5152 and the bill passed the House by the following vote: Yeas, 76; Nays, 18; Absent, 0; Excused, 4.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Dahlquist, Dunshee, Fagan, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Hayes, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, O'Ban, Orcutt, Ormsby, Orwall, Parker, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Seaquist, Sells, Smith, Springer, Stonier, Sullivan, Takko, Tarleton, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Condotta, Farrell, Harris, Hawkins, Holy, Kretz, Kristiansen, Lias, Nealey, Overstreet, Pike, Schmick, Scott, Shea, Short, Stanford, Taylor and Vick.

Excused: Representatives Crouse, DeBolt, Hope and Roberts.

SUBSTITUTE SENATE BILL NO. 5152 having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 1287, by Representatives Appleton, Dahlquist, Hurst, McCoy, Ryu, Santos and Pollet**

**Subjecting federally recognized Indian tribes to the same conditions as state and local governments for property owned exclusively by the tribe.**

The bill was read the second time.

With the consent of the house, amendments (460), (461) and (234) were withdrawn.

Representative Appleton moved the adoption of amendment (340).

On page 8, after line 9, insert the following:

"**NEW SECTION. Sec. 6.** A new section is added to chapter 52.30 RCW to read as follows:

"(1) When exempt tribal property is located within the boundaries of a fire protection district or a regional fire protection service authority, the fire protection district or authority is authorized to contract with the tribe for compensation for providing fire protection services in an amount and under such terms as are mutually agreed upon by the fire protection district or authority and the tribe.

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

(a) "Exempt tribal property" means property that is owned exclusively by a federally recognized Indian tribe and that is exempt from taxation under RCW 84.36.010;

(b) "Regional fire protection service authority" or "authority" has the same meaning as provided in RCW 52.26.020."

Correct the title.

Representatives Appleton and Dahlquist spoke in favor of the adoption of the amendment.

Amendment (340) was adopted.

Representative Manweller moved the adoption of amendment (459).

On page 8, after line 9, insert the following:

"**NEW SECTION. Sec. 6.** This act expires on July 1, 2023."

Correct the title.

Representatives Manweller and Carlyle spoke in favor of the adoption of the amendment.

Amendment (459) was adopted.

The bill was ordered engrossed.

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

Representatives Appleton, Dahlquist and Hurst spoke in favor of the passage of the bill.

Representative Taylor spoke against the passage of the bill.

## MOTION

On motion of Representative Van De Wege, Representative Fey was excused.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1287.

## ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1287, and the bill passed the House by the following vote: Yeas, 64; Nays, 29; Absent, 0; Excused, 5.



Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Carlyle, Clibborn, Cody, Dahlquist, Dunshee, Farrell, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kirby, Kochmar, Liiias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, O'Ban, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Rodne, Ryu, Santos, Sawyer, Seaquist, Sells, Springer, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Blake, Buys, Chandler, Condotta, Fagan, Hargrove, Harris, Hawkins, Hayes, Holy, Johnson, Klippert, Kretz, Kristiansen, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Scott, Shea, Short, Smith, Takko, Taylor, Vick and Wilcox.

Excused: Representatives Crouse, DeBolt, Fey, Hope and Roberts.

ENGROSSED HOUSE BILL NO. 1287, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 1421, by Representatives Tharinger and Nealey**

**Protecting the state's interest in collecting deferred property taxes.**

The bill was read the second time.

Representative Tharinger moved the adoption of amendment (248).

