

FIFTY EIGHTH DAY

MORNING SESSION

Senate Chamber, Olympia  
Tuesday, March 8, 2016

The Senate was called to order at 10:00 o'clock a.m. by the President of the Senate, Lt. Governor Owen presiding.

The Secretary called the roll and announced to the President that all Senators were present.

The Sergeant at Arms Color Guard consisting of Pages Miss Naima Pai and Miss Jenee Wade, presented the Colors.

The prayer was offered by Pastor Peter Degen of Faith Assembly Church, Lacey.

MOTION

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

MOTION

On motion of Senator Fain, and without objection, the Senate advanced to the third order of business.

MESSAGES FROM OTHER STATE OFFICERS

**From the Department of Corrections** – *“Prison Capacity, 2015 Report”* in accordance with Engrossed Substitute Senate Bill No. 6052, Report Date 02/22/2016;

**From the Department of Ecology** – *“Statewide Progress on Setting Instream Flows, 2015 Report”* pursuant to 90.82.080 RCW, Report Date 11/30/2015;

**From the Health Care Authority** – *“Expanded Oral Health Care Program for Adults with Diabetes and Pregnant Women”* in accordance with Engrossed Substitute Senate Bill No. 6052, Report Date 02/29/2016;

**From the Department of Health** – *“Recreational Shellfish Biotoxin Monitoring Program, 2015 Report”* pursuant to 77.32.555 RCW, Report Date 02/16/2016; and *“Medical Marijuana Scheduling Options”* in accordance with Second Substitute Senate Bill No. 5052, Report Date 01/31/2016;

**From the Department of Social & Health Services** - *“Violations, Penalties, and Actions Relating to Persons on Conditional Release to a Less Restrictive Placement, 2014 Report”* pursuant to 71.09.325 RCW, Report Date 12/01/2014; and *“Juvenile Court Block Grant Report for 2015”* pursuant to 13.40.540 RCW, Report Date 11/30/2015; and *“Violations, Penalties, and Actions Relating to Persons on Conditional Release to a Less Restrictive Placement, 2015 Report”* pursuant to 71.09.325 RCW, Report Date 12/01/2015;

**From the Department of Transportation** - *“Violations of Environmental Permits and Regulations for State Highway Projects”* in accordance with Second Engrossed Substitute Senate Bill No. 5996, Report Date 02/24/2016; and *“Local Governments Determination on Permits”* in accordance with Second Engrossed Substitute Senate Bill No. 5994, Report Date 02/24/2016.

MOTION

On motion of Senator Fain, and without objection, the Senate

advanced to the fourth order of business.

MESSAGE FROM THE HOUSE

March 7, 2016

MR. PRESIDENT:

The House concurred in the Senate amendments to the following bills and passed the bills as amended by the Senate:

- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2061,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 2274,
- HOUSE BILL NO. 2356,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2375,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 2458,
- ENGROSSED HOUSE BILL NO. 2478,
- SUBSTITUTE HOUSE BILL NO. 2580,
- HOUSE BILL NO. 2694,
- ENGROSSED HOUSE BILL NO. 2749,

and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

MOTION

On motion of Senator Fain, and without objection, the Senate advanced to the fifth order of business.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

2SHB 2839 by House Committee on Appropriations (originally sponsored by Representatives Springer and Nealey)

AN ACT Relating to providing a sales and use tax exemption for certain new building construction to be used by maintenance repair operators for airplane repair and maintenance; amending RCW 82.14.050 and 82.14.060; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating a new section; providing an effective date; and providing expiration dates.

Referred to Committee on Ways & Means.

MOTION

On motion of Senator Fain, and without objection, the measure listed on the Introduction and First Reading report was referred to the committee as designated.

MOTION

On motion of Senator Fain, Senate Rule 20 was suspended for the remainder of the day to allow consideration of additional floor resolutions.

EDITOR’S NOTE: Senate Rule 20 limits consideration of floor resolutions not essential to the operation of the Senate to one per day during regular daily sessions.

## MOTION

On motion of Senator Fain, and without objection, the Senate advanced to the eighth order of business.

## MOTION

Senator Liias moved adoption of the following resolution:

SENATE RESOLUTION  
8714

By Senators Liias, Hobbs, Rivers, Carlyle, Frockt, Hill, Litzow, McAuliffe, and Fraser

WHEREAS, Multiple System Atrophy is a fatal neurological disease diagnosed in approximately 15,000 patients in the United States; and

WHEREAS, As many as 35,000 more patients in the United States with Multiple System Atrophy are misdiagnosed with other more recognizable neurodegenerative disorders; and

WHEREAS, Patients with Multiple System Atrophy lose the ability to walk, talk, chew, swallow, and even breathe over the course of a few years; and

WHEREAS, The incidence of Multiple System Atrophy in the United States has increased in recent years; and

WHEREAS, No specific risk factors or causes of Multiple System Atrophy have been identified; and

WHEREAS, There is currently no cure for Multiple System Atrophy; and

WHEREAS, The lack of awareness about Multiple System Atrophy has hindered research and the ability of researchers to obtain funding for their work; and

WHEREAS, Public support and greater awareness of the need for research funding can aid in the discovery of the cause of, and a cure for, Multiple System Atrophy;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate support the observation of March as Multiple System Atrophy Awareness Month to call attention to the pressing need to increase public awareness of this progressive neurodegenerative disorder and encourage further research into treatments and a cure for this terrible disease.

Senators Liias, Honeyford and McCoy spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8714.

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

## INTRODUCTION OF GUESTS

The President welcomed and introduced Ms. Deborah Knutson, guest of Senator Liias, an advocate for those suffering from Multiple System Atrophy, who was present in the gallery.

The President also welcomed and introduced students from Wilson Creek High School, Wilson Creek, guests of Senator Warnick, who were seated in the gallery.

## SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.  
6242

Senator Fraser announced a meeting of the Democratic Caucus immediately upon going at ease.

Senator Fain announced a meeting of the Majority Coalition Caucus immediately upon going at ease.

## MOTION

At 10:18 a.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 11:49 a.m. by the President of the Senate, Lt. Governor Owen presiding.

## MOTION

On motion of Senator Fain, and without objection, the Senate reverted to the fourth order of business.

## MOTION

On motion of Senator Fain, and without objection, Engrossed Substitute House Bill 2524 and Engrossed Second Substitute House Bill 2872, which had been held at the desk, were placed on the second reading calendar.

## MESSAGE FROM THE HOUSE

March 1, 2016

## MR. PRESIDENT:

The House passed ENGROSSED SENATE BILL NO. 6091 with the following amendment(s): 6091.E AMH JUDI H4582.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 11.84.010 and 2009 c 525 s 1 are each amended to read as follows:

As used in this chapter:

(1) "Abuser" means any person who participates, either as a principal or an accessory before the fact, in the willful and unlawful financial exploitation of a vulnerable adult.

(2) "Decedent" means:

(a) Any person whose life is taken by a slayer; or

(b) Any deceased person who, at any time during life in which he or she was a vulnerable adult, was the victim of financial exploitation by an abuser.

(3) "Financial exploitation" has the same meaning as provided in RCW 74.34.020, as enacted or hereafter amended.

(4) "Property" includes any real and personal property and any right or interest therein.

(5) "Slayer" means any person who participates, either as a principal or an accessory before the fact, in the willful and unlawful killing of any other person as determined under RCW 11.84.140.

(6) "Vulnerable adult" has the same meaning as provided in RCW 74.34.020.

Sec. 2. RCW 11.84.140 and 2009 c 525 s 14 are each amended to read as follows:

(1) A final judgment of conviction for the willful and unlawful killing of the decedent is conclusive for purposes of determining whether a person is a slayer under this section. A finding of not guilty by reason of insanity for the willful and unlawful killing of

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the decedent carries the same meaning as a judgment of conviction.

(2) In the absence of a criminal conviction or a finding of not guilty by reason of insanity, a superior court finding by a preponderance of the evidence that a person participated in the willful and unlawful killing of the decedent is conclusive for purposes of determining whether a person is a slayer under this section.

**NEW SECTION. Sec. 3.** This act may be known and cited as Carol's law."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator Padden moved that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 6091.

Senator Padden spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Padden that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 6091.

The motion by Senator Padden carried and the Senate concurred in the House amendment(s) to Engrossed Senate Bill No. 6091 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 6091, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 6091, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 3; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Absent: Senators Hasegawa, Jayapal and Nelson

ENGROSSED SENATE BILL NO. 6091, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

On motion of Senator Habib, and without objection, Senators Nelson, Hasegawa and Jayapal were excused.

MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6211 with the following amendment(s): 6211-S AMH ENGR H4603.E

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) This section is the tax

preference performance statement for the tax preference contained in this act. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(3) It is the legislature's specific public policy objective to encourage and expand the ability of nonprofit low-income housing developers to provide homeownership opportunities for low-income households. It is the legislature's intent to exempt from taxation real property owned by a nonprofit entity for the purpose of building residences to be sold to low-income households in order to enhance the ability of nonprofit low-income housing developers to purchase and hold land for future affordable housing development.

(4)(a) To measure the effectiveness of the tax preference provided in section 2 of this act in achieving the specific public policy objectives described in subsection (3) of this section, the joint legislative audit and review committee must evaluate, two years prior to the expiration of the tax preference: (i) The annual growth in the percentage of revenues dedicated to the development of affordable housing, for each nonprofit claiming the preference, for the period that the preference has been claimed; and (ii) the annual changes in both the total number of parcels qualifying for the exemption and the total number of parcels for which owner occupancy notifications have been submitted to the department of revenue, from the effective date of this section through the most recent year of available data prior to the committee's review.

(b) If the review by the joint legislative audit and review committee finds that for most of the nonprofits claiming the exemption, program spending, program expenses, or another ratio representing the percentage of the nonprofit entity's revenues dedicated to the development of affordable housing has increased for the period during which the exemption was claimed, then the legislature intends to extend the expiration date of the tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to:

(a) Initial applications for the preference as approved by the department of revenue under RCW 84.36.815;

(b) Owner occupancy notices reported to the department of revenue under section 2 of this act;

(c) Annual financial statements for a nonprofit entity claiming this tax preference, as defined in section 2 of this act, and provided by nonprofit entities claiming this preference; and

(d) Any other data necessary for the evaluation under subsection (4) of this section.

**NEW SECTION. Sec. 2.** A new section is added to chapter 84.36 RCW to read as follows:

(1) All real property owned by a nonprofit entity for the purpose of developing or redeveloping on the real property one or more residences to be sold to low-income households is exempt from state and local property taxes.

(2) The exemption provided in this section expires on or at the earlier of:

(a) The date on which the nonprofit entity transfers title to the real property;

(b) The end of the seventh consecutive property tax year for which the property is granted an exemption under this section or, if the nonprofit entity has claimed an extension under subsection (3) of this section, the end of the tenth consecutive property tax

year for which the property is granted an exemption under this section; or

(c) The property is no longer held for the purpose for which the exemption was granted.

(3) If the nonprofit entity believes that title to the real property will not be transferred by the end of the sixth consecutive property tax year, the nonprofit entity may claim a three-year extension of the exemption period by:

(a) Filing a notice of extension with the department on or before March 31st of the sixth consecutive property tax year; and

(b) Providing a filing fee equal to the greater of two hundred dollars or one-tenth of one percent of the real market value of the property as of the most recent assessment date with the notice of extension. The filing fee must be deposited into the state general fund.

(4)(a) If the nonprofit entity has not transferred title to the real property to a low-income household within the applicable period described in subsection (2) of this section, or if the nonprofit entity has converted the property to a purpose other than the purpose for which the exemption was granted, the property is disqualified from the exemption.

(b) Upon disqualification, the county treasurer must collect an additional tax equal to all taxes that would have been paid on the property but for the existence of the exemption, plus interest at the same rate and computed in the same way as that upon delinquent property taxes.

(c) The additional tax must be distributed by the county treasurer in the same manner in which current property taxes applicable to the subject property are distributed. The additional taxes and interest are due in full thirty days following the date on which the treasurer's statement of additional tax due is issued.

(d) The additional tax and interest is a lien on the property. The lien for additional tax and interest has priority to and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the property may become charged or liable. If a nonprofit entity sells or transfers real property subject to a lien for additional taxes under this subsection, such unpaid additional taxes must be paid by the nonprofit entity at the time of sale or transfer. The county auditor may not accept an instrument of conveyance unless the additional tax has been paid. The nonprofit entity or the new owner may appeal the assessed values upon which the additional tax is based to the county board of equalization in accordance with the provisions of RCW 84.40.038.

(5) Nonprofit entities receiving an exemption under this section must immediately notify the department when the exempt real property becomes occupied. The notice of occupancy made to the department must include a certification by the nonprofit entity that the occupants are a low-income household and a date when the title to the real property was or is anticipated to be transferred. The department of revenue must make the notices of occupancy available to the joint legislative audit and review committee, upon request by the committee, in order for the committee to complete its review of the tax preference in this section.

(6) Upon cessation of the exemption, the value of new construction and improvements to the property, not previously considered as new construction, must be considered as new construction for purposes of calculating levies under chapter 84.55 RCW. The assessed value of the property as it was valued prior to the beginning of the exemption may not be considered as new construction upon cessation of the exemption.

(7) Nonprofit entities receiving an exemption under this section must provide annual financial statements to the joint legislative audit and review committee, upon request by the committee, for the years that the exemption has been claimed. The

nonprofit entity must identify the line or lines on the financial statements that comprise the percentage of revenues dedicated to the development of affordable housing.

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

(a) "Financial statements" means an audited annual financial statement and a completed United States treasury internal revenue service return form 990 for organizations exempt from income tax.

(b) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is less than eighty percent of the median family income, adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the property is located.

(c) "Nonprofit entity" means a nonprofit as defined in RCW 84.36.800 that is exempt from federal income taxation under 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended.

(d) "Residence" means a single-family dwelling unit whether such unit be separate or part of a multiunit dwelling, including the land on which such dwelling stands.

**Sec. 3.** RCW 84.36.805 and 2014 c 99 s 13 are each amended to read as follows:

(1) In order to qualify for an exemption under this chapter, the nonprofit organizations, associations, or corporations must satisfy the conditions in this section.

(2) The property must be used exclusively for the actual operation of the activity for which exemption is granted, unless otherwise provided, and does not exceed an amount reasonably necessary for that purpose. Notwithstanding anything to the contrary in this section:

(a) The loan or rental of the property does not subject the property to tax if:

(i) The rents and donations received for the use of the portion of the property are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented; and

(ii) Except for the exemptions under RCW 84.36.030(4), 84.36.037, 84.36.050, and 84.36.060(1) (a) and (b), the property would be exempt from tax if owned by the organization to which it is loaned or rented;

(b) The use of the property for fund-raising events does not subject the property to tax if the fund-raising events are consistent with the purposes for which the exemption is granted or are conducted by a nonprofit organization. If the property is loaned or rented to conduct a fund-raising event, the requirements of (a) of this subsection (2) apply;

(c) An inadvertent use of the property in a manner inconsistent with the purpose for which exemption is granted does not subject the property to tax, if the inadvertent use is not part of a pattern of use. A pattern of use is presumed when an inadvertent use is repeated in the same assessment year or in two or more successive assessment years.

(3) The facilities and services must be available to all regardless of race, color, national origin or ancestry.

(4) The organization, association, or corporation must be duly licensed or certified where such licensing or certification is required by law or regulation.

(5) Property sold to organizations, associations, or corporations with an option to be repurchased by the seller does not qualify for exempt status. This subsection does not apply to property sold to a nonprofit entity, as defined in RCW 84.36.560(7), by:

(a) A nonprofit as defined in RCW 84.36.800 that is exempt from income tax under 26 U.S.C. Sec. 501(c) of the federal

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internal revenue code;

(b) A governmental entity established under RCW 35.21.660, 35.21.670, or 35.21.730;

(c) A housing authority created under RCW 35.82.030;

(d) A housing authority meeting the definition in RCW 35.82.210(2)(a); or

(e) A housing authority established under RCW 35.82.300.

(6) The department must have access to its books in order to determine whether the nonprofit organization, association, or corporation is exempt from taxes under this chapter.

(7) This section does not apply to exemptions granted under RCW 84.36.020, 84.36.032, 84.36.250, section 2 of this act, and 84.36.480(2).

(8)(a) The use of property exempt under this chapter, other than as specifically authorized by this chapter, nullifies the exemption otherwise available for the property for the assessment year. However, the exemption is not nullified by the use of the property by any individual, group, or entity, where such use is not otherwise authorized by this chapter, for not more than fifty days in each calendar year, and the property is not used for pecuniary gain or to promote business activities for more than fifteen of the fifty days in each calendar year. The fifty and fifteen-day limitations provided in this subsection (8)(a) do not include days during which setup and takedown activities take place immediately preceding or following a meeting or other event by an individual, group, or entity using the property as provided in this subsection (8)(a).

(b) If uses of the exempt property exceed the fifty and fifteen-day limitations provided in (a) of this subsection (8) during an assessment year, the exemption is removed for the affected portion of the property for that assessment year.

**Sec. 4.** RCW 84.36.815 and 2007 c 111 s 301 are each amended to read as follows:

(1) In order to qualify for exempt status for any real or personal property under this chapter except personal property under RCW 84.36.600, all foreign national governments; cemeteries; nongovernmental nonprofit corporations, organizations, and associations; hospitals owned and operated by a public hospital district for purposes of exemption under RCW 84.36.040(2); and soil and water conservation districts ((shall)) must file an initial application on or before March 31st with the state department of revenue. However, the initial application deadline for the exemption provided in section 2 of this act is July 1st for 2016 and March 31st for 2017 and thereafter. All applications ((shall)) must be filed on forms prescribed by the department and ((shall)) must be signed by an authorized agent of the applicant.

(2) In order to requalify for exempt status, all applicants except nonprofit cemeteries ((shall)) and nonprofits receiving the exemption under section 2 of this act must file an annual renewal declaration on or before March 31st each year. The renewal declaration ((shall)) must be on forms prescribed by the department of revenue and ((shall)) must contain a statement certifying the exempt status of the real or personal property owned by the exempt organization. This renewal declaration may be submitted electronically in a format provided or approved by the department. Information may also be required with the renewal declaration to assist the department in determining whether the property tax exemption should continue.

(3) When an organization acquires real property qualified for exemption or converts real property to exempt status, the organization ((shall)) must file an initial application for the property within sixty days following the acquisition or conversion in accordance with all applicable provisions of subsection (1) of this section. If the application is filed after the expiration of the sixty-day period, a late filing penalty ((shall be)) is imposed under

RCW 84.36.825.

(4) When organizations acquire real property qualified for exemption or convert real property to an exempt use, the property, upon approval of the application for exemption, is entitled to a property tax exemption for property taxes due and payable the following year. If the owner has paid taxes for the year following the year the property qualified for exemption, the owner is entitled to a refund of the amount paid on the property so acquired or converted.

(5) The department must share approved initial applications for the tax preference provided in section 2 of this act with the joint legislative audit and review committee, upon request by the committee, in order for the committee to complete its review of the tax preference provided in section 2 of this act.

**Sec. 5.** RCW 84.36.820 and 2007 c 111 s 302 are each amended to read as follows:

On or before January 1st of each year, the department of revenue ((shall)) must notify the owners of record of property exempted from property taxation at their last known address about the obligation to file an annual renewal declaration for continued exemption. When a continued exemption is not approved, the department ((shall)) must notify the assessor of the county in which the property is located who, in turn, ((shall)) must remove the tax exemption from the property. The failure to file an annual renewal declaration for continued exemption and subsequent removal of the exemption ((shall)) is not ((be)) subject to review as provided in RCW 84.36.850. The department of revenue ((shall)) must review applications received after the ((March 31st)) due date required under RCW 84.36.815, but these applications ((shall be)) are subject to late filing penalties provided in RCW 84.36.825.

**Sec. 6.** RCW 84.36.840 and 2007 c 111 s 305 are each amended to read as follows:

(1) In order to determine whether organizations, associations, corporations, or institutions, except those exempted under RCW 84.36.020, section 2 of this act, and 84.36.030, are exempt from property taxes, and before the exemption ((shall be)) is allowed for any year, the superintendent or manager or other proper officer of the organization, association, corporation, or institution claiming exemption from taxation ((shall)) must file with the department of revenue a statement certifying that the income and the receipts thereof, including donations to it, have been applied to the actual expenses of operating and maintaining it, or for its capital expenditures, and to no other purpose. This report ((shall)) must also include a statement of the receipts and disbursements of the exempt organization, association, corporation, or institution.

(2) Educational institutions claiming exemption under RCW 84.36.050 ((shall)) must also file a list of all property claimed to be exempt, the purpose for which it is used, the revenue derived from it for the preceding year, the use to which the revenue was applied, the number of students who attended the school or college, the total revenues of the institution with the source from which they were derived, and the purposes to which the revenues were applied, listing the items of such revenues and expenditures in detail.

(3) The reports required under subsections (1) and (2) of this section may be submitted electronically, in a format provided or approved by the department, or mailed to the department. The reports ((shall)) must be submitted on or before March 31st of each year. The department ((shall)) must remove the tax exemption from the property of any organization, association, corporation, or institution that does not file the required report with the department on or before the due date. However, the department ((shall)) must allow a reasonable extension of time for

filing upon receipt of a written request on or before the required filing date and for good cause shown therein.

**Sec. 7.** RCW 84.36.845 and 1973 2nd ex.s. c 40 s 15 are each amended to read as follows:

If subsequent to the time that the exemption of any property is initially approved or renewed, it ((shall be)) is determined that such exemption was approved or renewed as the result of inaccurate information provided by the authorized agent of the applicant, the exemption ((shall)) must be revoked and taxes ((shall)) must be levied against such property pursuant to the provisions of RCW 84.36.810 or section 2(4) of this act for exemptions granted under section 2 of this act.