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 35.49.160 and 1965 c 7 s 35.49.160 are each amended to read as follows:

Whenever property struck off to or bid in by a county at a sale for general taxes is subsequently sold by the county, the proceeds of the sale ~~((shall first be applied to discharge in full the lien or liens for general taxes for which property was sold; the remainder, or such portion thereof as may be necessary, shall be paid to the city or town to discharge all local improvement assessment liens against the property; and the surplus, if any, shall))~~ must be applied as follows:

(1) First, to reimburse the county for the costs of foreclosure and sale as defined in RCW 36.35.110;

(2) Any remaining proceeds must next be applied to pay any amounts deferred under chapter 84.37 or 84.38 RCW on the property, including accrued interest, and outstanding at the time the county acquired the property by tax deed;

(3) Any remaining proceeds must next be applied to discharge in full the lien or liens for general taxes for which the property was sold;

(4) Any remaining proceeds must be paid to the city or town to discharge all local improvement assessment liens against the property; and

(5) Any surplus proceeds must be distributed among the proper county funds.

**Sec. 2.** RCW 36.35.110 and 1961 c 15 s 84.64.230 are each amended to read as follows:

(1) No claims ~~((shall ever be))~~ are allowed against the county from any municipality, school district, road district or other taxing district for taxes levied on property acquired by the county by tax deed under the provisions of this chapter, but all taxes ~~((shall))~~ must at the time of deeding ~~((said))~~ the property be thereby canceled~~((: PROVIDED, That))~~. However, the proceeds of any sale of any property acquired by the county by tax deed ~~((shall be))~~ must first be applied to reimburse the county for the costs of foreclosure and sale. The

remainder of the proceeds, if any, must be applied to pay any amounts deferred under chapter 84.37 or 84.38 RCW on the property, including accrued interest, and outstanding at the time the county acquired the property by tax deed. The remainder of the proceeds, if any, must be justly apportioned to the various funds existing at the date of the sale, in the territory in which such property is located, according to the tax levies of the year last in process of collection.

(2) For purposes of this section, "costs of foreclosure and sale" means those costs of foreclosing on the property that, when collected, are subject to RCW 84.56.020(9), and the direct costs incurred by the county in selling the property.

**Sec. 3.** RCW 36.35.140 and 1961 c 15 s 84.64.310 are each amended to read as follows:

The board of county commissioners of any county may, pending sale of any county property acquired by foreclosure of delinquent taxes or amounts deferred under chapter 84.37 or 84.38 RCW, rent any portion thereof on a tenancy from month to month. From the proceeds of the rentals the board of county commissioners ~~((shall))~~ must first pay all expense in management of said property and in repairing, maintaining and insuring the improvements thereon~~((and))~~. The balance of said proceeds ~~((shall))~~ must first be paid to reimburse the county for the costs of foreclosure and sale as defined in RCW 36.35.110. The remainder of the proceeds, if any, must be paid to the department of revenue in the amount of any taxes deferred under chapter 84.37 or 84.38 RCW on the property, including accrued interest, outstanding at the time the county acquired the property by tax deed, and then to the various taxing units interested in the taxes levied against said property in the same proportion as the current tax levies of the taxing units having levies against said property.

**Sec. 4.** RCW 36.35.190 and 2009 c 549 s 4076 are each amended to read as follows:

(1) Any person, firm or corporation who or which may have been entitled to redeem the property involved prior to the issuance of the treasurer's deed to the county, and his or her or its successor in interest, ~~((shall have))~~ has the right, at any time after the commencement of, and prior to the judgment in the action authorized herein, to redeem such property by paying to the county treasurer:

(a) The amount of any taxes deferred under chapter 84.37 or 84.38 RCW on the property, including accrued interest, outstanding at the time the county acquired the property by tax deed;

(b) The amount of the taxes for which the property was sold to the county, and the amount of any other general taxes which may have accrued prior to the issuance of said treasurer's deed, together with interest on all such taxes from the date of delinquency thereof, respectively, at the rate of twelve percent per annum~~((and by paying))~~;

(c) For the benefit of the assessment district concerned the amount of principal, penalty and interest of all special assessments, if any, which ~~((shall))~~ have been levied against such property ~~((and by paying))~~; and

(d) Such proportional part of the costs of the tax or tax deferral foreclosure proceedings and of the action herein authorized as the county treasurer ~~((shall))~~ determines.

(2) Upon redemption of any property before judgment as herein provided, the county treasurer ~~((shall))~~ must issue to the redemptioner a certificate specifying the amount of the taxes, including amounts deferred under chapters 84.37 and 84.38 RCW, special assessments, penalty, interest and costs charged describing the land and stating that the taxes, including any applicable deferred taxes, special assessments, penalty, interest and costs specified have been fully paid, and the liens thereof discharged. Such certificate ~~((shall))~~ must clear the land described therein from any claim of the county based on the treasurer's deed previously issued in the tax or tax deferral foreclosure proceedings.

**Sec. 5.** RCW 36.35.220 and 2009 c 549 s 4077 are each amended to read as follows:

Any person filing a statement in such action ~~((shall))~~ must pay the clerk of the court an appearance fee in the amount required by the county for appearances in civil actions, and ~~((shall be))~~ is required to tender the amount of all taxes, including any amounts deferred under chapter 84.37 or 84.38 RCW, interest and costs charged against the real property to which he or she lays claim, and no further costs in such action ~~((shall))~~ may be required or recovered.

**Sec. 6.** RCW 36.35.250 and 1998 c 106 s 19 are each amended to read as follows:

Nothing in RCW 36.35.160 through 36.35.270 contained ~~((shall))~~ may be construed to deprive any city, town, or other unit of local government that imposed special assessments on the property by including the property in a local improvement or special assessment district of its right to reimbursement for special assessments out of any surplus over and above the taxes, including amounts deferred under chapters 84.37 and 84.38 RCW, interest and costs involved.

**Sec. 7.** RCW 84.37.070 and 2010 c 161 s 1167 are each amended to read as follows:

Whenever a person's special assessment or real property tax obligation, or both, is deferred under this chapter, the amount deferred and required to be paid pursuant to RCW 84.38.120 ~~((shall))~~ becomes a lien in favor of the state upon his or her property and ~~((shall have))~~ has priority as provided in chapters 35.49, 35.50, 36.35, and 84.60 RCW~~((= PROVIDED, That))~~. However, the interest of a mortgage or purchase contract holder who requires an accumulation of reserves out of which real estate taxes are paid ~~((shall have))~~ has priority to said deferred lien. This lien may accumulate up to forty percent of the amount of the claimant's equity value in ~~((said))~~ the property and the rate of interest ~~((shall))~~ must be an average of the federal short-term rate as defined in 26 U.S.C. Sec. 1274(d) plus two percentage points. The rate set for each new year ~~((shall be))~~ is computed by taking an arithmetical average to the nearest percentage point of the federal short-term rate, compounded annually. That average ~~((shall))~~ must be calculated using the rates from four months: January, April, and July of the calendar year immediately preceding the new year, and October of the previous preceding year. The interest ~~((shall be))~~ is calculated from the time it could have been paid before delinquency until ~~((said))~~ such obligation is paid or the date that the obligation is charged off as finally uncollectible. In the case of a mobile home, the department of licensing ~~((shall))~~ must show the state's lien on the certificate of title for the mobile home. In the case of all other property, the department of revenue ~~((shall))~~ must file a notice of the deferral with the county recorder or auditor.

**Sec. 8.** RCW 84.38.100 and 2010 c 161 s 1168 are each amended to read as follows:

Whenever a person's special assessment and/or real property tax obligation is deferred under the provisions of this chapter, the amount deferred and required to be paid pursuant to RCW 84.38.120 ~~((shall))~~ becomes a lien in favor of the state upon his or her property and ~~((shall have))~~ has priority as provided in chapters 35.49, 35.50, 36.35, and 84.60 RCW~~((= PROVIDED, That))~~. However, the interest of a mortgage or purchase contract holder who is required to cosign a declaration of deferral under RCW 84.38.090, ~~((shall have))~~ has priority to ~~((said))~~ such deferred lien. This lien may accumulate up to eighty percent of the amount of the claimant's equity value in ~~((said))~~ the property and ~~((shall))~~ must bear interest at the rate of five percent per year from the time it could have been paid before delinquency until said obligation is paid~~((= PROVIDED, That))~~. However, when taxes are deferred as provided in RCW 84.64.050, the amount ~~((shall))~~ must bear interest at the rate of five percent per year from the date the declaration is filed until the obligation is paid or the date that the obligation is charged off as finally uncollectible. In the case of a mobile home, the department of licensing ~~((shall))~~ must show the state's lien on the certificate of title for the mobile home. In the case of all other property, the department of revenue ~~((shall))~~ must file a notice of the deferral with the county recorder or auditor.