**Sec. 8.** RCW 84.36.855 and 1973 2nd ex.s. c 40 s 17 are each amended to read as follows:

Except as otherwise provided by law, property ((which)) that changes from exempt to taxable status ((shall be)) is subject to the provisions of RCW 84.36.810 and 84.40.350 through 84.40.390, and the assessor ((shall)) must also place the property on the assessment roll for taxes due and payable in the following year.

**NEW SECTION. Sec. 9.** This act applies to taxes levied in 2016 for collection in 2017 and thereafter."

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator O'Ban moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6211.

Senator O'Ban spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator O'Ban that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6211.

The motion by Senator O'Ban carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6211 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6211, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6211, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Voting nay: Senator Dansel

Excused: Senator Jayapal

SUBSTITUTE SENATE BILL NO. 6211, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

At 12:00 o'clock p.m., on motion of Senator Fain, and without objection, the Senate was declared to be at ease subject to the call

of the President.

#### REMARKS BY THE PRESIDENT

President Owen: "I would like to take a few minutes of your time, quite a few minutes, for those that are interested and answer the question what I have planned for the future. I understand that there are a few of you who would like to know, like three, and maybe one in the House, so four. In making a decision like this after over forty years in public office, it takes a significant amount of soul searching and conversations with a lot of people but most importantly with Linda and myself. This decision could not be made without her because if you know anything about my political history, my success in the last nine elections have been heavily influenced and determined from her 110 percent support and direct, wholehearted involvement. It is impossible to say or show how grateful that I truly am. And she makes great carrot cake.

When my term ends I will have walked the halls of this magnificent building for forty years. Six as a member of the House of Representatives, fourteen as a Senator and twenty as Lieutenant Governor and President of the Senate. My discussions with many for the last couple of years have taken me on a long trip down memory lane and I have revisited many of the road bumps and celebrations along the way. My career has put me before kings, queens and princes, presidents and ambassadors, actors, musicians and the giants of industry. My work on international matters has taken me to places many would be envious of: from the Great Wall of China; to the torn down wall of Berlin. I have seen the incredible masterpieces of the great terracotta warriors and other archaeological treasures of Xi'an in China and the beauty and magnificence of the phenomenal ruins of Machu Picchu in the mountains of Peru. It was a privilege to be invited to speak in Spain at the University of Salamanca, possibly one of the oldest universities in Europe, before the King and Queen of Spain, at the centuries old palace of the King and Queen in Leon as they dedicated a new exchange program with the University of Washington. From those trips we have helped hundreds of people connect with business, education, the arts and have been vigorous in our pursuit of goodwill, peace and harmony with people throughout the world.

Here at home, I have witnessed great accomplishments and sorry, inexcusable scandals and have been a part of political strategies - some that have succeeded and some that have not.

But when reporters and people in general ask me what was my greatest and most important accomplishment? It is not the legislation I introduced and helped pass or the bills I worked to defeat. It is the great and glorious satisfaction of helping a fellow citizen of this amazing state when they have been caught in the stranglehold of the government bureaucracy or the occasional, what seems to be hopeless grip of heartless business, where neither can see the struggling individual as a person but as a problem to be dealt with by ignoring their human needs in favor of a policy or a dollar.

Let me quickly share a couple cases with you. There was the teacher who inherited her husband's tremendous gambling debts after they divorced. She went to the businesses owed the money to work it out but instead they sent debt collectors after her and garnished her wages, took what little money she had and her daughter's money being saved for college, and set up an impossible payment schedule she could not pay while raising two kids alone. The incredible part of this case is she never tried to get out of the debt even though it was clearly not her fault. Her Dad, an old friend, told her to call me. I met with the industry representative and we made a couple of calls. The garnishment was lifted, her and her daughter's money returned and they settled

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on the payment plan she originally asked for.

A young man broke his neck and ended up a quadriplegic. Years later a care taker talked him into somehow signing for a loan to fix up her house and make it more handicap accessible. She told him that she, of course, would make the payments on it. The work was not all done and of course she didn't pay and the bank went after him and his parents, simple working class folks with no resources to pay the debt. It was clearly fraud by an unscrupulous caretaker and no matter what they said or did the bank would not listen to them. The family called me at the suggestion of my sister. We made two calls, one to the bank, and the other to the state. The caretaker was charged with fraud, stripped of her caretaker's license and the bank went after her and not the family which relieved them of enormous stress.

Finally a friend was wrongly denied a lotto machine for his store. He called me when I was a senator and we checked into it. He was denied several times even after we were told by the agencies rep that they were going to approve it. When I became Lieutenant Governor I found out that the reason he kept getting denied was a district manager for the lottery commission was p.o'ed at him for going to a senator, me, years earlier. I went ballistic and he finally got the machine after losing thousands of dollars. He could have and should have sued the state. The question that I have for my friends in government and business is, 'Why did all of these people ever have to come to me for help in the first place?' Just think what a little listening, a little understanding, a little compassion and less arrogance would have done for them.

If all of you in this room, actually in this building, have not figured it out yet, let me share this with you. You are in a phenomenal position to help people. So please use it. So, that, along with my success in helping with resources for drug affected babies at Pediatric Interim Care Center in Kent and funding for Mentoring Works Washington, is the beautiful and rewarding part of my time in politics and being able to help people.

Then there is the other side that many of you have heard me harp on and talk about. That is the insanity of partisan politics. All it does is create an environment of 'us against them' instead of 'all of us for the people.' The team should be the body, not the caucus, the senate, not the party. I have never understood, and never will, how you can take the most valuable thing you have as an elected official, your vote, and give it away when in your heart you do not believe that you should. We see the stubborn, my way or the highway attitude of partisan politics creating gridlock on a national level. We hear idiotic partisan comments challenging someone's patriotism because of their position and opinion or action on an issue. When I have to ask, is not the ability to have a radically different opinion and be able to express it freely the very foundation of the United States of America? I grew up during the Vietnam War, but I didn't have to go there fortunately. However, I served in the house and the senate with two that did. Senator Dan McDonald, a very conservative pro-business Republican from Bellevue, and Senator Rick Bender, a labor Democrat from Snohomish County who later became head of the State Labor Council. Do you believe that if one found the other wounded in a rice patty in Vietnam they would have stopped before helping them and asked, 'Are you a Democrat or a Republican?' No. All that would have mattered is a fellow American needed help and I know neither would have hesitated to help the other! Why do we hesitate to help each other because of party? It defies common sense, not to mention the common good.

I have personally felt the sting of partisan politics both from the Democrat and Republican side over my nearly 41 years as an elected official. And it all stemmed from I should be a leader as

they see it, rather than as I see it, and, as I believe, how the people I represent see it. Now I do not profess to have been perfect in striving to be independent and not bow to caucus or partisan pressure. I did, rarely, but I did. There were only two of those occasions in forty years where I truly regretted it and seriously wanted a do-over. But my friends, you rarely get a do-over in this business. Each decision, each vote, each cave in, stays with you forever, but then so does each courageous act of statesmanship. And I can tell you the courageous act of statesmanship feels a hell of a lot better than the sinking feeling of caving in to partisan peer pressure.

My goals when taking this office were to restore the order and decorum to the Senate that I had learned from the incredibly gracious and dignified Lieutenant Governor John Cherberg. It had slipped after he retired. I always felt a great deal of pride and very high sense of responsibility when I was in the House and the Senate. I marveled at this amazingly beautiful building. I always felt it exemplified the extremely important work that is to be done here and it demanded to be respected and that meant we, and anybody who shared these walls and halls with us, were to be respectful. I am so thankful that your rules and your support have allowed me to protect and preserve the dignity of this magnificent institution. Upon taking this office going on twenty years ago, I endeavored to use the office to develop close and meaningful ties with people from around the world. To make anybody who visited our state, whether it be for business, or education, or to promote the arts, or just enjoy our beautiful home, the great state of Washington, to let them know we welcome them and are so honored they have chosen our state to pursue their goals. My office has become so well known as the go-to place in government for welcoming people from around the world. With that came numerous requests to help promote our wonderful state worldwide and I was regularly asked to lead trade, education, cultural and goodwill missions.

One of the wonderful side effects of our work internationally was how close I was able to become with many of the international communities and their representatives right here in the state of Washington. There are my great friends from the Chinese community, there are the Sikhs, and Hindus and Muslims of the Indian families. I regularly participated in German and Austrian celebrations. I was invited to be part of many Jewish celebrations and have met wonderful citizens here who came from Peru and Norway and Spain and I attended many, many Mexican fiestas. Of course, if I did not mention the Asian Pacific Islanders, particularly Samoa, my friend Lua Pritchard may not invite me to another celebration. The Korean community was always so generous and kind, which probably has a lot to do with my magnificent two sons coming from Korea. And then, of course, there are the wonderful Filipinos.

I know I have not mentioned them all but my friends know this; you have a tremendous treasure in this state. The beautiful mix of humanity, the incredibly fascinating and dynamic people who have literally built this state and made it so very special and the envy of the world. We have never been harmed by opening our doors to the world. On the contrary - we have been blessed by it.

My final goal when the voters entrusted me with this job, but one that was very, very dear to me, was using my office to promote efforts to help the beautiful, diverse children of our state avoid the scourge and pain that can be caused by drugs, alcohol and other harmful substances. And, to recognize the hurt that can be caused by bullying when, in fact, they should learn to respect the beauty of diversity.

From my time in the Senate until I ended my Strategies for Youth program just a few years ago as Lieutenant Governor, I had

traveled to over 600 schools in very possibly every legislative district in the state. We touched the lives of over 300,000 kids and the letters and calls and emails and personal testimonies said it mattered. One of the great yet most idiotic comments I received in all of those years was from a newspaper reporter who referred to me as being overzealous in my opposition to drugs. No apologies here!

But that commitment to our kids also brought the worst pain that Linda and I ever experienced in my forty years of public service when it was said we did it for personal gain and we were not allowed the true opportunity to prove otherwise. What hurt the most was not the accusation, but when I asked of the people that I had worked fairly with for forty years to give me the means to just make my case, not let me off, just make my case, I was rudely refused. But like my last opponent said in the campaign, 'That's just politics.'

Although we ended that program that I loved to do with the kids, I continued to work on behalf of kids as an active chair of Mentoring Works Washington. I have for fifteen or more years. You have always supported it and I thank you very much for that. Please continue to do so.

Needless to say, I am very proud of the Lieutenant Governor Brad Owen Nursery Room at Pediatric Interim Care Center in Kent where they help the precious innocent victims of drug abuse survive through their first months of life after being born racked with their mother's drug addictions. Barb Drennen, who's up here in the gallery with us today, and her team of caring, loving workers have built a model for care for these babies, but quite frankly, it has taken help from me and Senator Fain and many other representatives and senators over the years. Senator Fain, I began helping Barb and the babies when you were in elementary school. I am very thankful for your steadfast support of PICC, so please never back off of your commitment and continue with vigor the fight for Barb and the babies.

Nearly twenty years ago, I took a much underused office and with the help of many people that worked in my office over the years, made something significant out of it that I am very proud of.

But now, I will be leaving this office when this term is up next January. I will leave it for the next Lieutenant Governor to build upon, to make it even better. Of course, I sincerely hope that the voters choose a person that cares as much about the dignity of this place, about this magnificent institution, as I do. And most of all I cannot express how important I believe that it is for the person who follows me to carry on what I believe to be the hallmark of my twenty years as President of the Senate, the true, unequivocal commitment to nonpartisan running and decision making before this body.

Many have asked me what I will do. Well there has been some interest in me doing international work, however, I have not committed to anyone. Other than that, I don't know, probably nothing. Probably just sit around watch soaps, maybe some game shows, Linda likes Dr. Phil. Maybe I'll mow the lawn, probably not. I kind of suspect I'll find something, something to do while I'm away from this place.

So, to my family first, thank you for your wonderful support and your tolerance of my job when you may have felt neglected because of it. I hope that you all know how much you all meant to me throughout these years. And to all my friends and supporters who are with us today it is impossible to return to you what you have given me, but I am extremely grateful to you and am honored to have your friendship. I asked you here so I could publicly say thank you.

To all of you here in the Senate and across the rotunda in the House, I thank you for the work you do, the commitment and sacrifices I know many of you have to make to be here. I truly

thank those that stood by and helped me in my time of need just as I have steadfastly done for all of you whenever I was asked for the last twenty years. I am very appreciative of the time you have allowed me today to share these thoughts with you.

And finally, to the people of the great State of Washington who put their trust in me as a Shelton City Finance Commissioner, as a member of the House of Representatives, as a State Senator and finally, as your Lieutenant Governor, it was a rare privilege and a great honor. Thank you."

#### PERSONAL PRIVILEGE

Senator Nelson: "Thank you, Mr. President. Sorry, you've never said no to me before. First, we would be remiss if we did not start off with a thank you to Linda and your family. Because all of us have a partner, friends, a spouse at home that make the difference, and certainly you do, so thank you. Not just for the cookies but for all your support. And Mr. President, I've seen you on a trade mission, and if anybody thinks you're just going overseas to enjoy it, you're wrong. Because you work, you work to build relationships with other countries, such as Taiwan, that are so important to this state, and yes, you have made the office so incredibly important for our future. And I want to thank you for your work for the kids of this state, it's been incredibly important. But as a new Democratic leader, three years ago, I also wanted to say thank you for your friendship, for your support, for the order and decorum in this chamber. You do not always rule with us, sometimes you rule against us, but we know that you are fair and you are a statesman. And, Mr. President, I don't know that we can replace you, so thank you so much for your service."

#### PERSONAL PRIVILEGE

Senator Schoesler: "Thank you Mr. President. I remember as a newly elected floor leader from the minority side of the aisle, the assistance you gave me of the protocols and procedures of this institution. How it would operate, and I'm very appreciative of that, as well as your leadership above and beyond that period of time. I would also like to thank you for your program on drug and alcohol awareness with our youth, because it didn't just go to the easy places, it went to places in Lincoln and Adams counties where not everybody wants to go, and that truly was a service to this state and I thank you."

#### PERSONAL PRIVILEGE

Senator Hargrove: "Thank you Mr. President. And now the rest of the story. So I met the President, I think it was thirty-five years ago, when redistricting in 1982 moved him off the Olympic Peninsula. He sat down and talked to me, and we had a lot of common interest in a lot of different areas, and I would have to blame him for me being elected and being here for the last thirty-two years. So he not only introduced me to people that could help fund my campaign, he also gave me multiple contacts in my district to talk to. I'm not sure I ever measured up to my predecessor, but that certainly helped me, plus I decided to use the same color campaign signs from then on, the orange and brown campaign signs that everybody was very familiar and liked. So, when Brad first ran for Lieutenant Governor and had an event down in Grays Harbor, I went to the effort to make a bunch of four by eight orange and brown signs, and put them up all along Highway 12 going into Aberdeen so he would know that is certainly a base of support for him. But I would also like to talk about a few other things. The Lieutenant Governor was known as quite a maverick, and he skipped over some of these



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issues going through his history there. I remember when I was in the House, there was a time when because, then Senator Jim McDermott, didn't want to let him have any input in the budget, he just went over and wrote the budget with Senator Dan McDonald. That was pretty famous at that point in time. So I got in on the action with you, when I came over to the Senate, when we had a particular property rights initiative that the Democrats would not let come to the floor, so we both went over with Senator Dan McDonald and pulled it to the floor and got it on the ballot. Now, we didn't win but anyway. So, we've both been in the same boat sometimes, and I certainly appreciate, you alluded to it a little bit, your willingness to do what you feel in your heart is right, as opposed to bowing to pressure. I had never done that so I don't have anything to talk about here. So I'd like to say a couple of other things, on a little more personal level. When he built his new house out in Shelton, he put a trailer pad next to it so I could bring my old, moldy trailer and park it next to his house so I could stay there while I was in session. And I thought he was just being nice to me, but I found out later that when the assessor showed up, they downgraded his assessment because they saw my trailer there, so I'm not sure if that was all for me. So, certainly I respect all the work that the Lieutenant Governor has done to try to help keep kids off drugs. I mostly respect the way you've presided for the last twenty years. I think that your rulings are fair and consistent, despite my badgering. I've tried to get exceptions to that, but I really appreciate that. And also, and you may not believe me, but I appreciate the way you make us all look good because you're a stickler for decorum and the way you preside up there, and we know the cameras are mostly on you and you really make us all look good, and I know in my case that's a very difficult thing to do. So, I certainly hope that we have a Lieutenant Governor, the next one, that will pay as much attention to the respect for this institution and doing things in a fair way, and also hopefully someone that doesn't just stand on a box while he's up there."

## PERSONAL PRIVILEGE

Senator Dinsel: "Thank you, Mr. President. I had mentioned a couple of things the other day, but I didn't know you were going to lay this on us today, wish you wouldn't quite frankly. You know I haven't been here very long, this is my third year, but very early on I got a phone call in my office from you, asking me if I'd go to lunch with you, and I'm like okay I don't know this guy too much, but it was a pretty cool thing for a new guy. You know I didn't know if you were going to grill me on stuff, but what I found was quite possibly the warmest, and sunniest disposition of anybody that I've really ever met in public life. You reach out to kids when they come over and page from Eastern Washington, and they think it's the coolest thing ever. They always say how they got to go meet the Lieutenant Governor, and it's not something you do just for show. You're actually engaged with these kids, my pages, and session aides, and legislative assistants, even my parents, my mom's wanted to meet you forever. I've got to let the cat out of the bag, my mom's a hardcore Democrat, and she loves Brad Owen. I'm not even sure if she voted for me ever, but she certainly did the Lieutenant Governor, many times, and actually wanted you to run for Governor, but I'm not sure that's going to happen either. You also came up to Republic, Washington where we're economically depressed and having troubles with our mine shutting down, and opened up possibilities for people to come and open up businesses in Republic, Washington in Ferry County. You came to Northport, as was in the picture, and did presentations there and also, we're going to get you a turkey one of these days by the way.

I just want to say that when I think about this place, it seems to me that it's an institution, it's a place that decorum means something and you've elevated that I believe. So the last thing I'll say is that, in my opinion, you're class personified, and this is going to be remembered as the house that Owen built."

## PERSONAL PRIVILEGE

Senator Fraser: "Thank you, Mr. President. Well this is truly a sentimental day, so I'd like to start by saying thank you for your dedicated leadership and for your very thoughtful reflections and memories today, and for your expressions of your vision for our future. Your and mine's relationship goes back probably at least four decades, back to when we were both city elected officials, you were on the City Commission as you mentioned in Shelton, and I was on the Lacey City Council and Lacey Mayor. And then we later served as senators together here, and I had greatly appreciated your role as Lieutenant Governor and presiding officer of the Senate. And, Mr. President, do I have permission to read from Reed's Parliamentary Rules? I will read from them, but I also say I have to correct them for gender neutrality, these are very old. The presiding officer should be a person of good presence, good voice, of much firmness and good temper. The President should have knowledge of parliamentary law, and sufficient good sense to enable the President to know when to press a rule, and when to let common consent have its way. The conduct of an assembly depends much more upon the conduct of the chair, than upon any other condition or perhaps all other conditions combined. These are the traditional rules that help operate the Senate. I would just like to say that I think you have lived up to these, absolutely marvelously, and in an A plus way. You've always conducted business here in a pleasant, orderly, fair, dignified way, with good judgement on whether to be strict or flexible on the letter of the rule. You've always been courteous to members and guests. Your parliamentary rulings are well researched, well considered and fair. So I want to thank you for your decades of public service, I'd like to thank Linda for hers, and wish you both a wonderful future."

## PERSONAL PRIVILEGE

Senator Sheldon: "Well Mr. President, it's been a pleasure working with you for all these years. We both go back quite a ways in Shelton, you know it always was a family affair for you, your mom was an executive director for the Chamber of Commerce. You had Brad's Quickstop in Hoodport and in Shelton, you were a well-known guy and people always respected you. And when you were elected, obviously, as a city commissioner and finance and then to the House of Representatives, and then to the Senate, people relied on you in my district. And so now it's kind of a bummer, I think you need to reconsider, because you've picked up the slack for me for many, many years. I can't tell you how many people, I would have a meeting and they would say, but could you talk to the Lieutenant Governor about that? Or would you mind if the Lieutenant Governor sat in on our meeting? So reference, just a couple of years ago, with the City Commission and Mayor Cronce, talking about waste water issues. I went to the meeting, usually we go and we're the ranking person there, but no the Lieutenant Governor's there, and we knew we were going to be okay. So I have to say, we're going to have to add a person in our office. We're going to have to pick up our game because you've taken care of a lot of issues for us and you've never forgotten the people that elected you. You've never forgotten the community that you came from. And I just wanted to

personally say you are a tremendous individual, and it's always been a family effort for you and we'll miss you very, very much."

PERSONAL PRIVILEGE

Senator Angel: "Thank you, Mr. President. Well I got to know you a long time before I was in politics, and I always liked the man. And then I got to know the man a little bit better as a county commissioner when I was able to accompany you on a trip to China. And my husband and I really marveled at the personality that you have, the way you worked with people of other cultures, and we had a great time. Only you left a little bit early, and being the next ranking elected, I had to try to fill your shoes, and those Gamba's were really difficult. But I want to thank you for your sense of humor on this floor, because there were times when it was really breathtaking and you broke that ice with your comments and your demeanor, and I want to thank you for the man that you have been and the man that you are. Thank you for being a man of the people. One other cute note, because we all don't have lines that divide us, because I showed up at a couple of your events and I heard, what is she doing here? Well you're a good man, and Brad I am honored to have known you and to know you and I wish you and your family the very best. God bless you."