**Sec. 9.** RCW 84.38.140 and 2001 c 299 s 18 are each amended to read as follows:

(1) The department ~~((shall))~~ must collect all the amounts deferred together with interest under this chapter. However, in the event that the department is unable to collect an amount deferred together with interest, that amount deferred together with interest ~~((shall))~~ must be collected by the county treasurer in the manner provided for in chapter 84.56 RCW. For purposes of collection of deferred taxes, the provisions of chapters 84.56, 84.60, and 84.64 RCW ~~((shall be))~~ are applicable.

(2) When any deferred special assessment and/or real property taxes together with interest are collected the moneys ~~((shall))~~ must be deposited in the state general fund.

(3) The department may charge off as finally uncollectible any amount deferred under this chapter or chapter 84.37 RCW, including accrued interest, if the department is satisfied that there are no cost-effective means of collecting the amount due.

**Sec. 10.** RCW 84.60.010 and 1969 ex.s. c 251 s 1 are each amended to read as follows:

All taxes and levies which may hereafter be lawfully imposed or assessed ~~((shall be and they))~~ are ~~((hereby))~~ declared to be a lien respectively upon the real and personal property upon which they may hereafter be imposed or assessed, which liens ~~((shall))~~ include all charges and expenses of and concerning the ~~((said))~~ taxes which, by the provisions of this title, are directed to be made. The ~~((said))~~ lien ~~((shall have))~~ has priority to and ~~((shall))~~ must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which ~~((said))~~ the real and personal property may become charged or liable, except that the lien is of equal rank with liens for amounts deferred under chapter 84.37 or 84.38 RCW.

**NEW SECTION. Sec. 11.** A new section is added to chapter 84.64 RCW to read as follows:

Unless the context clearly requires otherwise, for purposes of this chapter:

(1) "Interest" means interest and penalties; and

(2) "Taxes;" "taxes, interest and costs;" and "taxes, interest, or costs" include any assessments and amounts deferred under chapters 84.37 and 84.38 RCW, where such assessments and deferred amounts are included in a certificate of delinquency by the county treasurer.

**Sec. 12.** RCW 84.64.050 and 1999 c 18 s 7 are each amended to read as follows:

(1) After the expiration of three years from the date of delinquency, when any property remains on the tax rolls for which no certificate of delinquency has been issued, the county treasurer ((shall)) must proceed to issue certificates of delinquency on the property to the county for all years' taxes, interest, and costs((= PROVIDED, That)). However, the county treasurer, with the consent of the county legislative authority, may elect to issue a certificate for fewer than all years' taxes, interest, and costs to a minimum of the taxes, interest, and costs for the earliest year.

(2) Certificates of delinquency ((shall be)) are prima facie evidence that:

~~((1))~~ (a) The property described was subject to taxation at the time the same was assessed;

~~((2))~~ (b) The property was assessed as required by law;

~~((3))~~ (c) The taxes or assessments were not paid at any time before the issuance of the certificate;

~~((4))~~ (d) Such certificate ~~((shall have))~~ has the same force and effect as a lis pendens required under chapter 4.28 RCW.