PERSONAL PRIVILEGE

Senator Hobbs: "Mr. President, you may not know this, but I think you went to my high school, and I think I heard you perform way back when. I won't give the year out because then you'll feel even older. But after that, we actually met in 1996 at Scoop Jackson's house, you were campaigning for Lieutenant Governor, and I met you there. And learning about your background as a moderate Democrat, and fast forward to 2007 and I came into this body a freshman Senator, and you were a mentor to me. And as a moderate, there's not a lot of mentorship that goes on as a moderate, it's tough. You really don't have others to rely on, you have to rely on each other, and you taught me something. It was rather interesting because it's something that everyone receives when you come here as a freshman, that your leadership will always tell you this, 'Hey I don't care how you vote, but you've got to be with us on procedure.' And of course you told me that that's a bunch of BS and I appreciate that. So, I apologize to Lisa Brown, it was Brad Owen that made me do it. You know you were roadkill, before roadkill became famous, or infamous. It doesn't exist anymore anyway, there's none of us left. But you were the epitome of bipartisanship and statesmanship. What a true moderate is, I believe, is there are times when you're not just taking a vote against a bill or against your caucus, but you are going all the way to the mat including a procedural vote, or even going against your own, and I'm going to use air quotes here, 'allies.' You've been there for me in some of the worst times in session, when I had to go against the caucus, and it is true, it is so true, that there is so much pressure that comes upon you. Not just from your caucus, but also from your allies, and both sides know this. You know what I'm talking about, in 2010 it was particularly painful. So much money being spent against me, even from my own side, it was tough to bear. But you were there to remind me that you went through the same thing, and that there are times, and you have mentioned this in your speech today, that you have to stand up. You have to stand up for your principles and you have to stand up for your district, and the people that put you into office. And you'll sleep better at night, and I certainly sleep better at night for the advice that you've given me, and the mentorship that you've given me over the ten years that I've been a state Senator. And quite frankly, Mr. President, you would

make my life so much easier if you would reconsider your retirement."

PERSONAL PRIVILEGE

Senator Benton: "I know it just killed you to call on me. You know, you were chairman of the Senate Transportation Committee when I was vice chair of the House Transportation Committee and I had a chance to work with you. I was a freshman in the House that year and you were kind, and gentle, and your wisdom was remarkable as I recall, and I left the House that year, and you left the Senate that year and we both started a new journey. My journey here has really been, your tutelage the whole time has been pretty amazing. I saw the gentlelady from the twenty-second get out her little rule book, so I had to get out mine, don't get nervous. Don't worry, I don't need the book, I know what it says. I'm just amazed at how you keep up with everything and how you follow everything that's going on, on the floor. I want to thank you for my family, my two youngest boys, you know they grew up here. My son Brad, sometimes he'll call me and I'll think it's you. One time the phone rang at my desk, and I picked it up and you said this is Brad and I said what are you doing? No Brad up here, and I look up and it's you, and I thought it was my son calling, and you said that's not a cup I see at your desk is it? Now of course that was before we were allowed to have cups on our desks, that's a recent phenomenon, but he has an eagle eye for everything that happens out here. Don't think that he misses anything, even a small cup on your desk, because he doesn't, never has. But with that gentle prodding to keep us all in line with the rules, to bring the decorum back to this, as you put it, this magnificent institution. It won't be the same without you and Linda, I'm sure going to miss you too. God bless both of you, I'm sure we'll see you again. Thank you."

PERSONAL PRIVILEGE

Senator Conway: "I just want to, you know, I wanted to stand and thank you for your support for our community, and of course many of you know the roots that you had in our community. And you know, you never forgot those roots Lieutenant Governor, and as long as I've been in Tacoma, you've come back to celebrate and support our community. From the new Salishan that grew out of the old Salishan, to supporting the Asian-Pacific cultural center as you've mentioned, to supporting Cambodian New Year's, Chinese New Year's, the building of a new auto museum. I can't remember a time when you weren't there to help us celebrate these big events in our community. And so on behalf of my community, I wanted to thank you for your service, and thank you for supporting us."

PERSONAL PRIVILEGE

Senator McAuliffe: "Thank you. Today I want to acknowledge the many good words that have been spoken, but I did a little search on my phone to find out all the wonderful things you have done, and I stumbled upon one that I felt was especially worth mentioning today, because I think it applies to what a statesman you are here as well. On April 2, 2008, Juan Carlos, the King of Spain, bestowed upon you the Order of Isabella the Catholic, or Spanish knighthood. A civil order granted in recognition of services that benefit the country. It was well deserved, but I may add that if we could, we would bestow upon you knighthood, for your services to Washington State and the people around the world, thank you so much."

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## PERSONAL PRIVILEGE

Senator McCoy: “Well I’ve been down here fourteen years, and I knew you when I was lobbying and it’s always been a pleasure. And you’ve always helped me work through some of the issues in building state/tribal relations and that’s always been tremendous, so you’ve been a big help to me over the years and I’m really grateful and thankful. And I’m also thankful for all the native kids that you’ve helped over the years, and it’s always a pleasure to join you in your office when they show up and they fill up your office and we have a good time chatting. So again you’ll be missed, it’s been great. I don’t know how Linda is going to put up with you, I tried retirement four times, failed miserably, and my wife keeps telling me, I married you for life, not for lunch so you’ve got a problem. Thank you, Mr. President.”

## PERSONAL PRIVILEGE

Senator Fain: “First, I’ll let the members know that you guys have until two o’clock for lunch, I’m sure that was probably the most pressing thing that you were interested in. I would also just remark right before we break here that the President was good enough to coordinate his remarks and ask when would be an appropriate time to share this with the chamber, and I appreciate that. He also spent a great deal of time vexing over whether or not there would be time allotted for points of personal privilege from the floor, and he was actually quite almost embarrassed to say I really don’t want that. And I appreciate that modesty, though I do notice that you have been reticent to use your catch phrase last line with any of the remarks that have been made today. But Mr. President, as we close this I believe that everyone here has been sharing a deep honesty about how they feel towards you, and about how your respect for this institution is something that is readily apparent by any person that has served in this chamber or that has visited in the gallery, and it is greatly appreciated. Having an independent arbiter of this chamber, and someone whose mission is to preserve the dignity of this chamber above any political aim, but that that be their sole mission, is so critical to how our institution functions, and I believe each of us know that you have been unswerving in discharging that ability, and we thank you.”

## INTRODUCTION OF GUESTS

The President welcomed and introduced The Honorable Jay Inslee, Governor, who was seated at the rostrum.

With permission of the Senate, business was suspended to allow Governor Inslee to address the Senate.

Governor Inslee: “Thank you for an opportunity to add my words to this incredible four decades of public service. The Lieutenant Governor’s career is truly something remarkable, when you think around the history of the state of Washington, I can’t think of anybody who has been in the harness for so long and in so many capacities. And I know, I heard all the speeches, but I know that there is going to be recognition of his great work with the youth of our people, of our communities, the work that he has done for trade, which has been very, very prominent and has had some good successes in our trade, and these are things that have been above and beyond the call of duty, but I want to mention two things that were very impressive to me. Number one, during my term as Governor, when the Lieutenant Governor, whenever I saw him, he would always inquire about my health, and I always knew that that was for virtuous personal reasons of concern, rather than anything else and I appreciate that. But the second is more important, I’m reading a biography of Hamilton

by Ron Chernow, it’s really an extraordinary book, but it was making me think about why the Lieutenant Governor’s service has been so important to the institutions of Washington State. As I was reading this book, I was realizing that democracy is a living, breathing concept, and it takes humans to make it work. Humans who believe in fairness, dignity, and civility, and having an honest broker while we have the passions in a chamber like this. And it’s something that just doesn’t come down to on a piece of parchment that you’re safe, on a piece of paper somewhere. It takes leaders like the Lieutenant Governor to bring civility, to bring people a sense that their voices can be heard in the market place of ideas. And I’m not nominating him to be Hamilton or Thomas Jefferson, but Lieutenant Governor you have really helped democracy in this state and thank you for your service.”

## AFTERNOON SESSION

The Senate was called to order at 1:06 p.m. by the President Pro Tempore, Senator Roach presiding.

## MOTION

On motion of Senator Fain, and without objection, the Senate advanced to the eighth order of business.

## MOTION

Senator Jayapal moved adoption of the following resolution:

## SENATE RESOLUTION

8737

By Senators Jayapal, Hasegawa, Chase, Miloscia, Fain, Litzow, Fraser, Nelson, and Conway

WHEREAS, Bill Hobson worked tirelessly for more than thirty years to end homelessness and organize community resources to meet the needs of chronically homeless men and women with mental illness, substance use disorders, and other disabilities; and

WHEREAS, Mr. Hobson was one of Washington’s most knowledgeable and eloquent advocates on issues relating to homelessness; and

WHEREAS, Mr. Hobson worked with the Downtown Emergency Service Center (DESC) in Seattle starting in 1984, and worked as DESC’s Executive Director starting in 1988, and under his stewardship DESC evolved to better address their client’s full range of needs, including some of the most disabled and difficult-to-house individuals in Seattle and King County; and

WHEREAS, DESC now serves more than 7,000 men and women each year, providing not only housing, but also mental health outreach programs, case management services, crisis respite, chemical dependency treatment, crisis diversion, and employment services; and

WHEREAS, Mr. Hobson worked to build innovative partnerships in the community, including with police and the business community, leading to DESC’s selection by the United States Department of Health and Human Services as a model for building partnerships to address homelessness; and

WHEREAS, Mr. Hobson received numerous awards and distinctions recognizing his devotion to solving the problem of homelessness, and his leadership led DESC to receive many awards and distinctions as a leading provider of services relating to homelessness; and

WHEREAS, Mr. Hobson was recognized as a national expert

on homelessness, and lended his time and experience to a number of organizations that shaped Seattle's and King County's response to homelessness; and

WHEREAS, Mr. Hobson's over thirty years of bold and ambitious leadership at DESC resulted in a truly unique organization, which demonstrates that disabled, marginalized, and chronically homeless people can stabilize and obtain, and successfully maintain, housing, ultimately becoming more independent and involved members of the community; and

WHEREAS, On March 4, 2016, Bill Hobson passed away at the age of 76, leaving behind a legacy of untiring advocacy and commitment;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate honor the life, work, and contributions of Bill Hobson in leading the Downtown Emergency Service Center, advocating for marginalized populations, and working to end homelessness in Seattle and King County; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Secretary of the Senate to the family of Bill Hobson.

Senators Jayapal and Chase spoke in favor of adoption of the resolution.

The President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8737.

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

#### MOTION

Senator Benton moved adoption of the following resolution:

#### SENATE RESOLUTION 8732

By Senators Roach, Ranker, Bailey, Lias, Fraser, and Angel

WHEREAS, The historic schooner Adventuress was built in 1913 as an Arctic research vessel, became a San Francisco bar pilot ship in 1914, and, at the end of her service, was brought to Puget Sound by Doc Freeman in 1952, since then serving the Puget Sound region and Washington state youth for more than 50 years; and

WHEREAS, The Adventuress is one of only two National Historic Landmark sailing ships still in active service on the West Coast, and the only National Historic Landmark sailing ship in Washington state; and

WHEREAS, The Adventuress inspires thousands of young people each year to "look to our waterways" when they consider possible career paths, such as marine science and maritime jobs and industries; on day and overnight programs, children and teens explore current issues affecting the health of Puget Sound, work together to sail the century-old ship, and become personally connected to the waters on which they sail; teachers report that following shipboard programs aboard Adventuress, their students are more engaged in learning, more connected to the marine environment, and more interested in looking to maritime for possible career choices; and

WHEREAS, The Adventuress is newly restored such that the ship will sail Puget Sound waters with programs for youth for at least the next 50 years; and

WHEREAS, The Adventuress is owned by the nonprofit Sound Experience, with a mission to educate, inspire, and empower an inclusive community for the future of our marine environment; and

WHEREAS, The Adventuress is an invaluable cultural and educational resource that sails "not for one, but for all";

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate honor the historic schooner Adventuress as an important on-the-water education platform that engages our state's young people in learning about the importance of our marine environment, in considering careers in maritime-related fields, and in engaging them in learning how our daily actions make a difference in the health of Puget Sound.

Senators Benton and Fraser spoke in favor of adoption of the resolution.

The President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8732.

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

#### MOTION

Senator Fain moved adoption of the following resolution:

#### SENATE RESOLUTION 8708

By Senators Angel, Sheldon, Hargrove, Hobbs, Honeyford, Pedersen, Bailey, and Fraser

WHEREAS, Washington State is committed to the promotion of safety programs, policies, and actions; and

WHEREAS, Thousands of motorcyclists travel the roads, streets, highways, and interstate systems of Washington State every day; and

WHEREAS, Motorcycles are fuel-efficient vehicles that have access to Washington State High Occupancy Vehicle lanes, promoting a less congested travel way; and

WHEREAS, Motorcyclists help to provide funds for the transportation infrastructure of Washington State that they and others use; and

WHEREAS, The majority of the motorcycling community is committed to motorcycle safety and awareness and promotes policies and procedures for themselves and other motorists in order to create a safe roadway for all; and

WHEREAS, The motorcycling community is filled with people dedicated to charitable organizations and activities; and

WHEREAS, Hundreds of motorcyclists, like those of Bikers Against Child Abuse, band together to support kids and other vulnerable communities all around the state; and

WHEREAS, The month of May is recognized nationally and throughout the state as Motorcyclist Awareness Month;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate celebrate the month of May as Motorcycle Awareness Month; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted to the AAA Washington office, the ABATE of Washington office, Bikers Against Child Abuse, and the headquarters of the Washington State Patrol and the Washington State Department of Transportation.

The President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8708.

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

#### MOTION

Senator Chase moved adoption of the following resolution:

SENATE RESOLUTION  
8738

By Senators Chase, Fain, Nelson, Benton, and Fraser

WHEREAS, International Women's Day first emerged from the activities of labor movements at the turn of the twentieth century and has both local and global dimensions; and

WHEREAS, Washington women of every race, class, and ethnic background have made historic contributions to the growth and strength of our state and nation in countless recorded and unrecorded ways; and

WHEREAS, Washington women have played and continue to play a critical political, economic, cultural, and social role in every sphere of life by constituting a significant portion of the labor force, and have made progress towards achieving gender equity since 1971; and

WHEREAS, The Washington State Women's Council and Washington Women United, 1971-1986, were established "To consider appropriate questions pertaining to the rights and needs of women in contemporary America and to make recommendations to the Legislature with respect to desirable changes in program and law"; and

WHEREAS, From the early 1970s until the Fourth World Conference on Women in 1995 and now today, women have made progress in achieving the full privileges and responsibilities of leadership in Washington state; and

WHEREAS, Senator Patty Murray, Secretary of State Kim Wyman, Senator Maria Cantwell, and Congresswoman Cathy McMorris-Rodgers have provided outstanding leadership throughout our state, nation, and world, and represent outstanding role models for women and girls; and

WHEREAS, At the 1995 Fourth World Conference on Women in Beijing, the global call was to end all forms of violence against women and girls by highlighting violence against women as one of twelve critical areas of concern; and

WHEREAS, The growing international women's movement, which has been strengthened by the four global United Nations women's conferences, has helped make the 2015 commemoration of the Beijing Declaration and Platform a rallying point to build support for women's rights and participation in the political and economic arenas; and

WHEREAS, The Beijing+20 review session recommitted the international community to women's rights and empowerment as being at the heart of global sustainable development; and

WHEREAS, The 2030 United Nations Sustainable Development Goals reassert the necessity of women's safety and health, women's inclusion in all realms of society, and acknowledgment of both women's professional and family-related contributions to the economy and community; and

WHEREAS, This is the time to uphold women's achievements, recognize challenges, and focus greater attention on women's rights and gender equality to mobilize all people to do their part; and

WHEREAS, From the early 1970s to the international movement today, from the actions of our mothers and grandmothers to the goals of our daughters, women have made progress in achieving the full privileges and responsibilities of leadership in Washington state and the world;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate celebrate the achievements of women in history and commend Washington state women's participation in global action towards greater equality, justice, and fairness.

Senators Chase and Fraser spoke in favor of adoption of the resolution.

The President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8738.

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

MOTION

At 1:32 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 2:25 p.m. by the President Pro Tempore, Senator Roach presiding.

MOTION

On motion of Senator Fain, and without objection, the Senate reverted to the fourth order of business.

MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6238 with the following amendment(s): 6238-S AMH HCW H4501.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 69.50.402 and 2013 c 19 s 107 are each amended to read as follows:

(1) It is unlawful for any person:

(a) Who is subject to Article III to distribute or dispense a controlled substance in violation of RCW 69.50.308;

(b) Who is a registrant, to manufacture a controlled substance not authorized by his or her registration, or to distribute or dispense a controlled substance not authorized by his or her registration to another registrant or other authorized person;

(c) Who is a practitioner, to prescribe, order, dispense, administer, supply, or give to any person:

(i) Any amphetamine, including its salts, optical isomers, and salts of optical isomers classified as a schedule II controlled substance by the commission pursuant to chapter 34.05 RCW; or

(ii) Any nonnarcotic stimulant classified as a schedule II controlled substance and designated as a nonnarcotic stimulant by the commission pursuant to chapter 34.05 RCW;

except for the treatment of narcolepsy, or for the treatment of hyperkinesis, or for the treatment of drug-induced brain dysfunction, or for the treatment of epilepsy, or for the differential diagnostic psychiatric evaluation of depression, or for the treatment of depression shown to be refractory to other therapeutic modalities, or for the treatment of multiple sclerosis, or for the treatment of any other disease states or conditions for which the United States food and drug administration has approved an indication, or for the clinical investigation of the effects of such drugs or compounds, in which case an investigative protocol therefor shall have been submitted to and reviewed and approved by the commission before the investigation has been begun: PROVIDED, That the commission, in consultation with the medical quality assurance commission and the osteopathic disciplinary board, may establish by rule, pursuant to chapter 34.05 RCW, disease states or conditions in addition to those listed in this subsection for the treatment of which Schedule II nonnarcotic stimulants may be prescribed, ordered, dispensed, administered, supplied, or given to patients

by practitioners: AND PROVIDED, FURTHER, That investigations by the commission of abuse of prescriptive authority by physicians, licensed pursuant to chapter 18.71 RCW, pursuant to subsection (1)(c) of this section shall be done in consultation with the medical quality assurance commission;

(d) To refuse or fail to make, keep or furnish any record, notification, order form, statement, invoice, or information required under this chapter;

(e) To refuse an entry into any premises for any inspection authorized by this chapter; or

(f) Knowingly to keep or maintain any store, shop, warehouse, dwelling, building, vehicle, boat, aircraft, or other structure or place, which is resorted to by persons using controlled substances in violation of this chapter for the purpose of using these substances, or which is used for keeping or selling them in violation of this chapter.

(2) Any person who violates this section is guilty of a class C felony and upon conviction may be imprisoned for not more than two years, fined not more than two thousand dollars, or both."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Dammeier moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6238.

Senator Dammeier spoke in favor of the motion.

#### MOTION

On motion of Senator Mullet, and without objection, Senators Liias and Nelson were excused.

#### MOTION

On motion of Senator Rivers, and without objection, Senator Benton was excused.

The President Pro Tempore declared the question before the Senate to be the motion by Senator Dammeier that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6238.

The motion by Senator Dammeier carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6238 by voice vote.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6238, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6238, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 1; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Absent: Senator Carlyle

Excused: Senators Benton and Nelson

SUBSTITUTE SENATE BILL NO. 6238, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 1, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6273 with the following amendment(s): 6273-S AMH ENGR H4533.E

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The legislature recognizes that as technology becomes more prevalent, students must learn how to safely, ethically, responsibly, and effectively use technology. The legislature intends to provide a process in which students, parents or guardians, teachers, teacher-librarians, other school employees, administrators, and community representatives will engage in an ongoing discussion on safe technology use, internet use, digital citizenship, and media literacy as part of implementing the state's basic education goal outlined in RCW 28A.150.210(3) and essential academic learning requirements for technology outlined in RCW 28A.655.075.

**NEW SECTION. Sec. 2.** A new section is added to chapter 28A.650 RCW to read as follows:

(1) For the purposes of this section, "digital citizenship" includes the norms of appropriate, responsible, and healthy behavior related to current technology use, including digital and media literacy, ethics, etiquette, and security. The term also includes the ability to access, analyze, evaluate, develop, produce, and interpret media, as well as internet safety and cyberbullying prevention and response.

(2)(a) By December 1, 2016, the office of the superintendent of public instruction shall develop best practices and recommendations for instruction in digital citizenship, internet safety, and media literacy, and report to the appropriate committees of the legislature, in accordance with RCW 43.01.036, on strategies to implement the best practices and recommendations statewide. The best practices and recommendations must be developed in consultation with an advisory committee as specified in (b) of this subsection. Best practices and recommendations must include instruction that provides guidance about thoughtful, safe, and strategic uses of online and other media resources, and education on how to apply critical thinking skills when consuming and producing information.

(b) The office of the superintendent of public instruction must convene and consult with an advisory committee when developing best practices and recommendations for instruction in digital citizenship, internet safety, and media literacy. The advisory committee must include: Representatives from the Washington state school directors' association; experts in digital citizenship, internet safety, and media literacy; teacher-librarians as defined in RCW 28A.320.240; and other stakeholders, including parent associations, educators, and administrators. Recommendations produced by the committee may include, but are not limited to:

(i) Revisions to the state learning standards for educational technology, required under RCW 28A.655.075;

(ii) Revisions to the model policy and procedures on electronic resources and internet safety developed by the Washington state school directors' association;

(iii) School district processes necessary to develop customized district policies and procedures on electronic resources and

internet safety;

(iv) Best practices, resources, and models for instruction in digital citizenship, internet safety, and media literacy; and

(v) Strategies that will support school districts in local implementation of the best practices and recommendations developed by the office of the superintendent of public instruction under (a) of this subsection.

(3) Beginning in the 2017-18 school year, a school district shall annually review its policy and procedures on electronic resources and internet safety. In reviewing and amending the policy and procedures, a school district must:

(a) Involve a representation of students, parents or guardians, teachers, teacher-librarians, other school employees, administrators, and community representatives with experience or expertise in digital citizenship, media literacy, and internet safety issues;

(b) Consider customizing the model policy and procedures on electronic resources and internet safety developed by the Washington state school directors' association;

(c) Consider existing school district resources; and

(d) Consider best practices, resources, and models for instruction in digital citizenship, internet safety, and media literacy, including methods to involve parents."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator Liias moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6273.

Senator Liias spoke in favor of the motion.

MOTION

On motion of Senator Liias, and without objection, Senator Hargrove was excused.

The President Pro Tempore declared the question before the Senate to be the motion by Senator Liias that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6273.

The motion by Senator Liias carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6273 by voice vote.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6273, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6273, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senators Hargrove and Nelson

SUBSTITUTE SENATE BILL NO. 6273, as amended by the

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

MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 6528 with the following amendment(s): 6528-S.E AMH GGIT H4624.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) Communication and information resources in the various state agencies are strategic and vital assets belonging to the people of Washington and are an important component of maintaining a vibrant economy. Coordinated efforts and a sense of urgency are necessary to protect these assets against unauthorized access, disclosure, use, and modification or destruction, whether accidental or deliberate, as well as to assure the confidentiality, integrity, and availability of information.

(2) State government has a duty to Washington citizens to ensure that the information entrusted to state agencies is safe, secure, and protected from unauthorized access, unauthorized use, or destruction.

(3) Securing the state's communication and information resources is a statewide imperative requiring a coordinated and shared effort from all departments, agencies, and political subdivisions of the state and a long-term commitment to state funding that ensures the success of such efforts.

(4) Risks to communication and information resources must be managed, and the integrity of data and the source, destination, and processes applied to data must be assured.

(5) Information security standards, policies, and guidelines must be adopted and implemented throughout state agencies to ensure the development and maintenance of minimum information security controls to protect communication and information resources that support the operations and assets of those agencies.

(6) Washington state must build upon its existing expertise in information technology including research and development facilities and workforce to become a national leader in cybersecurity.

Sec. 2. RCW 43.105.020 and 2015 3rd sp.s. c 1 s 102 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 the consolidated technology services agency.

(2) "Board" means the technology services board.

(3) "Customer agencies" means all entities that purchase or use information technology resources, telecommunications, or services from the consolidated technology services agency.

(4) "Director" means the state chief information officer, who is the director of the consolidated technology services agency.

(5) "Enterprise architecture" means an ongoing activity for translating business vision and strategy into effective enterprise change. It is a continuous activity. Enterprise architecture creates, communicates, and improves the key principles and models that describe the enterprise's future state and enable its evolution.

(6) "Equipment" means the machines, devices, and transmission facilities used in information processing, including but not limited to computers, terminals, telephones, wireless

communications system facilities, cables, and any physical facility necessary for the operation of such equipment.

(7) "Information" includes, but is not limited to, data, text, voice, and video.

(8) "Information security" means the protection of communication and information resources from unauthorized access, use, disclosure, disruption, modification, or destruction in order to:

(a) Prevent improper information modification or destruction;  
(b) Preserve authorized restrictions on information access and disclosure;

(c) Ensure timely and reliable access to and use of information; and

(d) Maintain the confidentiality, integrity, and availability of information.

(9) "Information technology" includes, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications, requisite system controls, simulation, electronic commerce, radio technologies, and all related interactions between people and machines.

((9)) (10) "Information technology portfolio" or "portfolio" means a strategic management process documenting relationships between agency missions and information technology and telecommunications investments.

((10)) (11) "K-20 network" means the network established in RCW 43.41.391.

((11)) (12) "Local governments" includes all municipal and quasi-municipal corporations and political subdivisions, and all agencies of such corporations and subdivisions authorized to contract separately.

((12)) (13) "Office" means the office of the state chief information officer within the consolidated technology services agency.

((13)) (14) "Oversight" means a process of comprehensive risk analysis and management designed to ensure optimum use of information technology resources and telecommunications.

((14)) (15) "Proprietary software" means that software offered for sale or license.

((15)) (16) "Public agency" means any agency of this state or another state; any political subdivision or unit of local government of this state or another state including, but not limited to, municipal corporations, quasi-municipal corporations, special purpose districts, and local service districts; any public benefit nonprofit corporation; any agency of the United States; and any Indian tribe recognized as such by the federal government.

((16)) (17) "Public benefit nonprofit corporation" means a public benefit nonprofit corporation as defined in RCW 24.03.005 that is receiving local, state, or federal funds either directly or through a public agency other than an Indian tribe or political subdivision of another state.

((17)) (18) "Public record" has the definitions in RCW 42.56.010 and chapter 40.14 RCW and includes legislative records and court records that are available for public inspection.

((18)) (19) "Security incident" means an accidental or deliberative event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of communication and information resources.

(20) "State agency" means every state office, department, division, bureau, board, commission, or other state agency, including offices headed by a statewide elected official.

((19)) (21) "Telecommunications" includes, but is not limited to, wireless or wired systems for transport of voice, video, and data communications, network systems, requisite facilities,

equipment, system controls, simulation, electronic commerce, and all related interactions between people and machines.

((20)) (22) "Utility-based infrastructure services" includes personal computer and portable device support, servers and server administration, security administration, network administration, telephony, email, and other information technology services commonly used by state agencies.

Sec. 3. RCW 43.105.054 and 2015 3rd sp.s. c 1 s 108 are each amended to read as follows:

(1) The director shall establish standards and policies to govern information technology in the state of Washington.

(2) The office shall have the following powers and duties related to information services:

(a) To develop statewide standards and policies governing the:  
(i) Acquisition of equipment, software, and technology-related services;

(ii) Disposition of equipment;

(iii) Licensing of the radio spectrum by or on behalf of state agencies; and

(iv) Confidentiality of computerized data;

(b) To develop statewide and interagency technical policies, standards, and procedures;

(c) To review and approve standards and common specifications for new or expanded telecommunications networks proposed by agencies, public postsecondary education institutions, educational service districts, or statewide or regional providers of K-12 information technology services;

(d) ((With input from the legislature and the judiciary,)) to provide direction concerning strategic planning goals and objectives for the state;

(e) To establish policies for the periodic review by the director of state agency performance which may include but are not limited to analysis of:

(i) Planning, management, control, and use of information services;

(ii) Training and education;

(iii) Project management; and

(iv) Cybersecurity;

(f) To coordinate with state agencies with an annual information technology expenditure that exceeds ten million dollars to implement a technology business management program to identify opportunities for savings and efficiencies in information technology expenditures and to monitor ongoing financial performance of technology investments; ((and))

(g) In conjunction with the consolidated technology services agency, to develop statewide standards for agency purchases of technology networking equipment and services;

(h) To implement a process for detecting, reporting, and responding to security incidents consistent with the information security standards, policies, and guidelines adopted by the director;

(i) To develop plans and procedures to ensure the continuity of commerce for information resources that support the operations and assets of state agencies in the event of a security incident; and

(j) To work with the department of commerce and other economic development stakeholders to facilitate the development of a strategy that includes key local, state, and federal assets that will create Washington as a national leader in cybersecurity. The office shall collaborate with, including but not limited to, community colleges, universities, the national guard, the department of defense, the department of energy, and national laboratories to develop the strategy.

(3) Statewide technical standards to promote and facilitate electronic information sharing and access are an essential component of acceptable and reliable public access service and complement content-related standards designed to meet those



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goals. The office shall:

(a) Establish technical standards to facilitate electronic access to government information and interoperability of information systems, including wireless communications systems; and

(b) Require agencies to include an evaluation of electronic public access needs when planning new information systems or major upgrades of systems.

In developing these standards, the office is encouraged to include the state library, state archives, and appropriate representatives of state and local government.

NEW SECTION. Sec. 4. A new section is added to chapter 43.105 RCW to read as follows:

(1) The office must evaluate the extent to which the state is building upon its existing expertise in information technology to become a national leader in cybersecurity, as described in section 1(6) of this act, by periodically evaluating the state's performance in achieving the following objectives:

(a) High levels of compliance with the state's information technology security policy and standards, as demonstrated by the attestation that state agencies make annually to the office in which they report their implementation of best practices identified by the office;

(b) Achieving recognition from the federal government as a leader in cybersecurity, as evidenced by federal dollars received for ongoing efforts or for piloting cybersecurity programs;

(c) Developing future leaders in cybersecurity, as evidenced by an increase in the number of students trained, and cybersecurity programs enlarged in educational settings from a January 1, 2016, baseline;

(d) Broad participation in cybersecurity trainings and exercises or outreach, as evidenced by the number of events and the number of participants;

(e) Full coverage and protection of state information technology assets by a centralized cybersecurity protocol; and

(f) Adherence by state agencies to recovery and resilience plans post cyber attack.

(2) The office is encouraged to collaborate with community colleges, universities, the department of commerce, and other stakeholders in obtaining the information necessary to measure its progress in achieving these objectives.

(3) Before December 1, 2020, the office must report to the legislature:

(a) Its performance in achieving the objectives described in subsection (1) of this section; and

(b) Its recommendations, if any, for additional or different metrics that would improve measurement of the effectiveness of the state's efforts to maintain leadership in cybersecurity.

(4) This section expires October 1, 2021.

NEW SECTION. Sec. 5. This act may be known and cited as the cybersecurity jobs act of 2016."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Brown moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 6528.

Senator Brown spoke in favor of the motion.

The President Pro Tempore declared the question before the Senate to be the motion by Senator Brown that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 6528.

The motion by Senator Brown carried and the Senate concurred in the House amendment(s) to Engrossed Substitute

Senate Bill No. 6528 by voice vote.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 6528, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 6528, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liiias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senators Hargrove and Nelson

ENGROSSED SUBSTITUTE SENATE BILL NO. 6528, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6601 with the following amendment(s): 6601-S2.E AMH APP H4648.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 28B.95.010 and 1997 c 289 s 1 are each amended to read as follows:

(1) The Washington advanced college tuition payment program is established to help make higher education affordable and accessible to all citizens of the state of Washington by offering a savings incentive that will protect purchasers and beneficiaries against rising tuition costs. ((The program is))

(2) Subject to the availability of amounts appropriated for this specific purpose, the Washington college savings program is established to provide an additional financial option for individuals, organizations, and families to save for college.

(3) These programs are designed to encourage savings and enhance the ability of Washington citizens to obtain financial access to institutions of higher education. In addition, the programs encourage((s)) elementary and secondary school students to do well in school as a means of preparing for and aspiring to higher education attendance. ((This program is)) These programs are intended to promote a well-educated and financially secure population to the ultimate benefit of all citizens of the state of Washington.

Sec. 2. RCW 28B.95.020 and 2015 3rd sp.s. c 36 s 6 are each amended to read as follows:

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

(1) "Academic year" means the regular nine-month, three-quarter, or two-semester period annually occurring between August 1st and July 31st.

(2) "Account" means the Washington advanced college tuition

payment program account established for the deposit of all money received by the office from eligible purchasers and interest earnings on investments of funds in the account, as well as for all expenditures on behalf of eligible beneficiaries for the redemption of tuition units and for the development of any authorized college savings program pursuant to RCW 28B.95.150.

(3) "Advisor sold" means a channel through which a broker dealer, investment advisor, or other financial intermediary recommends the Washington college savings program established pursuant to RCW 28B.95.010 to eligible investors and assists with the opening and servicing of individual college savings program accounts.

(4) "College savings program account" means the Washington college savings program account established pursuant to RCW 28B.95.010.

(5) "Committee on advanced tuition payment and college savings" or "committee" means a committee of the following members: The state treasurer, the director of the office of financial management, the director of the office, or their designees, and two members to be appointed by the governor, one representing program participants and one private business representative with marketing, public relations, or financial expertise.

((4)) (6) "Contractual obligation" means a legally binding contract of the state with the purchaser and the beneficiary establishing that purchases of tuition units in the advanced college tuition payment program will be worth the same number of tuition units at the time of redemption as they were worth at the time of the purchase, except as provided in RCW 28B.95.030(7).

((5)) (7) "Dual credit fees" means any fees charged to a student for participation in college in the high school under RCW 28A.600.290 or running start under RCW 28A.600.310.

((6)) (8) "Eligible beneficiary" means the person ((for whom the tuition unit will be redeemed for attendance at an institution of higher education, participation in college in the high school under RCW 28A.600.290, or participation in running start under RCW 28A.600.310. The beneficiary is that person named by the purchaser at the time that a tuition unit contract is accepted by the governing body)) designated as the individual whose education expenses are to be paid from the advanced college tuition payment program or the college savings program. Qualified organizations, as allowed under section 529 of the federal internal revenue code, purchasing tuition unit contracts as future scholarships need not designate a beneficiary at the time of purchase.

((7)) (9) "Eligible contributor" means an individual or organization that contributes money for the purchase of tuition units, and for an individual college savings program account established pursuant to this chapter for an eligible beneficiary.

(10) "Eligible purchaser" means an individual or organization that has entered into a tuition unit contract with the governing body for the purchase of tuition units in the advanced college tuition payment program for an eligible beneficiary, or that has entered into a participant college savings program account contract for an eligible beneficiary. The state of Washington may be an eligible purchaser for purposes of purchasing tuition units to be held for granting Washington college bound scholarships.

((8)) (11) "Full-time tuition charges" means resident tuition charges at a state institution of higher education for enrollments between ten credits and eighteen credit hours per academic term.

((9)) (12) "Governing body" means the committee empowered by the legislature to administer the Washington advanced college tuition payment program and the Washington college savings program.

((10)) (13) "Individual college savings program account" means the formal record of transactions relating to a Washington

college savings program beneficiary.

(14) "Institution of higher education" means an institution that offers education beyond the secondary level and is recognized by the internal revenue service under chapter 529 of the internal revenue code.

((11)) (15) "Investment board" means the state investment board as defined in chapter 43.33A RCW.

((12)) (16) "Investment manager" means the state investment board, another state, or any other entity as selected by the governing body, including another college savings plan established pursuant to section 529 of the internal revenue code.

(17) "Office" means the office of student financial assistance as defined in chapter 28B.76 RCW.

((13)) (18) "Owner" means the eligible purchaser or the purchaser's successor in interest who shall have the exclusive authority to make decisions with respect to the tuition unit contract or the individual college savings program contract. The owner has exclusive authority and responsibility to establish and change the asset investment options for a beneficiaries' individual college savings program account.

(19) "Participant college savings program account contract" means a contract to participate in the Washington college savings program between an eligible purchaser and the office.

(20) "State institution of higher education" means institutions of higher education as defined in RCW 28B.10.016.

((14)) (21) "Tuition and fees" means undergraduate tuition and services and activities fees as defined in RCW 28B.15.020 and 28B.15.041 rounded to the nearest whole dollar. For purposes of this chapter, services and activities fees do not include fees charged for the payment of bonds heretofore or hereafter issued for, or other indebtedness incurred to pay, all or part of the cost of acquiring, constructing, or installing any lands, buildings, or facilities.

((15)) (22) "Tuition unit contract" means a contract between an eligible purchaser and the governing body, or a successor agency appointed for administration of this chapter, for the purchase of tuition units in the advanced college tuition payment program for a specified beneficiary that may be redeemed at a later date for an equal number of tuition units, except as provided in RCW 28B.95.030(7).

((16)) (23) "Unit purchase price" means the minimum cost to purchase one tuition unit in the advanced college tuition payment program for an eligible beneficiary. Generally, the minimum purchase price is one percent of the undergraduate tuition and fees for the current year, rounded to the nearest whole dollar, adjusted for the costs of administration and adjusted to ensure the actuarial soundness of the account. The analysis for price setting shall also include, but not be limited to consideration of past and projected patterns of tuition increases, program liability, past and projected investment returns, and the need for a prudent stabilization reserve.

Sec. 3. RCW 28B.95.025 and 2011 1st sp.s. c 11 s 169 are each amended to read as follows:

The office shall maintain appropriate offices and employ and fix compensation of such personnel as may be necessary to perform the advanced college tuition payment program and the Washington college savings program duties. The office shall consult with the governing body on the selection, compensation, and other issues relating to the employment of the program director. The positions are exempt from classified service under chapter 41.06 RCW. The employees shall be employees of the office.

Sec. 4. RCW 28B.95.030 and 2015 3rd sp.s. c 36 s 7 are each amended to read as follows:

(1) The Washington advanced college tuition payment program shall be administered by the committee on advanced

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tuition payment which shall be chaired by the director of the office. The committee shall be supported by staff of the office.

(2)(a) The Washington advanced college tuition payment program shall consist of the sale of tuition units, which may be redeemed by the beneficiary at a future date for an equal number of tuition units regardless of any increase in the price of tuition, that may have occurred in the interval, except as provided in subsection (7) of this section.

(b) Each purchase shall be worth a specific number of or fraction of tuition units at each state institution of higher education as determined by the governing body, except as provided in subsection (7) of this section.

(c) The number of tuition units necessary to pay for a full year's, full-time undergraduate tuition and fee charges at a state institution of higher education shall be set by the governing body at the time a purchaser enters into a tuition unit contract, except as provided in subsection (7) of this section.

(d) The governing body may limit the number of tuition units purchased by any one purchaser or on behalf of any one beneficiary, however, no limit may be imposed that is less than that necessary to achieve four years of full-time, undergraduate tuition charges at a state institution of higher education. The governing body also may, at its discretion, limit the number of participants, if needed, to ensure the actuarial soundness and integrity of the program.

(e) While the Washington advanced college tuition payment program is designed to help all citizens of the state of Washington, the governing body may determine residency requirements for eligible purchasers and eligible beneficiaries to ensure the actuarial soundness and integrity of the program.

(3)(a) No tuition unit may be redeemed until two years after the purchase of the unit.

(b) Units may be redeemed for enrollment at any institution of higher education that is recognized by the internal revenue service under chapter 529 of the internal revenue code. Units may also be redeemed to pay for dual credit fees.

(c) Units redeemed at a nonstate institution of higher education or for graduate enrollment shall be redeemed at the rate for state public institutions in effect at the time of redemption.

(4) The governing body shall determine the conditions under which the tuition benefit may be transferred to another family member. In permitting such transfers, the governing body may not allow the tuition benefit to be bought, sold, bartered, or otherwise exchanged for goods and services by either the beneficiary or the purchaser.

(5) The governing body shall administer the Washington advanced college tuition payment program in a manner reasonably designed to be actuarially sound, such that the assets of the trust will be sufficient to defray the obligations of the trust including the costs of administration. The governing body may, at its discretion, discount the minimum purchase price for certain kinds of purchases such as those from families with young children, as long as the actuarial soundness of the account is not jeopardized.

(6) The governing body shall annually determine current value of a tuition unit.

(7) For the 2015-16 and 2016-17 academic years only, the governing body shall set the payout value for units redeemed during that academic year only at one hundred seventeen dollars and eighty-two cents per unit. For academic years after the 2016-17 academic year, the governing body shall make program adjustments it deems necessary and appropriate to ensure that the total payout value of each account on October 9, 2015, is not decreased or diluted as a result of the initial application of any changes in tuition under section 3, chapter 36, Laws of 2015 3rd

sp. sess. In the event the committee or governing body provides additional units under chapter 36, Laws of 2015 3rd sp. sess., the committee and governing body shall also increase the maximum number of units that can be redeemed in any year to mitigate the reduction in available account value during any year as a result of chapter 36, Laws of 2015 3rd sp. sess. The governing body must notify holders of tuition units after the adjustment in this subsection is made and must include a statement concerning the adjustment.

(8) The governing body shall promote, advertise, and publicize the Washington advanced college tuition payment program. Materials and online publications advertising the Washington advanced college tuition payment program shall include a disclaimer that the Washington advanced college tuition payment program's guarantee is that one hundred tuition units will equal one year of full-time, resident, undergraduate tuition at the most expensive state institution of higher education, and that if resident, undergraduate tuition is reduced, a tuition unit may lose monetary value.

(9) In addition to any other powers conferred by this chapter, the governing body may:

(a) Impose reasonable limits on the number of tuition units or units that may be used in any one year;

(b) Determine and set any time limits, if necessary, for the use of benefits under this chapter;

(c) Impose and collect administrative fees and charges in connection with any transaction under this chapter;

(d) Appoint and use advisory committees and the state actuary as needed to provide program direction and guidance;

(e) Formulate and adopt all other policies and rules necessary for the efficient administration of the program;

(f) Consider the addition of an advanced payment program for room and board contracts and also consider a college savings program;

(g) Purchase insurance from insurers licensed to do business in the state, to provide for coverage against any loss in connection with the account's property, assets, or activities or to further insure the value of the tuition units;

(h) Make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise and discharge of its powers and duties under this chapter;

(i) Contract for the provision for all or part of the services necessary for the management and operation of the program with other state or nonstate entities authorized to do business in the state;

(j) Contract for other services or for goods needed by the governing body in the conduct of its business under this chapter;

(k) Contract with financial consultants, actuaries, auditors, and other consultants as necessary to carry out its responsibilities under this chapter;

(l) Solicit and accept cash donations and grants from any person, governmental agency, private business, or organization; and

(m) Perform all acts necessary and proper to carry out the duties and responsibilities of this program under this chapter.

NEW SECTION. Sec. 5. A new section is added to chapter 28B.95 RCW to read as follows:

(1) The Washington college savings program shall be administered by the committee, which shall be chaired by the director of the office. The committee shall be supported by staff of the office.

(2) The Washington college savings program shall consist of the college savings program account and the individual college savings program accounts, and shall allow an eligible purchaser to establish an individual college savings program account for an

eligible beneficiary whereby the money in the account may be invested and used for enrollment at any institution of higher education that is recognized by the internal revenue service under chapter 529 of the internal revenue code. Money in the account may also be used to pay for dual credit fees.

(3) The Washington college savings program is open to eligible purchasers and eligible beneficiaries who are residents or nonresidents of Washington state.

(4) The Washington college savings program shall not require eligible purchasers to make an initial minimum contribution in any amount that exceeds twenty-five dollars when establishing a new account.

(5) The committee may contract with other state or nonstate entities that are authorized to do business in the state for the investment of moneys in the college savings program, including other college savings plans established pursuant to section 529 of the internal revenue code. The investment of eligible contributors' deposits may be in credit unions, savings and loan associations, banks, mutual savings banks, purchase life insurance, shares of an investment company, individual securities, fixed annuity contracts, variable annuity contracts, any insurance company, other 529 plans, or any investment company licensed to contract business in this state.