(3) The county treasurer may include in the certificate of delinquency any assessments which are due on the property and are the responsibility of the county treasurer to collect. ((For purposes of this chapter, "taxes, interest, and costs" include any assessments which are so included by the county treasurer, and "interest" means interest and penalties unless the context requires otherwise.)) However, if the

department of revenue has previously notified the county treasurer in writing that the property has a lien on it for deferred property taxes, the county treasurer must include in the certificate of delinquency any amounts deferred under chapters 84.37 and 84.38 RCW that remain unpaid, including accrued interest and costs.

(4) The treasurer ((shall)) must file the certificates when completed with the clerk of the court at no cost to the treasurer, and the treasurer ((shall)) must thereupon, with legal assistance from the county prosecuting attorney, proceed to foreclose in the name of the county, the tax liens embraced in such certificates. Notice and summons must be served or notice given in a manner reasonably calculated to inform the owner or owners, and any person having a recorded interest in or lien of record upon the property, of the foreclosure action to appear within thirty days after service of such notice and defend such action or pay the amount due. Either (a) personal service upon the owner or owners and any person having a recorded interest in or lien of record upon the property, or (b) publication once in a newspaper of general circulation, which is circulated in the area of the property and mailing of notice by certified mail to the owner or owners and any person having a recorded interest in or lien of record upon the property, or, if a mailing address is unavailable, personal service upon the occupant of the property, if any, is sufficient. If such notice is returned as unclaimed, the treasurer ((shall)) must send notice by regular first-class mail. The notice ((shall)) must include the legal description on the tax rolls, the year or years for which assessed, the amount of tax and interest due, and the name of owner, or reputed owner, if known, and the notice must include the local street address, if any, for informational purposes only. The certificates of delinquency issued to the county may be issued in one general certificate in book form including all property, and the proceedings to foreclose the liens against the property may be brought in one action and all persons interested in any of the property involved in the proceedings may be made codefendants in the action, and if unknown may be therein named as unknown owners, and the publication of such notice ((shall be)) is sufficient service thereof on all persons interested in the property described therein, except as provided above. The person or persons whose name or names appear on the treasurer's rolls as the owner or owners of the property ((shall)) must be considered and treated as the owner or owners of the property for the purpose of this section, and if upon the treasurer's rolls it appears that the owner or owners of the property are unknown, then the property ((shall)) must be proceeded against, as belonging to an unknown owner or owners, as the case may be, and all persons owning or claiming to own, or having or claiming to have an interest therein, are hereby required to take notice of the proceedings and of any and all steps thereunder(= PROVIDED, That)). However, prior to the sale of the property, the treasurer ((shall)) must order or conduct a title search of the property to be sold to determine the legal description of the property to be sold and the record title holder, and if the record title holder or holders differ from the person or persons whose name or names appear on the treasurer's rolls as the owner or owners, the record title holder or holders ((shall)) must be considered and treated as the owner or owners of the property for the purpose of this section, and ((shall be)) are entitled to the notice provided for in this section. Such title search ((shall)) must be included in the costs of foreclosure.

(5) If the title search required by subsection (4) of this section reveals a lien in favor of the state for deferred taxes on the property under RCW 84.37.070 or 84.38.100 and such deferred taxes are not already included in the certificate of delinquency, the county treasurer must issue an amended certificate of delinquency on the property to include the outstanding amount of deferred taxes, including accrued interest. The amended certificate of delinquency must be filed with the clerk of the court as provided in subsection (4) of this section.

(6) The county treasurer ((shall)) may not sell property ((which)) that is eligible for deferral of taxes under chapter 84.38 RCW but

((shall)) must require the owner of the property to file a declaration to defer taxes under chapter 84.38 RCW."

Correct the title.

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

Amendment (248) was adopted.

The bill was ordered engrossed.

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

Representatives Tharinger and Nealey spoke in favor of the passage of the bill.

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

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1421, and the bill passed the House by the following vote: Yeas, 93; Nays, 0; Absent, 0; Excused, 5.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Lias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Fey, Hope and Roberts.