(6) The governing body shall determine the conditions under which control or the beneficiary of an individual college savings program account may be transferred to another family member. In permitting such transfers, the governing body may not allow the individual college savings program account to be bought, sold, bartered, or otherwise exchanged for goods and services by either the beneficiary or the purchaser.

(7) The governing body shall promote, advertise, and publicize the Washington college savings program.

(8) The governing body shall develop materials to educate potential account owners and beneficiaries on (a) the differences between the advanced college tuition payment program and the Washington college savings program, and (b) how the two programs can complement each other to save towards the full cost of attending college.

(9) In addition to any other powers conferred by this chapter, the governing body may:

(a) Impose limits on the amount of contributions that may be made on behalf of any eligible beneficiary;

(b) Determine and set age limits and any time limits for the use of benefits under this chapter;

(c) Establish incentives to encourage participation in the Washington college savings program to include but not be limited to entering into agreements with any public or private employer under which an employee may agree to have a designated amount deducted in each payroll period from the wages due the employee for the purpose of making contributions to a participant college savings program account;

(d) Impose and collect administrative fees and charges in connection with any transaction under this chapter;

(e) Appoint and use advisory committees and the state actuary as needed to provide program direction and guidance;

(f) Formulate and adopt all other policies and rules necessary for the efficient administration of the program;

(g) Purchase insurance from insurers licensed to do business in the state, to provide for coverage against any loss in connection with the account's property, assets, or activities;

(h) Make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise and discharge of its powers and duties under this chapter;

(i) Contract for the provision for all or part of the services necessary for the management and operation of the Washington college savings program with other state or nonstate entities

authorized to do business in the state for the investment of moneys;

(j) Contract for other services or for goods needed by the governing body in the conduct of its business under this chapter;

(k) Contract with financial consultants, actuaries, auditors, and other consultants as necessary to carry out its responsibilities under this chapter;

(l) Review advisor sold 529 college savings plan programs used by other states to supplement direct-sold channels, provide additional program access and options, increase overall college savings by residents, and if deemed appropriate, establish an advisor sold option for the Washington college savings program;

(m) Solicit and accept gifts, bequests, cash donations, and grants from any person, governmental agency, private business, or organization; and

(n) Perform all acts necessary and proper to carry out the duties and responsibilities of the Washington college savings program under this chapter.

(10) It is the intent of the legislature to establish policy goals for the Washington college savings program. The policy goals established under this section are deemed consistent with creating a nationally competitive 529 savings plan. The Washington college savings program should support achievement of these policy goals:

(a) Process: To have an investment manager design a thoughtful, well-diversified glide path for age-based portfolios and offer a robust suite of investment options;

(b) People: To have a well-resourced, talented, and long-tenured investment manager;

(c) Parent: To demonstrate that the committee is a good caretaker of college savers' capital and can manage the plan professionally;

(d) Performance: To demonstrate that the program's options have earned their keep with solid risk-adjusted returns over relevant time periods; and

(e) Price: To demonstrate that the investment options are a good value.

(11) The powers, duties, and functions of the Washington college savings program must be performed in a manner consistent with the policy goals in subsection (10) of this section.

(12) The policy goals in this section are intended to be the basis for establishing detailed and measurable objectives and related performance measures.

(13) It is the intent of the legislature that the committee establish objectives and performance measures for the investment manager to progress toward the attainment of the policy goals in subsection (10) of this section. The committee shall submit objectives and performance measures to the legislature for its review and shall provide an updated report on the objectives and measures before the regular session of the legislature during even-numbered years thereafter.

NEW SECTION. Sec. 6. A new section is added to chapter 28B.95 RCW to read as follows:

(1) The committee shall create an expedited process by which owners can complete a direct rollover of a 529 account from (a) a state-sponsored prepaid tuition plan to a state-sponsored college savings plan, (b) a state-sponsored college savings plan to a state-sponsored prepaid tuition plan, or (c) a state-sponsored prepaid tuition plan or a state-sponsored college savings plan to an out-of-state eligible 529 plan.

(2) The committee shall report annually to the governor and the appropriate committees of the legislature on (a) the number of accounts that have been rolled into the Washington college savings program from out of state and (b) the number of accounts rolled out of the Washington college savings program to 529 plans into other states.

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Sec. 7. RCW 28B.95.035 and 1998 c 69 s 3 are each amended to read as follows:

No member of the committee is liable for the negligence, default, or failure of any other person or members of the committee to perform the duties of office and no member may be considered or held to be an insurer of the funds or assets of any of the advanced college tuition payment program or any of the Washington college savings program.

Sec. 8. RCW 28B.95.040 and 2011 1st sp.s. c 11 s 171 are each amended to read as follows:

The governing body may, at its discretion, allow an organization to purchase tuition units or establish savings plans for future use as scholarships. Such organizations electing to purchase tuition units or establish Washington college savings program accounts for this purpose must enter into a contract with the governing body which, at a minimum, ensures that the scholarship shall be freely given by the purchaser to a scholarship recipient. For such purchases, the purchaser need not name a beneficiary until four months before the date when the tuition units are first expected to be used.

The governing body shall formulate and adopt such rules as are necessary to determine which organizations may qualify to purchase tuition units or establish Washington college savings program accounts for scholarships under this section. The governing body also may consider additional rules for the use of tuition units or Washington college savings program accounts if purchased as scholarships.

The governing body may establish a scholarship fund with moneys from the Washington advanced college tuition payment program account. A scholarship fund established under this authority shall be administered by the office and shall be provided to students who demonstrate financial need. Financial need is not a criterion that any other organization need consider when using tuition units as scholarships. The office also may establish its own corporate-sponsored scholarship fund under this chapter.

NEW SECTION. Sec. 9. A new section is added to chapter 28B.95 RCW to read as follows:

(1) The Washington college savings program account is created in the custody of the state treasurer. The account shall be a discrete nontreasury account retaining its interest earnings in accordance with RCW 43.79A.040.

(2) The governing body shall deposit in the account all moneys received for the program. The account shall be self-sustaining and consist of payments received for the purposes of college savings for the beneficiary. With the exception of investment and operating costs associated with the investment of money by a nonstate entity or paid under RCW 43.08.190, 43.33A.160, and 43.84.160, the account shall be credited with all investment income earned by the account. Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW. Money used for program administration is subject to the allotment of all expenditures. However, an appropriation is not required for such expenditures. Program administration includes, but is not limited to: The salaries and expenses of the Washington college savings program personnel including lease payments, travel, and goods and services necessary for program operation; contracts for Washington college savings program promotion and advertisement, audits, and account management; and other general costs of conducting the business of the Washington college savings program.

(3) The account is authorized to maintain a cash deficit in the account for a period no more than five fiscal years to defray its initial program administration costs. By December 31, 2017, the governing body shall establish a program administration spending plan and a fee schedule to discharge any projected cash deficit to

the account. The legislature may make appropriations into the account for the purpose of reducing program administration costs.

(4) The assets of the account may be spent without appropriation for the purpose of making payments to institutions of higher education on behalf of the qualified beneficiaries, making refunds, transfers, or direct payments upon the termination of the Washington college savings program. Disbursements from the account shall be made only on the authorization of the governing body.

(5) With regard to the assets of the account, the state acts in a fiduciary, not ownership, capacity. Therefore the assets of the program are not considered state money, common cash, or revenue to the state.

Sec. 10. RCW 28B.95.080 and 2011 1st sp.s. c 12 s 3 are each amended to read as follows:

The governing body shall annually evaluate, and cause to be evaluated by the state actuary, the soundness of the advanced college tuition payment program account and determine the additional assets needed, if any, to defray the obligations of the account. The governing body may, at its discretion, consult with a nationally recognized actuary for periodic assessments of the account.

If funds are determined by the governing body, based on actuarial analysis to be insufficient to ensure the actuarial soundness of the account, the governing body shall adjust the price of subsequent tuition credit purchases to ensure its soundness.

If there are insufficient numbers of new purchases to ensure the actuarial soundness of the account, the governing body shall request such funds from the legislature as are required to ensure the integrity of the program. Funds may be appropriated directly to the account or appropriated under the condition that they be repaid at a later date. The repayment shall be made at such time that the account is again determined to be actuarially sound.

NEW SECTION. Sec. 11. A new section is added to chapter 28B.95 RCW to read as follows:

The governing body shall begin and continue to accept applications for new tuition unit contracts and authorize the sale of new tuition units by July 1, 2017. Upon reopening the advanced college tuition payment program, in any year in which the total annual sale of tuition units is below five hundred thousand, the governing body shall determine how to reinvigorate the advanced college tuition payment program to incentivize Washingtonians to enter into tuition unit contracts and purchase tuition units.

Sec. 12. RCW 28B.95.090 and 2005 c 272 s 3 are each amended to read as follows:

(1) In the event that the ((state)) legislature determines that the advanced college tuition payment program is not financially feasible, or for any other reason, the ((state)) legislature may declare the discontinuance of the program. At the time of such declaration, the governing body will cease to accept any further tuition unit contracts or purchases.

(2) The remaining tuition units for all beneficiaries who have either enrolled in higher education or who are within four years of graduation from a secondary school shall be honored until such tuition units have been exhausted, or for ten fiscal years from the date that the program has been discontinued, whichever comes first. All other contract holders shall receive a refund equal to the value of the current tuition units in effect at the time that the program was declared discontinued.

(3) At the end of the ten-year period, any tuition units remaining unused by currently active beneficiaries enrolled in higher education shall be refunded at the value of the current tuition unit in effect at the end of that ten-year period.

(4) At the end of the ten-year period, all other funds remaining in the account not needed to make refunds or to pay for administrative costs shall be deposited to the state general fund.

(5) The governing body may make refunds under other exceptional circumstances as it deems fit, however, no tuition units may be honored after the end of the tenth fiscal year following the declaration of discontinuance of the program.

NEW SECTION. Sec. 13. A new section is added to chapter 28B.95 RCW to read as follows:

(1) The investment manager has the full power to invest, reinvest, manage, contract, sell, or exchange investment money in the Washington college savings program without limitation as to the amount pursuant to RCW 43.84.150 and 43.33A.140. All investment and operating costs associated with the investment of money must be paid to the investment manager as allowed by RCW 43.33A.160 and 43.84.160. With the exception of these expenses and the administrative costs authorized in sections 5 and 9 of this act, one hundred percent of all earnings from investments accrue directly to the owner of the individual college savings program account.

(2) The governing body may allow owners to self-direct the investment of moneys in individual college savings program accounts through the selection of investment options. The governing body may provide plans that it deems are in the interests of the owners and beneficiaries.

(a) The investment manager, after consultation with the governing body, shall provide a set of options for owners to choose from for investment of individual college savings program account contributions, including an age-based investment option.

(b) The investment manager has the full authority to invest moneys pursuant to the investment directions of the owner of a self-directed individual college savings program account.

(3) Annually on each December 1st, the committee shall report to the governor and the appropriate committees of the legislature regarding the total fees charged to each investment option offered in the Washington college savings program. It is the intent of the legislature that fees charged to the owner not exceed one-half of one percent for any investment option on an annual basis. Beginning January 1, 2018, fees charged to the owner may not exceed one-half of one percent for any investment option on an annual basis.

(4) In the next succeeding legislative session following receipt of a report required under subsection (3) of this section, the appropriate committees of the legislature shall review the report and consider whether any legislative action is necessary with respect to the investment option with fees that exceed one-half of one percent, including but not limited to consideration of whether any legislative action is necessary with respect to reducing the fees and expenses associated with the underlying investment option. With the exception of fees associated with the administration of the program authorized in sections 5 and 9 of this act, all moneys in the college savings program account, all property and rights purchased with the account, and all income attributable to the account, shall be held in trust for the exclusive benefit of the owners and their eligible beneficiaries.

(5) All investments made by the investment manager shall be made with the exercise of that degree of judgment and care expressed in chapter 43.33A RCW.

(6) As deemed appropriate by the investment manager, money in the Washington college savings program account may be commingled for investment with other funds subject to investment by the investment manager.

(7) The authority to establish all policies relating to the Washington college savings program and the Washington college savings program account, other than investment policies resides with the governing body. With the exception of expenses of the

investment manager as provided in subsection (1) of this section, disbursements from the Washington college savings program account shall be made only on the authorization of the governing body or its designee, and moneys in the account may be spent only for the purposes of the Washington college savings program as specified in this chapter.

(8) The investment manager shall routinely consult and communicate with the governing body on the investment policy, earnings of the trust, and related needs of the Washington college savings program.

Sec. 14. RCW 28B.95.100 and 2000 c 14 s 7 are each amended to read as follows:

(1) The governing body, in planning and devising the advanced college tuition payment program and the Washington college savings program, shall consult with the investment board, the state treasurer, the office of financial management, and the institutions of higher education.

(2) The governing body may seek the assistance of the state agencies named in subsection (1) of this section, private financial institutions, and any other qualified party with experience in the areas of accounting, actuary, risk management, or investment management to assist with preparing an accounting of the programs and ensuring the fiscal soundness of the advanced college tuition payment program account and the Washington college savings program account.

(3) State agencies and public institutions of higher education shall fully cooperate with the governing body in matters relating to the programs in order to ensure the solvency of the advanced college tuition payment account and the Washington college savings program account and ability of the governing body to meet outstanding commitments.

NEW SECTION. Sec. 15. A new section is added to chapter 28B.95 RCW to read as follows:

The intent of the Washington college savings program is to make distributions from individual college savings program accounts for beneficiaries' attendance at public or private institutions of higher education. Federal penalties and taxes associated with 529 savings plan refunds may apply to any refund issued by the Washington college savings plan. Refunds shall be issued under specific conditions that may include the following:

(1) Certification that the beneficiary, who is eighteen years of age or older, will not attend a public or private institution of higher education, will result in a refund not to exceed the current value at the time of such certification. The refund shall be made no sooner than ninety days after such certification, less any administrative processing fees assessed by the governing body;

(2) If there is certification of the death or disability of the beneficiary, the refund shall be equal to one hundred percent of the current value at the time that such certification is submitted to the governing body, less any administrative processing fees assessed by the governing body;

(3) If there is certification by the student of graduation or program completion, the refund shall be as great as one hundred percent of the current value at the time that such certification is submitted to the governing body, less any administrative processing fees assessed by the governing body. The governing body may, at its discretion, impose a penalty if needed to comply with federal tax rules;

(4) If there is certification of other tuition and fee scholarships that will cover the cost of tuition for the eligible beneficiary, the refund may not exceed the value of the scholarship or scholarships, less any administrative processing fees assessed by the governing body;

(5) Incorrect or misleading information provided by the purchaser or beneficiaries may result in a refund of the purchaser's and contributors' contributions, less any administrative

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processing fees assessed by the governing body. The value of the refund must not exceed the actual dollar value of the purchaser's or contributors' contributions; and

(6) The governing body may determine other circumstances qualifying for refunds of remaining unused participant Washington college savings program account balances and may determine the value of that refund.

NEW SECTION. Sec. 16. A new section is added to chapter 28B.95 RCW to read as follows:

With regard to bankruptcy filings and enforcement of judgments under Title 6 RCW, participant Washington college savings program account deposits made more than two years before the date of filing or judgment are considered excluded personal assets.

Sec. 17. RCW 28B.95.150 and 2012 c 198 s 16 are each amended to read as follows:

(1) The committee may establish a college savings program. If such a program is established, the college savings program shall be established, in such form as may be determined by the committee, to be a qualified state tuition program as defined by the internal revenue service under section 529 of the internal revenue code, and shall be administered in a manner consistent with the Washington advanced college tuition payment program. The committee, in planning and devising the program, shall consult with the state investment board, the state treasurer, the state actuary, the legislative fiscal and higher education committees, and the institutions of higher education. The governing body may, at its discretion, consult with a qualified actuarial consulting firm with appropriate expertise to evaluate such plans for periodic assessments of the program.

(2) Up to two hundred thousand dollars of administrative fees collected from guaranteed education tuition program participants may be applied as a loan to fund the development and start-up of a college savings program. This loan must be repaid with interest before the conclusion of the biennium following the biennium in which the committee draws funds for this purpose from the advanced college tuition payment program account.

(3) The committee, after consultation with the state investment board or other contracted investment manager, shall determine the investment policies for the college savings program. Program contributions may be invested by the state investment board, in which case it and not the committee shall determine the investment policies for the college savings program, or the committee may contract with an investment company licensed to conduct business in this state to do the investing. The committee shall keep or cause to be kept full and adequate accounts and records of the assets of each individual participant in the college savings program.

(4)(a) The governing body may elect to have the state investment board serve as investment manager for the funds in the college savings program. Members of the state investment board and its officers and employees are not considered an insurer of the funds or assets and are not liable for any action or inaction.

(b) Members of the state investment board and its officers and employees are not liable to the state, to the fund, or to any other person as a result of their activities as members, whether ministerial or discretionary, except for willful dishonesty or intentional violations of law. The state investment board in its discretion may purchase liability insurance for members.

(c) If selected by the governing body to be the investment manager, the state investment board retains all authority to establish all investment policies relating to the investment of college savings program moneys.

(d) The state investment board shall routinely consult and communicate with the committee on the investment policy,

earnings of the accounts, and related needs of the college savings program.

(5) The owner has exclusive authority and responsibility to establish and change the asset allocation for an individual participant college savings program account.

(6) Neither the state nor any eligible educational institution may be considered or held to be an insurer of the funds or assets of the individual participant accounts in the college savings program created under this section nor may any such entity be held liable for any shortage of funds in the event that balances in the individual participant accounts are insufficient to meet the educational expenses of the institution chosen by the student for which the individual participant account was intended.

((5)) (7) The committee shall adopt rules to implement this section. Such rules shall include but not be limited to administration, investment management, recordkeeping, promotion, and marketing; compliance with internal revenue service standards and applicable securities regulations; application procedures and fees; start-up costs; phasing in the savings program and withdrawals therefrom; deterrents to early withdrawals and provisions for hardship withdrawals; and reenrollment in the savings program after withdrawal.

((6)) (8) The committee may, at its discretion, determine to cease operation of the college savings program if it determines the continuation is not in the best interest of the state. The committee shall adopt rules to implement this section addressing the orderly distribution of assets.

Sec. 18. RCW 28B.95.900 and 1997 c 289 s 11 are each amended to read as follows:

This chapter shall not be construed as a promise that any beneficiary shall be granted admission to any institution of higher education, will earn any specific or minimum number of academic credits, or will graduate from any such institution. In addition, this chapter shall not be construed as a promise of either course or program availability.

Participation in ((this)) the advanced college tuition payment program or the Washington college savings program does not guarantee an eligible beneficiary the right to resident tuition and fees. To qualify for resident and respective tuition subsidies, the eligible beneficiary must meet the applicable provisions of RCW 28B.15.011 through 28B.15.015.

This chapter shall not be construed to imply that the redemption of tuition units in the advanced college tuition payment program shall be equal to any value greater than the undergraduate tuition and services and activities fees at a state institution of higher education as computed under this chapter. Eligible beneficiaries will be responsible for payment of any other fee that does not qualify as a services and activities fee including, but not limited to, any expenses for tuition surcharges, tuition overload fees, laboratory fees, equipment fees, book fees, rental fees, room and board charges, or fines.

Sec. 19. RCW 43.33A.135 and 2010 1st sp.s. c 7 s 36 are each amended to read as follows:

The state investment board has the full power to establish investment policy, develop participant investment options, and manage investment funds for the college savings program, if the committee on advanced tuition payment and college savings selects the state investment board as the investment manager pursuant to section 5 of this act, and for the state deferred compensation plan, consistent with the provisions of RCW 41.50.770 and 41.50.780. The board may continue to offer the investment options provided as of June 11, 1998, until the board establishes a deferred compensation plan investment policy and adopts new investment options after considering the recommendations of the department of retirement systems.

Sec. 20. RCW 43.33A.190 and 2000 c 247 s 701 are each amended to read as follows:

((Pursuant to RCW 41.34.130,)) The state investment board shall invest all self-directed investment moneys under teachers' retirement system plan 3, the school employees' retirement system plan 3, and the public employees' retirement system plan 3 pursuant to RCW 41.34.130 and under the college savings program, if the committee on advanced tuition payment and college savings selects the state investment board as the investment manager pursuant to section 5 of this act, with full power to establish investment policy, develop investment options, and manage self-directed investment funds.

Sec. 21. RCW 43.79A.040 and 2013 c 251 s 5 and 2013 c 88 s 1 are each reenacted and amended to read as follows:

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

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

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

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

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

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

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

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

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

NEW SECTION. Sec. 22. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Frockt moved that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6601.

Senators Frockt, Braun, Mullet and Bailey spoke in favor of the motion.

The President Pro Tempore declared the question before the Senate to be the motion by Senator Frockt that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6601.

The motion by Senator Frockt carried and the Senate concurred in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6601 by voice vote.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 6601, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 6601, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 45; Nays, 2; Absent, 0; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick



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Voting nay: Senators Ericksen and Padden

Excused: Senators Hargrove and Nelson

March 2, 2016

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6601, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## MESSAGE FROM THE HOUSE

March 4, 2016

MR. PRESIDENT:

The House passed ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5109 with the following amendment(s): 5109-S2.E AMH CDHT FLYN 240

On page 8, line 25, after "construction;" insert "and"

On page 8, beginning on line 26 after "funds" strike all material through "mountains" on line 30

BERNARD DEAN, Deputy Chief Clerk

## MOTION

Senator Brown moved that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 5109.

Senator Brown spoke in favor of the motion.

The President Pro Tempore declared the question before the Senate to be the motion by Senator Brown that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 5109.

The motion by Senator Brown carried and the Senate concurred in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 5109 by voice vote.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5109, as amended by the House.

## ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5109, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 44; Nays, 3; Absent, 0; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Voting nay: Senators Carlyle, Jayapal and Padden

Excused: Senators Hargrove and Nelson

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5109, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## MESSAGE FROM THE HOUSE

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6227 with the following amendment(s): 6227-S AMH CB H4479.3

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. In section 3163, chapter 3, Laws of 2015 3rd sp. sess., the legislature directed the recreation and conservation office to review and make recommendations for changes to the Washington wildlife and recreation program. The recreation and conservation office conducted the review and this act details the proposed recommendations for statutory revisions to chapter 79A.15 RCW that will promote habitat conservation, outdoor recreation, working lands preservation, property rights, coordination between the state and local governments, and ensure continued success of the program for future generations.

Sec. 2. RCW 79A.15.010 and 2015 c 225 s 126 are each amended to read as follows:

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

(1) "Acquisition" means the purchase on a willing seller basis of fee or less than fee interests in real property. These interests include, but are not limited to, options, rights of first refusal, conservation easements, leases, and mineral rights.

(2) "Board" means the recreation and conservation funding board.

(3) "Critical habitat" means lands important for the protection, management, or public enjoyment of certain wildlife species or groups of species, including, but not limited to, wintering range for deer, elk, and other species, waterfowl and upland bird habitat, fish habitat, and habitat for endangered, threatened, or sensitive species.

(4) "Farmlands" means any land defined as: (a) "Farm and agricultural land" in RCW 84.34.020(2); and (b) "farm and agricultural conservation land" in RCW 84.34.020(8).

(5) "Local agencies" means a city, county, town, federally recognized Indian tribe, special purpose district, port district, or other political subdivision of the state providing services to less than the entire state.

(6) "Natural areas" means areas that have, to a significant degree, retained their natural character and are important in preserving rare or vanishing flora, fauna, geological, natural historical, or similar features of scientific or educational value.

(7) "Nonprofit nature ((conservancy corporation or association")) conservancies means ((an)) organizations as defined in RCW 84.34.250.

(8) "Riparian habitat" means land adjacent to water bodies, as well as submerged land such as streambeds, which can provide functional habitat for salmonids and other fish and wildlife species. Riparian habitat includes, but is not limited to, shorelines and near-shore marine habitat, estuaries, lakes, wetlands, streams, and rivers.

(9) "Special needs populations" means physically restricted people or people of limited means.

(10) "State agencies" means the state parks and recreation commission, the department of natural resources, the department of enterprise services, and the department of fish and wildlife.

(11) "Trails" means public ways constructed for and open to pedestrians, equestrians, or bicyclists, or any combination thereof, other than a sidewalk constructed as a part of a city street or county road for exclusive use of pedestrians.

(12) "Urban wildlife habitat" means lands that provide habitat important to wildlife in proximity to a metropolitan area.

(13) "Water access" means boat or foot access to marine waters, lakes, rivers, or streams.

(14) "Confer" means a dialogue between project sponsors and local county and city officials with the purpose of early review of potential projects. The dialogue may include any matter relevant to a particular project, which may include but need not be limited to: Project purpose and scope; project elements; estimated project cost; costs and benefits to the community; plans for project management and maintenance; and public access.

(15) "Forest lands" means any land defined as "timberland" in RCW 84.34.020(3).

(16) "Multiple benefits" means recreational uses that are compatible with habitat conservation or resources uses or management practices that are compatible with and provide the ability to achieve additional conservation benefits.

Sec. 3. RCW 79A.15.030 and 2015 c 183 s 1 are each amended to read as follows:

(1) Moneys appropriated prior to July 1, 2016, for this chapter shall be divided as follows:

(a) Appropriations for a biennium of forty million dollars or less must be allocated equally between the habitat conservation account and the outdoor recreation account.

(b) If appropriations for a biennium total more than forty million dollars, the money must be allocated as follows: (i) Twenty million dollars to the habitat conservation account and twenty million dollars to the outdoor recreation account; (ii) any amount over forty million dollars up to fifty million dollars shall be allocated as follows: (A) Ten percent to the habitat conservation account; (B) ten percent to the outdoor recreation account; (C) forty percent to the riparian protection account; and (D) forty percent to the farmlands preservation account; and (iii) any amounts over fifty million dollars must be allocated as follows: (A) Thirty percent to the habitat conservation account; (B) thirty percent to the outdoor recreation account; (C) thirty percent to the riparian protection account; and (D) ten percent to the farmlands preservation account.

(2) ((Except as otherwise provided in chapter 303, Laws of 2005.)) Beginning July 1, 2016, moneys appropriated for this chapter must be allocated as follows: (a) Forty-five percent to the habitat conservation account; (b) forty-five percent to the outdoor recreation account; and (c) ten percent to the farm and forest account.

(3) Moneys deposited in these accounts shall be invested as authorized for other state funds, and any earnings on them shall be credited to the respective account.

((3)) (4) All moneys deposited in the habitat conservation, outdoor recreation, ((riparian protection, and farmlands preservation)) and farm and forest accounts shall be allocated as provided under RCW 79A.15.040, 79A.15.050, ((79A.15.120,)) and 79A.15.130 as grants to state or local agencies or nonprofit nature ((conservancy organizations or associations)) conservancies for acquisition, development, and renovation within the jurisdiction of those agencies, subject to legislative appropriation. The board may use or permit the use of any funds appropriated for this chapter as matching funds where federal, local, or other funds are made available for projects within the purposes of this chapter. Moneys appropriated to these accounts that are not obligated to a specific project may be used to fund projects from lists of alternate projects from the same account in biennia succeeding the biennium in which the moneys were originally appropriated.

((4)) (5) Projects receiving grants ((under this chapter that are developed or otherwise accessible for public recreational uses shall be available to the public)) for development, recreational access, or fee simple acquisition of land under this chapter must be accessible for public recreation and outdoor education unless

the board specifically approves limiting public access in order to protect sensitive species, water quality, or public safety.

((5)) (6) The board may make grants to an eligible project from the habitat conservation, outdoor recreation, ((riparian protection, and farmlands preservation)) and farm and forest accounts and any one or more of the applicable categories under such accounts described in RCW 79A.15.040, 79A.15.050, ((79A.15.120,)) and 79A.15.130.

((6)) (7) The board may accept private donations to the habitat conservation account, the outdoor recreation account, ((the riparian protection account,)) and the ((farmlands preservation)) farm and forest account for the purposes specified in this chapter.

((7)) (8) The board may retain a portion of the funds appropriated for this chapter for its office for the administration of the programs and purposes specified in this chapter. The portion of the funds retained for administration may not exceed: (a) The actual administration costs averaged over the previous five biennia as a percentage of the legislature's new appropriation for this chapter; or (b) the amount specified in the appropriation, if any. Each biennium the percentage specified under (a) of this subsection must be approved by the office of financial management and submitted along with the prioritized lists of projects to be funded in RCW 79A.15.060((6)), 79A.15.070((7)), ((79A.15.120(10),)) and 79A.15.130((11)).

((8)) (9) Habitat and recreation land and facilities acquired or developed with moneys appropriated for this chapter may not, without prior approval of the board, be converted to a use other than that for which funds were originally approved. The board shall adopt rules and procedures governing the approval of such a conversion.

Sec. 4. RCW 79A.15.040 and 2008 c 299 s 29 are each amended to read as follows:

(1) Moneys appropriated for this chapter prior to July 1, 2016, to the habitat conservation account shall be distributed in the following way:

(a) Not less than forty percent through June 30, 2011, at which time the amount shall become forty-five percent, for the acquisition and development of critical habitat;

(b) Not less than thirty percent for the acquisition and development of natural areas;

(c) Not less than twenty percent for the acquisition and development of urban wildlife habitat; and

(d) Not less than ten percent through June 30, 2011, at which time the amount shall become five percent, shall be used by the board to fund restoration and enhancement projects on state lands. Only the department of natural resources and the department of fish and wildlife may apply for these funds to be used on existing habitat and natural area lands.

(2) Moneys appropriated beginning July 1, 2016, for this chapter to the habitat conservation account shall be distributed in the following way:

(a) Not less than thirty-five percent for the acquisition and development of critical habitat;

(b) Not less than twenty-five percent for the acquisition and development of natural areas;

(c) Not less than fifteen percent for the acquisition or enhancement or restoration of riparian habitat;

(d) Not less than fifteen percent for the acquisition and development of urban wildlife habitat; and

(e) Not less than ten percent or three million dollars, whichever is less, for the board to fund restoration and enhancement projects on state lands. Any amount above three million dollars must be distributed for the purposes of (c) of this subsection.

(3)(a) In distributing these funds, the board retains discretion to meet the most pressing needs for critical habitat, natural areas,

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riparian protection, and urban wildlife habitat, and is not required to meet the percentages described in subsections (1) and (2) of this section in any one biennium.

(b) If not enough project applications are submitted in a category within the habitat conservation account to meet the percentages described in subsections (1) and (2) of this section in any biennium, the board retains discretion to distribute any remaining funds to the other categories within the account.

((3)) (4) State agencies and nonprofit nature conservancies may apply for acquisition and development funds for natural areas projects under subsection (1)(b) of this section.

((4)) (5) State and local agencies and nonprofit nature conservancies may apply for acquisition and development funds for critical habitat ((and)), urban wildlife habitat, and riparian protection projects under ((subsection (1)(a) and (c) of)) this section. Other state agencies not defined in RCW 79A.15.010, such as the department of transportation and the department of corrections, may enter into interagency agreements with state agencies to apply in partnership for riparian protection funds under this section.

(6) The department of natural resources, the department of fish and wildlife, and the state parks and recreation commission may apply for restoration and enhancement funds to be used on existing state-owned lands.

((5)) (7)(a) Any lands that have been acquired with grants under this section by the department of fish and wildlife are subject to an amount in lieu of real property taxes and an additional amount for control of noxious weeds as determined by RCW 77.12.203.

(b) Any lands that have been acquired with grants under this section by the department of natural resources are subject to payments in the amounts required under the provisions of RCW 79.70.130 and 79.71.130.

((6)) (8) Except as otherwise conditioned by RCW 79A.15.140 or 79A.15.150, the board in its evaluating process shall consider the following in determining distribution priority:

(a) Whether the entity applying for funding is a Puget Sound partner, as defined in RCW 90.71.010;

(b) Effective one calendar year following the development and statewide availability of model evergreen community management plans and ordinances under RCW 35.105.050, whether the entity receiving assistance has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030; and

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

((7)) (9) After January 1, 2010, any project designed to address the restoration of Puget Sound may be funded under this chapter only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

Sec. 5. RCW 79A.15.050 and 2007 c 241 s 30 are each amended to read as follows:

(1) Moneys appropriated prior to July 1, 2016, for this chapter to the outdoor recreation account shall be distributed in the following way:

(a) Not less than thirty percent to the state parks and recreation commission for the acquisition and development of state parks, with at least fifty percent of the money for acquisition costs;

(b) Not less than thirty percent for the acquisition, development, and renovation of local parks, with at least fifty percent of this money for acquisition costs;

(c) Not less than twenty percent for the acquisition, renovation, or development of trails;

(d) Not less than fifteen percent for the acquisition, renovation, or development of water access sites, with at least seventy-five

percent of this money for acquisition costs; and

(e) Not less than five percent for development and renovation projects on state recreation lands. Only the department of natural resources and the department of fish and wildlife may apply for these funds to be used on their existing recreation lands.

(2) Moneys appropriated beginning July 1, 2016, for this chapter to the outdoor recreation account shall be distributed in the following way:

(a) Not less than thirty percent to the state parks and recreation commission for the acquisition and development of state parks, with at least forty percent but no more than fifty percent of the money for acquisition costs;

(b) Not less than thirty percent for the acquisition, development, and renovation of local parks, with at least forty percent but no more than fifty percent of this money for acquisition costs;

(c) Not less than twenty percent for the acquisition, renovation, or development of trails;

(d) Not less than ten percent for the acquisition, renovation, or development of water access sites, with at least seventy-five percent of this money for acquisition costs; and

(e) Not less than ten percent or three million dollars, whichever is less, for development and renovation projects on state recreation lands. Any amount above three million dollars must be distributed for the purposes of (d) of this subsection.

(3)(a) In distributing these funds, the board retains discretion to meet the most pressing needs for state and local parks, trails, and water access sites, and is not required to meet the percentages described in subsections (1) and (2) of this section in any one biennium.

(b) If not enough project applications are submitted in a category within the outdoor recreation account to meet the percentages described in subsections (1) and (2) of this section in any biennium, the board retains discretion to distribute any remaining funds to the other categories within the account.

((3)) (4) Only the state parks and recreation commission may apply for acquisition and development funds for state parks under subsections (1)(a) and (2)(a) of this section.

(5) Only local agencies may apply for acquisition, development, or renovation funds for local parks under subsections (1)(b) and (2)(b) of this section.

((4)) (6) Only state and local agencies may apply for funds for trails under subsections (1)(c) and (2)(c) of this section.

((5)) (7) Only state and local agencies may apply for funds for water access sites under subsections (1)(d) and (2)(d) of this section.

(8) Only the department of natural resources and the department of fish and wildlife may apply for funds for development and renovation projects on existing state recreation lands under subsections (1)(e) and (2)(e) of this section.

Sec. 6. RCW 79A.15.060 and 2009 c 341 s 3 and 2009 c 16 s 1 are each reenacted and amended to read as follows:

(1) The board may adopt rules establishing acquisition policies and priorities for distributions from the habitat conservation account.

(2) Except as provided in RCW 79A.15.030((7)) (8), moneys appropriated for this chapter may not be used by the board to fund staff positions or other overhead expenses, or by a state, regional, or local agency to fund operation or maintenance of areas acquired under this chapter.

(3) Moneys appropriated for this chapter may be used by grant recipients for costs incidental to acquisition, including, but not limited to, surveying expenses, fencing, noxious weed control, and signing.

(4) The board may not approve a local project where the local

agency share is less than the amount to be awarded from the habitat conservation account.

(5) In determining acquisition priorities with respect to the habitat conservation account, the board shall consider, at a minimum, the following criteria:

(a) For critical habitat and natural areas proposals:

(i) Multiple benefits for the project;

(ii) Whether, and the extent to which, a conservation easement can be used to meet the purposes for the project;

(iii) Community support for the project based on input from, but not limited to, local citizens, local organizations, and local elected officials;

((ii)) (iv) The project proposal's ongoing stewardship program that includes estimated costs of maintaining and operating the project including, but not limited to, control of noxious weeds(,) and detrimental invasive species, and that identifies the source of the funds from which the stewardship program will be funded;

((iii)) (v) Recommendations as part of a watershed plan or habitat conservation plan, or a coordinated regionwide prioritization effort, and for projects primarily intended to benefit salmon, limiting factors, or critical pathways analysis;

((iv)) (vi) Immediacy of threat to the site;

((v)) (vii) Uniqueness of the site;

((vi)) (viii) Diversity of species using the site;

((vii)) (ix) Quality of the habitat;

((viii)) (x) Long-term viability of the site;

((ix)) (xi) Presence of endangered, threatened, or sensitive species;

((x)) (xii) Enhancement of existing public property;

((xi)) (xiii) Consistency with a local land use plan, or a regional or statewide recreational or resource plan, including projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130;

((xii)) (xiv) Educational and scientific value of the site;

((xiii)) (xv) Integration with recovery efforts for endangered, threatened, or sensitive species;

((xiv) For critical habitat proposals by local agencies,) (xvi) The statewide significance of the site.

(b) For urban wildlife habitat proposals, in addition to the criteria of (a) of this subsection:

(i) Population of, and distance from, the nearest urban area;

(ii) Proximity to other wildlife habitat;

(iii) Potential for public use; and

(iv) Potential for use by special needs populations.

(c) For riparian protection proposals, the board must consider, at a minimum, the following criteria:

(i) Whether the project continues the conservation reserve enhancement program. Applications that extend the duration of leases of riparian areas that are currently enrolled in the conservation reserve enhancement program are eligible. These applications are eligible for a conservation lease extension of at least twenty-five years of duration;

(ii) Whether the projects are identified or recommended in a watershed plan, salmon recovery plan, or other local plans, such as habitat conservation plans, and these must be highly considered in the process;

(iii) Whether there is community support for the project;

(iv) Whether the proposal includes an ongoing stewardship program that includes control of noxious weeds, detrimental invasive species, and that identifies the source of the funds from which the stewardship program will be funded;

(v) Whether there is an immediate threat to the site;

(vi) Whether the quality of the habitat is improved or, for projects including restoration or enhancement, the potential for

restoring quality habitat including linkage of the site to other high quality habitat;

(vii) Whether the project is consistent with a local land use plan or a regional or statewide recreational or resource plan. The projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130 must be highly considered in the process;

(viii) Whether the site has educational or scientific value; and

(ix) Whether the site has passive recreational values for walking trails, wildlife viewing, the observation of natural settings, or other multiple benefits.

(d) Moneys appropriated for this chapter to riparian protection projects must be distributed for the acquisition or enhancement or restoration of riparian habitat. All enhancement or restoration projects, except those qualifying under (c)(i) of this subsection, must include the acquisition of a real property interest in order to be eligible.

(6) Before November 1st of each even-numbered year, the board shall recommend to the governor a prioritized list of all ((state agency and local)) projects to be funded under RCW 79A.15.040((1) (a), (b), and (c))). The governor may remove projects from the list recommended by the board and shall submit this amended list in the capital budget request to the legislature. The list shall include, but not be limited to, a description of each project and any particular match requirement, and describe for each project any anticipated restrictions upon recreational activities allowed prior to the project.

Sec. 7. RCW 79A.15.070 and 2007 c 241 s 33 are each amended to read as follows:

(1) In determining which state parks proposals and local parks proposals to fund, the board shall use existing policies and priorities.

(2) Except as provided in RCW 79A.15.030((7)) (8), moneys appropriated for this chapter may not be used by the board to fund staff or other overhead expenses, or by a state, regional, or local agency to fund operation or maintenance of areas acquired under this chapter.

(3) Moneys appropriated for this chapter may be used by grant recipients for costs incidental to acquisition and development, including, but not limited to, surveying expenses, fencing, and signing.

(4) The board may not approve a project of a local agency where the share contributed by the local agency is less than the amount to be awarded from the outdoor recreation account. The local agency's share may be reduced or waived if the project meets the needs of an underserved population or a community in need, as defined by the board.

(5) The board may adopt rules establishing acquisition policies and priorities for the acquisition and development of trails and water access sites to be financed from moneys in the outdoor recreation account.

(6) In determining the acquisition and development priorities, the board shall consider, at a minimum, the following criteria:

(a) For trails proposals:

(i) Community support for the project;

(ii) Immediacy of threat to the site;

(iii) Linkage between communities;

(iv) Linkage between trails;

(v) Existing or potential usage;

(vi) Consistency with a local land use plan, or a regional or statewide recreational or resource plan, including projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130;

(vii) Availability of water access or views;

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- (viii) Enhancement of wildlife habitat; and
- (ix) Scenic values of the site.
- (b) For water access proposals:
  - (i) Community support for the project;
  - (ii) Distance from similar water access opportunities;
  - (iii) Immediacy of threat to the site;
  - (iv) Diversity of possible recreational uses;
  - (v) Public demand in the area; and
  - (vi) Consistency with a local land use plan, or a regional or statewide recreational or resource plan, including projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130.

(7) Before November 1st of each even-numbered year, the board shall recommend to the governor a prioritized list of all ((state agency and local)) projects to be funded under RCW 79A.15.050((1) (a), (b), (c), and (d))). The governor may remove projects from the list recommended by the board and shall submit this amended list in the capital budget request to the legislature. The list shall include, but not be limited to, a description of each project and any particular match requirement, and describe for each project any anticipated restrictions upon recreational activities allowed prior to the project.

Sec. 8. RCW 79A.15.080 and 2007 c 241 s 34 are each amended to read as follows:

The board shall not sign contracts or otherwise financially obligate funds from the habitat conservation account, the outdoor recreation account, ((the riparian protection account,)) or the ((farmlands preservation)) farm and forest account as provided in this chapter before the legislature has appropriated funds for a specific list of projects. The legislature may remove projects from the list recommended by the governor.

Sec. 9. RCW 79A.15.110 and 2007 c 241 s 36 are each amended to read as follows:

((A)) State or local ((agency)) agencies or nonprofit nature conservancies shall review the proposed project application and confer with the county or city with jurisdiction over the project area prior to applying for funds for the acquisition of property under this chapter. The appropriate county or city legislative authority may, at its discretion, submit a letter to the board identifying the authority's position with regard to the acquisition project. The board shall make the letters received under this section available to the governor and the legislature when the prioritized project list is submitted under ((RCW 79A.15.120, 79A.15.060, and 79A.15.070)) this chapter.

Sec. 10. RCW 79A.15.130 and 2009 c 341 s 5 are each amended to read as follows:

(1) The ((farmlands preservation)) farm and forest account is established in the state treasury. The board will administer the account in accordance with chapter 79A.25 RCW and this chapter, and hold it separate and apart from all other money, funds, and accounts of the board. Moneys appropriated for this chapter to the ((farmlands preservation)) farm and forest account must be distributed for the acquisition and preservation of farmlands and forest lands in order to maintain the opportunity for agricultural and forest management activity upon these lands.

(2)((a) Moneys appropriated for this chapter to the farmlands preservation account may be distributed for (i) the fee simple or less than fee simple acquisition of farmlands; (ii) the enhancement or restoration of ecological functions on those properties; or (iii) both)) Moneys appropriated beginning July 1, 2016, for this chapter shall be divided as follows:

(a) Not less than ninety percent for the acquisition and preservation of farmlands.

(b) Not less than ten percent for the acquisition and

preservation of forest lands.

(3) Moneys appropriated for this chapter to the farm and forest account may be distributed for: (a) The acquisition of a less than fee simple interest in farmlands or forest land, such as a conservation easement or lease; (b) the enhancement or restoration of ecological functions on those properties; or (c) both. In order for a farmland or forest land preservation grant to provide for an environmental enhancement or restoration project, the project must include the acquisition of a real property interest.