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

### **HOUSE BILL NO. 1437, by Representatives Reykdal, Blake, Haigh, Orcutt, Lytton, Van De Wege and Zeiger**

#### **Concerning small farms under the current use property tax program for farm and agricultural lands.**

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1437 was substituted for House Bill No. 1437 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1437 was read the second time.

Representative Nealey moved the adoption of amendment (265).

Beginning on page 4, line 28, after "(h)" strike all material through "chapter" on page 5, line 11 and insert "The land on which housing for employees and the principal place of residence of the farm operator or owner of land classified pursuant to (b), (c), (d), or (g) of this subsection is sited, if such land also meets the following requirements:

(i) The housing or residence is located within a county west of the crest of the Cascade mountains, with a population between two hundred fifty thousand and four hundred thousand, adjacent to a county with a population between seventy-five thousand and one hundred thousand;

(ii) The housing or residence is on or contiguous to the classified parcel;

(iii) The use of the housing or the residence is integral to the use of the classified land for agricultural purposes; and

(iv) For classified parcels that are ten acres or less, the classified land produced a gross income of ten thousand dollars or more per year for three of the five calendar years preceding the date of application of classification under this chapter"

On page 6, line 32, after "RCW 84.34.020(2)" strike "(f)" and insert "(h)"

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

Amendment (265) was adopted.

The bill was ordered engrossed.

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

Representatives Reykdal, Nealey and Wilcox spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1437.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1437, and the bill passed the House by the following vote: Yeas, 92; Nays, 1; Absent, 0; Excused, 5.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representative Liias.

Excused: Representatives Crouse, DeBolt, Fey, Hope and Roberts.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1437, having received the necessary constitutional majority, was declared passed.

### HOUSE BILL NO. 1634, by Representatives Warnick and Manweller

#### Including the value of solar, biomass, and geothermal facilities in the property tax levy limit calculation.

The bill was read the second time.

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

Representatives Warnick and Carlyle spoke in favor of the passage of the bill.

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

### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1634, and the bill passed the House by the following vote: Yeas, 93; Nays, 0; Absent, 0; Excused, 5.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dunshee, Fagan, Farrell, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, O'Ban, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Scott, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, DeBolt, Fey, Hope and Roberts.

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

The Speaker assumed the chair.

### SIGNED BY THE SPEAKER

The Speaker signed the following bills:

SUBSTITUTE HOUSE BILL NO. 1021  
 HOUSE BILL NO. 1036  
 SUBSTITUTE HOUSE BILL NO. 1180  
 SUBSTITUTE HOUSE BILL NO. 1200  
 HOUSE BILL NO. 1203  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1247  
 SUBSTITUTE HOUSE BILL NO. 1256  
 SUBSTITUTE HOUSE BILL NO. 1261  
 SUBSTITUTE HOUSE BILL NO. 1270  
 SUBSTITUTE HOUSE BILL NO. 1271  
 HOUSE BILL NO. 1330  
 SUBSTITUTE HOUSE BILL NO. 1370

SUBSTITUTE HOUSE BILL NO. 1397  
SUBSTITUTE HOUSE BILL NO. 1422  
HOUSE BILL NO. 1447  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1480  
SUBSTITUTE HOUSE BILL NO. 1498  
SUBSTITUTE HOUSE BILL NO. 1499  
HOUSE BILL NO. 1534  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1717  
HOUSE BILL NO. 1738  
SUBSTITUTE HOUSE BILL NO. 1812  
HOUSE BILL NO. 1003  
SUBSTITUTE HOUSE BILL NO. 1009  
SUBSTITUTE HOUSE BILL NO. 1012  
HOUSE BILL NO. 1045  
HOUSE BILL NO. 1065  
SUBSTITUTE HOUSE BILL NO. 1071  
SUBSTITUTE HOUSE BILL NO. 1075  
HOUSE BILL NO. 1149  
HOUSE BILL NO. 1218  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1381  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1403  
SUBSTITUTE HOUSE BILL NO. 1420  
SUBSTITUTE HOUSE BILL NO. 1456  
HOUSE BILL NO. 1468  
SUBSTITUTE HOUSE BILL NO. 1568  
HOUSE BILL NO. 1576  
SUBSTITUTE HOUSE BILL NO. 1613  
SUBSTITUTE HOUSE BILL NO. 1617  
SUBSTITUTE HOUSE BILL NO. 1629  
HOUSE BILL NO. 1644  
HOUSE BILL NO. 1683  
SUBSTITUTE HOUSE BILL NO. 1822

HOUSE BILL NO. 1863  
SUBSTITUTE HOUSE BILL NO. 1868  
ENGROSSED HOUSE BILL NO. 1887  
SENATE BILL NO. 5052  
SUBSTITUTE SENATE BILL NO. 5182  
SUBSTITUTE SENATE BILL NO. 5195  
SUBSTITUTE SENATE BILL NO. 5263  
SUBSTITUTE SENATE BILL NO. 5264  
SENATE BILL NO. 5297  
SENATE BILL NO. 5411  
SUBSTITUTE SENATE BILL NO. 5416  
SENATE BILL NO. 5476  
ENGROSSED SENATE BILL NO. 5603  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5669  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5681  
SUBSTITUTE SENATE BILL NO. 5702  
SENATE BILL NO. 5715

The Speaker called upon Representative Moeller to preside.

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

There being no objection, the House adjourned until 9:55 a.m., April 19, 2013, the 96th Day of the Regular Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

1003		
	Speaker Signed .....	30
	Messages .....	1
1009-S		
	Speaker Signed .....	30
	Messages .....	1
1012-S		
	Speaker Signed .....	30
	Messages .....	1
1021-S		
	Speaker Signed .....	30
1036		
	Speaker Signed .....	30
1045		
	Speaker Signed .....	30
	Messages .....	1
1065		
	Speaker Signed .....	30
	Messages .....	1
1071-S		
	Speaker Signed .....	30
	Messages .....	1
1075-S		
	Speaker Signed .....	30
	Messages .....	1
1115-S		
	Final Passage .....	12
	Other Action .....	11
	Messages .....	5
1116-S		
	Final Passage .....	14
	Other Action .....	14
	Messages .....	12
1134-S2		
	Final Passage .....	17
	Final Passage, on Reconsideration .....	26
	Other Action .....	25
	Other Action .....	17
	Messages .....	14
1149		
	Speaker Signed .....	30
	Messages .....	1
1180-S		
	Speaker Signed .....	30
1200-S		
	Speaker Signed .....	30
1203		
	Speaker Signed .....	30
1216-S		
	Final Passage .....	17
	Other Action .....	17
	Messages .....	17
1218		
	Speaker Signed .....	30
	Messages .....	1
1247-S		
	Speaker Signed .....	30
1256-S		
	Speaker Signed .....	30
1261-S		
	Speaker Signed .....	30
1270-S		
	Speaker Signed .....	30
1271-S		
	Speaker Signed .....	30
1277		

Final Passage .....	18
Other Action .....	18
Messages .....	17
1287	
Second Reading .....	26
Amendment Offered .....	26
Third Reading Final Passage .....	27
Other Action .....	1
1291-S	
Final Passage .....	20
Other Action .....	20
Messages .....	18
1330	
Speaker Signed .....	30
1370-S	
Speaker Signed .....	30
1381-S	
Speaker Signed .....	30
Messages .....	1
1383-S	
Final Passage .....	21
Other Action .....	21
Messages .....	21
1394	
Final Passage .....	22
Other Action .....	21
Messages .....	21
1397-S	
Speaker Signed .....	30
1403-S	
Speaker Signed .....	30
Messages .....	1
1420-S	
Speaker Signed .....	30
Messages .....	1
1421	
Second Reading .....	27
Amendment Offered .....	27
Third Reading Final Passage .....	29
Other Action .....	1
1422-S	
Speaker Signed .....	30
1432-S	
Final Passage .....	22
Other Action .....	22
Messages .....	22
1437	
Second Reading .....	29
Other Action .....	1
1437-S2	
Second Reading .....	29
Amendment Offered .....	29
Third Reading Final Passage .....	29
1447	
Speaker Signed .....	30
1456-S	
Speaker Signed .....	30
Messages .....	1
1468	
Speaker Signed .....	30
Messages .....	1
1480-S	
Speaker Signed .....	30
1498-S	
Speaker Signed .....	30
1499-S	