((b) If a city, county, nonprofit nature conservancy organization or association, or the conservation commission acquires a property through this program in fee simple, the city, county, nonprofit nature conservancy organization or association, or the conservation commission shall endeavor to secure preservation of the property through placing a conservation easement, or other form of deed restriction, on the property which dedicates the land to agricultural use and retains one or more property rights in perpetuity. Once an easement or other form of deed restriction is placed on the property, the city, county, nonprofit nature conservancy organization or association, or the conservation commission shall seek to sell the property, at fair market value, to a person or persons who will maintain the property in agricultural production. Any moneys from the sale of the property shall either be used to purchase interests in additional properties which meet the criteria in subsection (9) of this section, or to repay the grant from the state which was originally used to purchase the property.

(3)) (4) Cities, counties, nonprofit nature ((conservancy organizations or associations)) conservancies, and the conservation commission may apply for acquisition and enhancement or restoration funds for farmland or forest land preservation projects within their jurisdictions under subsection (1) of this section.

((4)) (5) The board may adopt rules establishing acquisition and enhancement or restoration policies and priorities for distributions from the ((farmlands preservation)) farm and forest account.

((5)) (6) The acquisition of a property ((right)) interest in a project under this section ((by a county, city, nonprofit nature conservancy organization or association, or the conservation commission)) does not provide a right of access to the property by the public unless explicitly provided for in a conservation easement or other form of deed restriction.

((6)) (7) Except as provided in RCW 79A.15.030((7)) (8), moneys appropriated for this section may not be used by the board to fund staff positions or other overhead expenses, or by ((a city, county, nonprofit nature conservancy organization or association)) cities, counties, nonprofit nature conservancies, or the conservation commission to fund operation or maintenance of areas acquired under this chapter.

((7)) (8) Moneys appropriated for this section may be used by grant recipients for costs incidental to restoration and acquisition, including, but not limited to, surveying expenses, fencing, noxious weed control, and signing.

((8)) (9) The board may not approve a local project where the local agency's or nonprofit nature ((conservancy organization's or association's)) conservancies' share is less than the amount to be awarded from the ((farmlands preservation)) farm and forest account. In-kind contributions, including contributions of a real property interest in land, may be used to satisfy the local agency's or nonprofit nature ((conservancy organization's or association's)) conservancies' share.

((9)) (10) In determining the acquisition priorities for farmland projects, the board must consider, at a minimum, the following criteria:

- (a) Community support for the project;
- (b) A recommendation as part of a limiting factors or critical pathways analysis, a watershed plan or habitat conservation plan, or a coordinated regionwide prioritization effort;
- (c) The likelihood of the conversion of the site to nonagricultural or more highly developed usage;
- (d) Consistency with a local land use plan, or a regional or statewide recreational or resource plan. The projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130 must be highly considered in the process;
- (e) Benefits to salmonids;
- (f) Benefits to other fish and wildlife habitat;
- (g) Integration with recovery efforts for endangered, threatened, or sensitive species;
- (h) The viability of the site for continued agricultural production, including, but not limited to:
  - (i) Soil types;
  - (ii) On-site production and support facilities such as barns, irrigation systems, crop processing and storage facilities, wells, housing, livestock sheds, and other farming infrastructure;
  - (iii) Suitability for producing different types or varieties of crops;
  - (iv) Farm-to-market access;
  - (v) Water availability; and
  - (i) Other community values provided by the property when used as agricultural land, including, but not limited to:
    - (i) Viewshed;
    - (ii) Aquifer recharge;
    - (iii) Occasional or periodic collector for storm water runoff;
    - (iv) Agricultural sector job creation;
    - (v) Migratory bird habitat and forage area; and
    - (vi) Educational and curriculum potential.
- ((10)) (11) In allotting funds for environmental enhancement or restoration projects, the board will require the projects to meet the following criteria:
  - (a) Enhancement or restoration projects must further the ecological functions of the farmlands;
  - (b) The projects, such as fencing, bridging watercourses, replanting native vegetation, replacing culverts, clearing of waterways, etc., must be less than fifty percent of the acquisition cost of the project including any in-kind contribution by any party;
  - (c) The projects should be based on accepted methods of achieving beneficial enhancement or restoration results; and
  - (d) The projects should enhance the viability of the preserved farmland to provide agricultural production while conforming to any legal requirements for habitat protection.
- ((11)) (12) In determining the acquisition priorities for forest land projects, the board must consider, at a minimum, the following criteria:
  - (a) Community support for the project;
  - (b) A recommendation as part of a limiting factors or critical pathways analysis, a watershed plan or habitat conservation plan, or a coordinated regionwide prioritization effort;
  - (c) The likelihood of conversion of the site to nontimber or more highly developed use;
  - (d) Consistency with a local land use plan, or a regional or statewide recreational or resource plan. The projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130 must be highly considered in the process;
  - (e) Multiple benefits of the project;
  - (f) Project attributes, including but not limited to:

- (i) Clean air and water;
- (ii) Storm water management;
- (iii) Wildlife habitat; and
- (iv) Potential for carbon sequestration.
- (13) In allotting funds for environmental enhancement or restoration projects, the board must require the projects to meet the following criteria:
  - (a) Enhancement or restoration projects must further the ecological functions of the forest lands;
  - (b) The projects, such as fencing, bridging watercourses, replanting native vegetation, replacing culverts, etc., must be less than fifty percent of the acquisition cost of the project including any in-kind contribution by any party;
  - (c) The projects should be based on accepted methods of achieving beneficial enhancement or restoration results;
  - (d) The projects should enhance the viability of the preserved forest land to provide timber production while conforming to any legal requirements for habitat protection.
- (14) Before November 1st of each even-numbered year, the board will recommend to the governor a prioritized list of all projects to be funded under this section. The governor may remove projects from the list recommended by the board and must submit this amended list in the capital budget request to the legislature. The list must include, but not be limited to, a description of each project and any particular match requirement.

NEW SECTION. Sec. 11. The allocations in sections 3, 4, and 5 of this act apply to the prioritized list of all projects submitted by November 1, 2016. The eligibility provisions in sections 4 and 5 of this act for nonprofit nature conservancies, as defined in RCW 84.34.250, and eligibility provisions in section 10 of this act are effective for projects submitted in 2016. The recreation and conservation funding board shall provide a prioritized list of projects to be funded under RCW 79A.15.130(2)(b) by November 1, 2017. All other provisions of this act apply to subsequent grant cycles.

NEW SECTION. Sec. 12. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Honeyford moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6227.

Senators Honeyford and Jayapal spoke in favor of the motion.

The President Pro Tempore declared the question before the Senate to be the motion by Senator Honeyford that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6227.

The motion by Senator Honeyford carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6227 by voice vote.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6227, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6227, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 45; Nays, 2; Absent, 0; Excused, 2.

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Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Voting nay: Senators Dandel and Padden

Excused: Senators Hargrove and Nelson

SUBSTITUTE SENATE BILL NO. 6227, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

The President of the Senate, Lt. Governor Owen, assumed the chair.

MESSAGE FROM THE HOUSE

March 4, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6261 with the following amendment(s): 6261-S AMH PS H4546.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 68.50.050 and 2011 c 96 s 48 are each amended to read as follows:

(1) Any person, not authorized or directed by the coroner or ((his)) medical examiner or ((her)) their deputies, who removes the body of a deceased person not claimed by a relative or friend, or ((who came to their death by reason of violence or from unnatural causes or where there shall exist reasonable grounds for the belief that such death has been caused by unlawful means at the hands of another)) moves, disturbs, molests, or interferes with the human remains coming within the jurisdiction of the coroner or medical examiner as set forth in RCW 68.50.010, to any undertaking rooms or elsewhere, or any person who knowingly directs, aids, or abets such unauthorized moving, disturbing, molesting, or taking, and any person who ((in any way)) knowingly conceals the ((body of a deceased person for the purpose of taking the same to any undertaking rooms or elsewhere)) human remains, shall in each of said cases be guilty of a gross misdemeanor ((and upon conviction thereof shall be punished by fine of not more than one thousand dollars, or by imprisonment in the county jail for up to three hundred sixty-four days or by both fine and imprisonment in the discretion of the court)).

(2) In evaluating whether it is necessary to retain jurisdiction and custody of human remains under RCW 68.50.010, 68.50.645, and 27.44.055, the coroner or medical examiner shall consider the deceased's religious beliefs, if known, including the tenets, customs, or rites related to death and burial.

(3) For purposes of this section and unless the context clearly requires otherwise, "human remains" has the same meaning as defined in RCW 68.04.020. Human remains also includes, but is not limited to, skeletal remains.

Sec. 2. RCW 68.50.020 and 1987 c 331 s 55 are each amended to read as follows:

It shall be the duty of every person who knows of the existence and location of ((a dead body)) human remains coming under the jurisdiction of the coroner or medical examiner as set forth in RCW 68.50.010 or 27.44.055, to notify the coroner, medical examiner, or law enforcement thereof in the most expeditious

manner possible, unless such person shall have good reason to believe that such notice has already been given. Any person knowing of the existence of such ((dead body)) human remains and not having good reason to believe that the coroner has notice thereof and who shall fail to give notice to the coroner as aforesaid, shall be guilty of a misdemeanor. For purposes of this section and unless the context clearly requires otherwise, "human remains" has the same meaning as defined in RCW 68.04.020. Human remains also includes, but is not limited to, skeletal remains."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator Padden moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6261.

Senator Padden spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Padden that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6261.

The motion by Senator Padden carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6261 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6261, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6261, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dandel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senators Hargrove and Nelson

SUBSTITUTE SENATE BILL NO. 6261, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6534 with the following amendment(s): 6534-S2.E AMH APP H4637.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 70.54 RCW to read as follows:

(1) For the purposes of this section, "maternal mortality" or "maternal death" means a death of a woman while pregnant or

within one year of delivering or following the end of a pregnancy, whether or not the woman's death is related to or aggravated by the pregnancy.

(2) A maternal mortality review panel is established to conduct comprehensive, multidisciplinary reviews of maternal deaths in Washington to identify factors associated with the deaths and make recommendations for system changes to improve health care services for women in this state. The members of the panel must be appointed by the secretary of the department of health, must serve without compensation, and may include:

- (a) An obstetrician;
- (b) A physician specializing in maternal fetal medicine;
- (c) A neonatologist;
- (d) A midwife with licensure in the state of Washington;
- (e) A representative from the department of health who works in the field of maternal and child health;
- (f) A department of health epidemiologist with experience analyzing perinatal data;
- (g) A pathologist; and
- (h) A representative of the community mental health centers.

(3) The maternal mortality review panel must conduct comprehensive, multidisciplinary reviews of maternal mortality in Washington. The panel may not call witnesses or take testimony from any individual involved in the investigation of a maternal death or enforce any public health standard or criminal law or otherwise participate in any legal proceeding relating to a maternal death.

(4)(a) Information, documents, proceedings, records, and opinions created, collected, or maintained by the maternity mortality review panel or the department of health in support of the maternal mortality review panel are confidential and are not subject to public inspection or copying under chapter 42.56 RCW and are not subject to discovery or introduction into evidence in any civil or criminal action.

(b) Any person who was in attendance at a meeting of the maternal mortality review panel or who participated in the creation, collection, or maintenance of the panel's information, documents, proceedings, records, or opinions may not be permitted or required to testify in any civil or criminal action as to the content of such proceedings, or the panel's information, documents, records, or opinions. This subsection does not prevent a member of the panel from testifying in a civil or criminal action concerning facts which form the basis for the panel's proceedings of which the panel member had personal knowledge acquired independently of the panel or which is public information.

(c) Any person who, in substantial good faith, participates as a member of the maternal mortality review panel or provides information to further the purposes of the maternal mortality review panel may not be subject to an action for civil damages or other relief as a result of the activity or its consequences.

(d) All meetings, proceedings, and deliberations of the maternal mortality review panel may, at the discretion of the maternal mortality review panel, be confidential and may be conducted in executive session.

(e) The maternal mortality review panel and the secretary of the department of health may retain identifiable information regarding facilities where maternal deaths, or from which the patient was transferred, occur and geographic information on each case solely for the purposes of trending and analysis over time. All individually identifiable information must be removed before any case review by the panel.

(5) The department of health shall review department available data to identify maternal deaths. To aid in determining whether a maternal death was related to or aggravated by the pregnancy, and whether it was preventable, the department of health has the authority to:

(a) Request and receive data for specific maternal deaths including, but not limited to, all medical records, autopsy reports, medical examiner reports, coroner reports, and social service records; and

(b) Request and receive data as described in (a) of this subsection from health care providers, health care facilities, clinics, laboratories, medical examiners, coroners, professions and facilities licensed by the department of health, local health jurisdictions, the health care authority and its licensees and providers, and the department of social and health services and its licensees and providers.

(6) Upon request by the department of health, health care providers, health care facilities, clinics, laboratories, medical examiners, coroners, professions and facilities licensed by the department of health, local health jurisdictions, the health care authority and its licensees and providers, and the department of social and health services and its licensees and providers must provide all medical records, autopsy reports, medical examiner reports, coroner reports, social services records, information and records related to sexually transmitted diseases, and other data requested for specific maternal deaths as provided for in subsection (5) of this section to the department.

(7) By July 1, 2017, and biennially thereafter, the maternal mortality review panel must submit a report to the secretary of the department of health and the health care committees of the senate and house of representatives. The report must protect the confidentiality of all decedents and other participants involved in any incident. The report must be distributed to relevant stakeholder groups for performance improvement. Interim results may be shared at the Washington state hospital association coordinated quality improvement program. The report must include the following:

(a) A description of the maternal deaths reviewed by the panel during the preceding twenty-four months, including statistics and causes of maternal deaths presented in the aggregate, but the report must not disclose any identifying information of patients, decedents, providers, and organizations involved; and

(b) Evidence-based system changes and possible legislation to improve maternal outcomes and reduce preventable maternal deaths in Washington.

Sec. 2. RCW 42.56.360 and 2014 c 223 s 17 are each amended to read as follows:

(1) The following health care information is exempt from disclosure under this chapter:

(a) Information obtained by the pharmacy quality assurance commission as provided in RCW 69.45.090;

(b) Information obtained by the pharmacy quality assurance commission or the department of health and its representatives as provided in RCW 69.41.044, 69.41.280, and 18.64.420;

(c) Information and documents created specifically for, and collected and maintained by a quality improvement committee under RCW 43.70.510, 70.230.080, or 70.41.200, or by a peer review committee under RCW 4.24.250, or by a quality assurance committee pursuant to RCW 74.42.640 or 18.20.390, or by a hospital, as defined in RCW 43.70.056, for reporting of health care-associated infections under RCW 43.70.056, a notification of an incident under RCW 70.56.040(5), and reports regarding adverse events under RCW 70.56.020(2)(b), regardless of which agency is in possession of the information and documents;

(d)(i) Proprietary financial and commercial information that the submitting entity, with review by the department of health, specifically identifies at the time it is submitted and that is provided to or obtained by the department of health in connection with an application for, or the supervision of, an antitrust exemption sought by the submitting entity under RCW 43.72.310;

(ii) If a request for such information is received, the submitting



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entity must be notified of the request. Within ten business days of receipt of the notice, the submitting entity shall provide a written statement of the continuing need for confidentiality, which shall be provided to the requester. Upon receipt of such notice, the department of health shall continue to treat information designated under this subsection (1)(d) as exempt from disclosure;

(iii) If the requester initiates an action to compel disclosure under this chapter, the submitting entity must be joined as a party to demonstrate the continuing need for confidentiality;

(e) Records of the entity obtained in an action under RCW 18.71.300 through 18.71.340;

(f) Complaints filed under chapter 18.130 RCW after July 27, 1997, to the extent provided in RCW 18.130.095(1);

(g) Information obtained by the department of health under chapter 70.225 RCW;

(h) Information collected by the department of health under chapter 70.245 RCW except as provided in RCW 70.245.150;

(i) Cardiac and stroke system performance data submitted to national, state, or local data collection systems under RCW 70.168.150(2)(b);

(j) All documents, including completed forms, received pursuant to a wellness program under RCW 41.04.362, but not statistical reports that do not identify an individual; and

(k) Data and information exempt from disclosure under RCW 43.371.040.

(2) Chapter 70.02 RCW applies to public inspection and copying of health care information of patients.

(3)(a) Documents related to infant mortality reviews conducted pursuant to RCW 70.05.170 are exempt from disclosure as provided for in RCW 70.05.170(3).

(b)(i) If an agency provides copies of public records to another agency that are exempt from public disclosure under this subsection (3), those records remain exempt to the same extent the records were exempt in the possession of the originating entity.

(ii) For notice purposes only, agencies providing exempt records under this subsection (3) to other agencies may mark any exempt records as "exempt" so that the receiving agency is aware of the exemption, however whether or not a record is marked exempt does not affect whether the record is actually exempt from disclosure.

(4) Information and documents related to maternal mortality reviews conducted pursuant to section 1 of this act are confidential and exempt from public inspection and copying.

NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 4. This act expires June 30, 2020."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator O'Ban moved that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6534.

Senator O'Ban spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator O'Ban that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6534.

The motion by Senator O'Ban carried and the Senate concurred

in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6534 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 6534, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 6534, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senators Hargrove and Nelson

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6534, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 4, 2016

MR. PRESIDENT:

The Speaker has signed HOUSE BILL NO. 2332.

BERNARD DEAN, Deputy Chief Clerk

MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6564 with the following amendment(s): 6564-S2.E AMH ELHS H4591.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds and declares that the prevalence of the abuse and neglect of individuals with developmental disabilities has become an issue that negatively affects the health and well-being of such individuals. In order to address this issue, the state seeks to increase visitation of clients who are classified at the highest risk of abuse and neglect based on the assessment of risk factors by developmental disabilities administration case managers, and to create an independent office of the developmental disabilities ombuds to monitor and report on services to persons with developmental disabilities.

NEW SECTION. Sec. 2. A new section is added to chapter 71A.12 RCW to read as follows:

At every developmental disabilities administration annual assessment, the case manager is required to meet with the client in an in-person setting. If the client is receiving personal care services or supported living services, the case manager must ask

permission to view the client's living quarters and note his or her observations in the service episode record. If the case manager is unable to view the client's living quarters for any reason, the case manager must note this in his or her report along with the reason given for why this is not practicable at the current time.

NEW SECTION. Sec. 3. A new section is added to chapter 71A.12 RCW to read as follows:

(1) Within funds appropriated for this purpose, the developmental disabilities administration shall increase home visits for clients identified as having the highest risk of abuse and neglect.

(2)(a) The developmental disabilities administration must develop a process to determine which of its clients who receive an annual developmental disabilities assessment are at highest risk of abuse or neglect. The administration may consider factors such as:

(i) Whether the client lives with the client's caregiver and receives no other developmental disabilities administration services, or whether the client is largely or entirely dependent on a sole caregiver for assistance, and the caregiver is largely or entirely dependent on the client for his or her income;

(ii) Whether the client has limited ability to supervise the caregiver, to express himself or herself verbally, has few community contacts, or no independent person outside the home is identified to assist the client;

(iii) Whether the client has experienced a destabilizing event such as hospitalization, arrest, or victimization;

(iv) Whether the client has been the subject of an adult protective services or child protective services referral in the past year; or

(v) Whether the client lives in an environment that jeopardizes personal safety.

(b) The developmental disabilities administration must visit those clients identified as having the highest risk of abuse or neglect at least once every four months, including unannounced visits as needed. This unannounced visit may replace a scheduled visit; however if the case manager is unable to meet with the client, a follow-up visit must be scheduled. A client may refuse to allow an unannounced visit to take place, but this fact must be noted.

(3) The developmental disabilities administration may develop rules to implement this section.

Sec. 4. RCW 74.34.300 and 2008 c 146 s 10 are each amended to read as follows:

(1) The department ((may)) shall conduct a vulnerable adult fatality review in the event of a death of a vulnerable adult when the department has reason to believe that the death of the vulnerable adult may be related to the abuse, abandonment, exploitation, or neglect of the vulnerable adult, or may be related to the vulnerable adult's self-neglect, and the vulnerable adult was:

(a) Receiving home and community-based services in his or her own home or licensed or certified settings, described under chapters 74.39 ((and)), 74.39A, 18.20, 70.128, and 71A.12 RCW, within sixty days preceding his or her death; or

(b) Living in his or her own home or licensed or certified settings described under chapters 74.39, 74.39A, 18.20, 70.128, and 71A.12 RCW and was the subject of a report under this chapter received by the department within twelve months preceding his or her death.

(2) When conducting a vulnerable adult fatality review of a person who had been receiving hospice care services before the person's death, the review shall provide particular consideration to the similarities between the signs and symptoms of abuse and those of many patients receiving hospice care services.

(3) All files, reports, records, communications, and working

papers used or developed for purposes of a fatality review are confidential and not subject to disclosure pursuant to RCW 74.34.095.

(4) The department may adopt rules to implement this section.

NEW SECTION. Sec. 5. (1) There is created an office of the developmental disabilities ombuds. The department of commerce shall contract with a private, independent nonprofit organization to provide developmental disability ombuds services. The department of commerce shall designate, by a competitive bidding process, the nonprofit organization that will contract to operate the ombuds. The selection process must include consultation of stakeholders in the development of the request for proposals and evaluation of bids. The selected organization must have experience and the capacity to effectively communicate regarding developmental disabilities issues with policymakers, stakeholders, and the general public and must be prepared and able to provide all program and staff support necessary, directly or through subcontracts, to carry out all duties of the office.

(2) The contracting organization and its subcontractors, if any, are not state agencies or departments, but instead are private, independent entities operating under contract with the state.

(3) The governor or state may not revoke the designation of the organization contracted to provide the services of the ombuds except upon a showing of neglect of duty, misconduct, or inability to perform duties.