Speaker Signed .....	30
1534	
Speaker Signed .....	30
1541-S	
Final Passage .....	23
Other Action .....	23
Messages .....	22
1547	
Final Passage .....	24
Other Action .....	24
Messages .....	23
1568-S	
Speaker Signed .....	30
Messages .....	1
1576	
Speaker Signed .....	30
Messages .....	1
1613-S	
Speaker Signed .....	30
Messages .....	1
1617-S	
Speaker Signed .....	30
Messages .....	1
1629-S	
Speaker Signed .....	30
Messages .....	1
1634	
Second Reading .....	29
Third Reading Final Passage .....	29
Other Action .....	1
1644	
Speaker Signed .....	30
Messages .....	1
1652-S	
Final Passage .....	25
Other Action .....	25
Messages .....	24
1683	
Speaker Signed .....	30
Messages .....	1
1717-S	
Speaker Signed .....	30
1738	
Speaker Signed .....	30
1808	
Final Passage .....	25
Other Action .....	25
Messages .....	25
1812-S	
Speaker Signed .....	30
1822-S	
Speaker Signed .....	30
Messages .....	1
1863	
Speaker Signed .....	30
Messages .....	1
1868-S	
Speaker Signed .....	30
Messages .....	1
1887	
Speaker Signed .....	30
Messages .....	1
1957	
Second Reading .....	3
Other Action .....	1
1957-S	



Second Reading.....	3
Third Reading Final Passage .....	3
1978	
Second Reading.....	3
Other Action.....	1
1978-S	
Second Reading.....	3
Amendment Offered.....	3
Third Reading Final Passage .....	4
1979	
Other Action.....	1
1986	
Second Reading.....	4
Other Action.....	1
1986-S	
Second Reading.....	4
Third Reading Final Passage .....	4
1988	
Second Reading.....	4
Third Reading Final Passage .....	4
Other Action.....	1
2040	
Introduction & 1st Reading .....	1
2041	
Introduction & 1st Reading .....	2
2042	
Introduction & 1st Reading .....	2
2043	
Introduction & 1st Reading .....	2
2044	
Introduction & 1st Reading .....	2
2045	
Introduction & 1st Reading .....	2
2046	
Introduction & 1st Reading .....	2
2047	
Introduction & 1st Reading .....	2
2048	
Introduction & 1st Reading .....	2
2049	
Introduction & 1st Reading .....	2
2050	
Introduction & 1st Reading .....	2
2051	
Introduction & 1st Reading .....	2
2052	
Introduction & 1st Reading .....	2
5052	
Speaker Signed.....	30
Messages .....	4
5152-S	
Second Reading.....	26
Third Reading Final Passage .....	26
5182-S	
Speaker Signed.....	30
Messages .....	4
5195-S	
Speaker Signed.....	30
Messages .....	1
5263-S	
Speaker Signed.....	30
Messages .....	4
5264-S	
Speaker Signed.....	30
Messages .....	4
5297	

Speaker Signed .....	30
Messages .....	4
5411	
Speaker Signed .....	30
Messages .....	1
5416-S	
Speaker Signed .....	30
Messages .....	1
5476	
Speaker Signed .....	30
Messages .....	4
5603	
Speaker Signed .....	30
Messages .....	1
5669-S	
Speaker Signed .....	30
Messages .....	1
5681-S	
Speaker Signed .....	30
Messages .....	4
5702-S	
Speaker Signed .....	30
Messages .....	1
5715	
Speaker Signed .....	30
Messages .....	4