(4) The department of commerce shall ensure that the ombuds staff has access to sufficient training or experience with issues relating to persons with developmental disabilities and the program and staff support necessary to enable the ombuds to effectively protect the interests of persons with developmental disabilities. The office of the developmental disabilities ombuds shall have the powers and duties to do the following:

(a) Provide information as appropriate on the rights and responsibilities of persons receiving developmental disability administration services or other state services, and on the procedures for providing these services;

(b) Investigate, upon its own initiative or upon receipt of a complaint, an administrative act related to a person with developmental disabilities alleged to be contrary to law, rule, or policy, imposed without an adequate statement of reason, or based on irrelevant, immaterial, or erroneous grounds; however, the ombuds may decline to investigate any complaint;

(c) Monitor the procedures as established, implemented, and practiced by the department to carry out its responsibilities in the delivery of services to a person with developmental disabilities, with a view toward appropriate preservation of families and ensuring health and safety;

(d) Review periodically the facilities and procedures of state institutions which serve persons with developmental disabilities and state-licensed facilities or residences;

(e) Recommend changes in the procedures for addressing the needs of persons with developmental disabilities;

(f) Submit annually, by November 1st, to the governor and appropriate committees of the legislature a report analyzing the work of the office, including recommendations;

(g) Establish procedures to protect the confidentiality of records and sensitive information to ensure that the identity of any complainant or person with developmental disabilities will not be disclosed without the written consent of the complainant or person, or upon court order;

(h) Maintain independence and authority within the bounds of the duties prescribed by this chapter, insofar as this independence and authority is exercised in good faith and within the scope of contract; and

(i) Carry out such other activities as determined by the

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department of commerce within the scope of this chapter.

(5) The developmental disabilities ombuds must consult with stakeholders to develop a plan for future expansion of the ombuds into a model of individual ombuds services akin to the operations of the long-term care ombuds. The developmental disabilities ombuds shall report its progress and recommendations related to this subsection to the governor and appropriate committees of the legislature by November 1, 2019.

NEW SECTION. Sec. 6. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Administration" means the developmental disabilities administration of the department of social and health services.

(2) "Department" means the department of social and health services.

(3) "Ombuds" means the office of the developmental disabilities ombuds.

NEW SECTION. Sec. 7. The ombuds shall collaborate and have a memoranda of agreement with the office of the state long-term care ombuds, the office of the family and children's ombuds, Washington protection and advocacy system, the mental health ombuds, and the office of the education ombuds to clarify authority in those situations where their mandates overlap.

NEW SECTION. Sec. 8. (1) A developmental disabilities ombuds shall not have participated in the paid provision of services to any person with developmental disabilities within the past year.

(2) A developmental disabilities ombuds shall not have been employed in a governmental position with direct involvement in the licensing, certification, or regulation of a paid developmental disabilities service provider within the past year.

(3) No developmental disabilities ombuds or any member of his or her immediate family may have, or have had within the past year, any significant ownership or investment interest in a paid provider of services to persons with developmental disabilities.

(4) A developmental disabilities ombuds shall not be assigned to investigate a facility or provider of services which provides care or services to a member of that ombuds' immediate family.

NEW SECTION. Sec. 9. The ombuds shall treat all matters under investigation, including the identities of service recipients, complainants, and individuals from whom information is acquired, as confidential, except as far as disclosures may be necessary to enable the ombuds to perform the duties of the office and to support any recommendations resulting from an investigation. Upon receipt of information that by law is confidential or privileged, the ombuds shall maintain the confidentiality of such information and shall not further disclose or disseminate the information except as provided by applicable state or federal law. Investigative records of the office of the ombuds are confidential and are exempt from public disclosure under chapter 42.56 RCW.

NEW SECTION. Sec. 10. (1) Identifying information about complainants or witnesses is not subject to any method of legal compulsion and may not be revealed to the legislature or the governor except under the following circumstances: (a) The complainant or witness waives confidentiality; (b) under a legislative subpoena when there is a legislative investigation for neglect of duty or misconduct by the ombuds or ombuds' office when the identifying information is necessary to the investigation of the ombuds' acts; or (c) under an investigation or inquiry by the governor as to neglect of duty or misconduct by the ombuds or ombuds' office when the identifying information is necessary to the investigation of the ombuds' acts. Consistently with this section, the ombuds must act to protect sensitive client information.

(2) For the purposes of this section, "identifying information" includes the complainant's or witness's name, location, telephone number, likeness, social security number or other identification number, or identification of immediate family members.

NEW SECTION. Sec. 11. The privilege described in section 10 of this act does not apply when:

(1) The ombuds or ombuds' staff member has direct knowledge of an alleged crime, and the testimony, evidence, or discovery sought is relevant to that allegation;

(2) The ombuds or a member of the ombuds' staff has received a threat of, or becomes aware of a risk of, imminent serious harm to any person, and the testimony, evidence, or discovery sought is relevant to that threat or risk; or

(3) The ombuds has been asked to provide general information regarding the general operation of, or the general processes employed at, the ombuds' office.

NEW SECTION. Sec. 12. (1) An employee of the office of the developmental disabilities ombuds is not liable for good faith performance of responsibilities under this chapter.

(2) No discriminatory, disciplinary, or retaliatory action may be taken against an employee of the department, an employee of a contracting agency of the department, a provider of developmental disabilities services, or a recipient of department services for any communication made, or information given or disclosed, to aid the office of the developmental disabilities ombuds in carrying out its responsibilities, unless the communication or information is made, given, or disclosed maliciously or without good faith. This subsection is not intended to infringe on the rights of the employer to supervise, discipline, or terminate an employee for other reasons.

(3) All communications by an ombuds, if reasonably related to the requirements of that individual's responsibilities under this chapter and done in good faith, are privileged and that privilege serves as a defense in any action in libel or slander.

NEW SECTION. Sec. 13. When the ombuds or ombuds' staff member has reasonable cause to believe that any public official, employee, or other person has acted in a manner warranting criminal or disciplinary proceedings, the ombuds or ombuds' staff member shall report the matter, or cause a report to be made, to the appropriate authorities.

NEW SECTION. Sec. 14. The department and the department of health shall:

(1) Allow the ombuds or the ombuds' designee to communicate privately with any person receiving services from the department, or any person who is part of a fatality or near fatality investigation involving a person with developmental disabilities, for the purposes of carrying out its duties under this chapter;

(2) Permit the ombuds or the ombuds' designee physical access to state institutions serving persons with developmental disabilities and information in the possession of the department concerning state-licensed facilities or residences for the purpose of carrying out its duties under this chapter;

(3) Upon the ombuds' request, grant the ombuds or the ombuds' designee the right to access, inspect, and copy all relevant information, records, or documents in the possession or control of the department or the department of health that the ombuds considers necessary in an investigation.

NEW SECTION. Sec. 15. Sections 5 through 14 of this act constitute a new chapter in Title 43 RCW."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator O'Ban moved that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6564.

Senator O'Ban spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator O'Ban that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6564.

The motion by Senator O'Ban carried and the Senate concurred in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6564 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 6564, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 6564, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senator Hargrove

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6564, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 2, 2016

MR. PRESIDENT:

The House passed ENGROSSED SENATE BILL NO. 6620 with the following amendment(s): 6620.E AMH ENGR H4564.E

Strike everything after the enacting clause and insert the following:

#### "PART I

**NEW SECTION. Sec. 1.** The legislature recognizes that public schools are required to have safe school plans and procedures in place. The legislature acknowledges that there are costs associated with these plans and procedures. The legislature intends to review the funding of school safety and security programs and work toward a statewide plan for funding cost-effective methods for school safety that meet the needs of local school districts.

**NEW SECTION. Sec. 2.** (1) The Washington state institute for public policy shall complete an evaluation of how Washington and other states have addressed the funding of school safety and security programs and submit a report to the appropriate committees of the legislature, the governor, and the office of the superintendent of public instruction by December 1, 2017.

(2) This section expires August 1, 2018.

**NEW SECTION. Sec. 3.** A new section is added to chapter

28A.300 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction and the school safety advisory committee shall hold annual school safety summits. Each annual summit must focus on establishing and monitoring the progress of a statewide plan for funding cost-effective methods for school safety that meet local needs. Other areas of focus may include planning and implementation of school safety planning efforts, training of school safety professionals, and integrating mental health and security measures.

(2) Summit participants must be appointed no later than August 1, 2016.

(a) The majority and minority leaders of the senate shall appoint two members from each of the relevant caucuses of the senate.

(b) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives.

(c) The governor shall appoint one representative.

(3) Other summit participants may include representatives from the office of the superintendent of public instruction, the department of health, educational service districts, educational associations, emergency management, law enforcement, fire departments, parent organizations, and student organizations.

(4) Staff support for the annual summit shall be provided by the office of the superintendent of public instruction and the school safety advisory committee.

(5) Legislative members of the summit are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

**NEW SECTION. Sec. 4.** (1) In order to foster a school climate that promotes safety and security, school district staff should receive proper training in developing students' social and emotional skills. The office of the superintendent of public instruction shall create and maintain an online social and emotional training module for educators, administrators, and other school district staff. The module must be available by September 1, 2017.

(2) The training module must be based on the recommendations of the office of the superintendent of public instruction's 2016 report on comprehensive benchmarks for developmentally appropriate interpersonal and decision-making knowledge and skills of social and emotional learning. The module must promote students' self-awareness, self-management, social-awareness, relationships, and responsible decision making.

#### PART II

**NEW SECTION. Sec. 5.** The legislature finds that school personnel are often the first responders when there is a violent threat or natural or man-made disaster at a school. The legislature further finds there is a need to develop training for school personnel to intervene and provide assistance during these emergency incidents. The legislature recognizes an educational service district has developed a model for a regional school safety and security center, which can provide this type of training.

**NEW SECTION. Sec. 6.** A new section is added to chapter 28A.310 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, educational service districts may implement a regional school safety and security program modeled after the educational service district that has developed a regional school safety and security center.

(2) The programs should include the following components:

(a) Establishment of a network of school safety coordinators for the educational service districts, which shall focus on prevention planning, intervention, mitigation, crisis response, and community recovery regarding emergency incidents in schools;

(b) Collaboration with the educational service district that developed the model for a regional school safety and security center to adopt its model for a regional school safety and security center;

(c) Creation of technology-based systems that enable more efficient and effective communication between schools and emergency response entities, including local law enforcement, local fire department, and state and federal responders;

(d) Provision of technology support to improve communication and data management between schools and emergency response entities;

(e) Ongoing training of school personnel and emergency responders to establish a system for preventative identification, intervention strategies, and management of risk behaviors;

(f) Development of a professional development to train school personnel as first responders until the arrival of emergency responders; and

(g) Building collaborative relationships between other educational service districts, the office of the superintendent of public instruction, and the school safety advisory committee."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator McAuliffe moved that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 6620.

Senator McAuliffe spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator McAuliffe that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 6620.

The motion by Senator McAuliffe carried and the Senate concurred in the House amendment(s) to Engrossed Senate Bill No. 6620 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 6620, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 6620, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 44; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Voting nay: Senators Angel, Benton, Ericksen and Padden

Excused: Senator Hargrove

ENGROSSED SENATE BILL NO. 6620, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered

to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 6470 with the following amendment(s): 6470-S.E AMH GGIT H4629.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 66.24.170 and 2014 c 105 s 1 and 2014 c 27 s 1 are each reenacted and amended to read as follows:

(1) There ((shall be)) is a license for domestic wineries; fee to be computed only on the liters manufactured: Less than two hundred fifty thousand liters per year, one hundred dollars per year; and two hundred fifty thousand liters or more per year, four hundred dollars per year.

(2) The license allows for the manufacture of wine in Washington state from grapes or other agricultural products.

(3) Any domestic winery licensed under this section may also act as a retailer of wine of its own production. Any domestic winery licensed under this section may act as a distributor of its own production. Notwithstanding any language in this title to the contrary, a domestic winery may use a common carrier to deliver up to one hundred cases of its own production, in the aggregate, per month to licensed Washington retailers. A domestic winery may not arrange for any such common carrier shipments to licensed retailers of wine not of its own production. Except as provided in this section, any winery operating as a distributor and/or retailer under this subsection must comply with the applicable laws and rules relating to distributors and/or retailers, except that a winery operating as a distributor may maintain a warehouse off the premises of the winery for the distribution of wine of its own production provided that: (a) The warehouse has been approved by the board under RCW 66.24.010; and (b) the number of warehouses off the premises of the winery does not exceed one.

(4) A domestic winery licensed under this section, at locations separate from any of its production or manufacturing sites, may serve samples of its own products, with or without charge, may sell wine of its own production at retail, and may sell for off-premises consumption wines of its own production in kegs or sanitary containers meeting the applicable requirements of federal law brought to the premises by the purchaser or furnished by the licensee and filled at the tap at the time of sale, provided that: (a) Each additional location has been approved by the board under RCW 66.24.010; (b) the total number of additional locations does not exceed two; (c) a winery may not act as a distributor at any such additional location; and (d) any person selling or serving wine at an additional location for ((on-premises)) on-premises consumption must obtain a class 12 or class 13 alcohol server permit. Each additional location is deemed to be part of the winery license for the purpose of this title. At additional locations operated by multiple wineries under this section, if the board cannot connect a violation of RCW 66.44.200 or 66.44.270 to a single licensee, the board may hold all licensees operating the additional location jointly liable. Nothing in this subsection may be construed to prevent a domestic winery from holding multiple domestic winery licenses.

(5)(a) A domestic winery licensed under this section may apply to the board for an endorsement to sell wine of its own production at retail for off-premises consumption at a qualifying farmers market. The annual fee for this endorsement is seventy-

five dollars. An endorsement issued pursuant to this subsection does not count toward the two additional retail locations limit specified in this section.

(b) For each month during which a domestic winery will sell wine at a qualifying farmers market, the winery must provide the board or its designee a list of the dates, times, and locations at which bottled wine may be offered for sale. This list must be received by the board before the winery may offer wine for sale at a qualifying farmers market.

(c) The wine sold at qualifying farmers markets must be made entirely from grapes grown in a recognized Washington appellation or from other agricultural products grown in this state.

(d) Each approved location in a qualifying farmers market is deemed to be part of the winery license for the purpose of this title. The approved locations under an endorsement granted under this subsection include tasting or sampling privileges subject to the conditions pursuant to RCW 66.24.175. The winery may not store wine at a farmers market beyond the hours that the winery offers bottled wine for sale. The winery may not act as a distributor from a farmers market location.

(e) Before a winery may sell bottled wine at a qualifying farmers market, the farmers market must apply to the board for authorization for any winery with an endorsement approved under this subsection to sell bottled wine at retail at the farmers market. This application shall include, at a minimum: (i) A map of the farmers market showing all booths, stalls, or other designated locations at which an approved winery may sell bottled wine; and (ii) the name and contact information for the on-site market managers who may be contacted by the board or its designee to verify the locations at which bottled wine may be sold. Before authorizing a qualifying farmers market to allow an approved winery to sell bottled wine at retail at its farmers market location, the board ((shall)) must notify the persons or entities of such application for authorization pursuant to RCW 66.24.010 (8) and (9). An authorization granted under this subsection (5)(e) may be withdrawn by the board for any violation of this title or any rules adopted under this title.

(f) The board may adopt rules establishing the application and approval process under this section and such additional rules as may be necessary to implement this section.

(g) For the purposes of this subsection:

(i) "Qualifying farmers market" means an entity that sponsors a regular assembly of vendors at a defined location for the purpose of promoting the sale of agricultural products grown or produced in this state directly to the consumer under conditions that meet the following minimum requirements:

(A) There are at least five participating vendors who are farmers selling their own agricultural products;

(B) The total combined gross annual sales of vendors who are farmers exceeds the total combined gross annual sales of vendors who are processors or resellers. However, if a farmers market does not satisfy this subsection (5)(g)(i)(B), a farmers market is still considered a "qualifying farmers market" if the total combined gross annual sales of farmers and processors at the farmers market is one million dollars or more;

(C) The total combined gross annual sales of vendors who are farmers, processors, or resellers exceeds the total combined gross annual sales of vendors who are not farmers, processors, or resellers;

(D) The sale of imported items and secondhand items by any vendor is prohibited; and

(E) No vendor is a franchisee.

(ii) "Farmer" means a natural person who sells, with or without processing, agricultural products that he or she raises on land he or she owns or leases in this state or in another state's county that borders this state.

(iii) "Processor" means a natural person who sells processed food that he or she has personally prepared on land he or she owns or leases in this state or in another state's county that borders this state.

(iv) "Reseller" means a natural person who buys agricultural products from a farmer and resells the products directly to the consumer.

(6) Wine produced in Washington state by a domestic winery licensee may be shipped out-of-state for the purpose of making it into sparkling wine and then returned to such licensee for resale. Such wine ((shall be)) is deemed wine manufactured in the state of Washington for the purposes of RCW 66.24.206, and shall not require a special license.

(7) During an event held by a nonprofit holding a special occasion license issued under RCW 66.24.380, a domestic winery licensed under this section may take orders, either in writing or electronically, and accept payment for wines of its own production under the following conditions:

(a) Wine produced by the domestic winery may be served for on-premises consumption by the special occasion licensee;

(b) The domestic winery delivers wine to the consumer on a date after the conclusion of the special occasion event;

(c) The domestic winery delivers wine to the consumer at a location different from the location at which the special occasion event is held;

(d) The domestic winery complies with all requirements in chapter 66.20 RCW for direct sale of wine to consumers;

(e) The wine is not sold for resale; and

(f) The domestic winery is entitled to all proceeds from the sale and delivery of its wine to a consumer after the conclusion of the special occasion event, but may enter into an agreement to share a portion of the proceeds of these sales with the special occasion licensee licensed under RCW 66.24.380.

Sec. 2. RCW 66.24.380 and 2012 c 2 s 112 are each amended to read as follows:

There is a retailer's license to be designated as a special occasion license to be issued to a not-for-profit society or organization to sell spirits, beer, and wine by the individual serving for on-premises consumption at a specified event, such as at picnics or other special occasions, at a specified date and place; fee sixty dollars per day.

(1) The not-for-profit society or organization is limited to sales of no more than twelve calendar days per year. For the purposes of this subsection, special occasion licensees that are "agricultural area fairs" or "agricultural county, district, and area fairs," as defined by RCW 15.76.120, that receive a special occasion license may, once per calendar year, count as one event fairs that last multiple days, so long as alcohol sales are at set dates, times, and locations, and the board receives prior notification of the dates, times, and locations. The special occasion license applicant will pay the sixty dollars per day for this event.

(2) The licensee may sell spirits, beer, and/or wine in original, unopened containers for off-premises consumption if permission is obtained from the board prior to the event.

(3) In addition to offering the sale of wine by the individual serving for on-premises consumption, the licensee may sell wine in original, unopened containers for on-premises consumption if permission is obtained from the board prior to the event.

(4) Sale, service, and consumption of spirits, beer, and wine is to be confined to specified premises or designated areas only.

((4)) (5) Liquor sold under this special occasion license must be purchased from a licensee of the board.

((5)) (6) Any violation of this section is a class 1 civil infraction having a maximum penalty of two hundred fifty dollars as provided for in chapter 7.80 RCW.

Sec. 3. RCW 66.12.110 and 2012 c 117 s 272 are each

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amended to read as follows:

A person twenty-one years of age or over may bring into the state from without the United States, free of tax and markup, for his or her personal or household use such alcoholic beverages as have been declared and permitted to enter the United States duty free under federal law.

Such entry of alcoholic beverages in excess of that herein provided may be authorized by the board upon payment of an equivalent ((markup and)) tax as would be applicable to the purchase of the same or similar liquor at retail ((from a Washington state liquor store)) in this state. The board ((shall)) must adopt appropriate regulations pursuant to chapter 34.05 RCW for the purpose of carrying out the provisions of this section. The board may issue a spirits, beer, and wine private club license to a charitable or nonprofit corporation of the state of Washington, the majority of the officers and directors of which are United States citizens and the minority of the officers and directors of which are citizens of the Dominion of Canada, and where the location of the premises for such spirits, beer, and wine private club license is not more than ten miles south of the border between the United States and the province of British Columbia.

Sec. 4. RCW 66.12.120 and 1995 c 100 s 1 are each amended to read as follows:

Notwithstanding any other provision of this title ((66 RCW)), a person twenty-one years of age or over may, free of tax ((and markup)), for personal or household use, bring into the state of Washington from another state no more than once per calendar month up to two liters of spirits or wine or two hundred eighty-eight ounces of beer. Additionally, such person may be authorized by the board to bring into the state of Washington from another state a reasonable amount of alcoholic beverages in excess of that provided in this section for personal or household use only upon payment of an equivalent ((markup and)) tax as would be applicable to the purchase of the same or similar liquor at retail ((from a state liquor store)) in this state. The board ((shall)) must adopt appropriate regulations pursuant to chapter 34.05 RCW for the purpose of carrying into effect the provisions of this section.

Sec. 5. RCW 66.12.240 and 2009 c 361 s 1 are each amended to read as follows:

(1) Nothing in this title applies to or prevents a wedding boutique or art gallery from offering or supplying without charge wine or beer by the individual glass to a customer for consumption on the premises. However, the customer must be at least twenty-one years of age and may only be offered one glass of wine or beer, and wine or beer served or consumed ((shall)) must be purchased from a Washington state licensed retailer ((or a Washington state liquor store or agency)) at full retail price. A wedding boutique or art gallery offering wine or beer without charge may not advertise the service of complimentary wine or beer and may not sell wine or beer in any manner. Any employee involved in the service of wine or beer must complete a board-approved limited alcohol server training program.

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

(a) "Art gallery" means a room or building devoted to the exhibition and/or sale of the works of art.

(b) "Wedding boutique" means a business primarily engaged in the sale of wedding merchandise.

Sec. 6. RCW 66.20.010 and 2015 c 195 s 1, 2015 c 194 s 3, and 2015 c 59 s 1 are each reenacted and amended to read as follows:

Upon application in the prescribed form being made to any employee authorized by the board to issue permits, accompanied by payment of the prescribed fee, and upon the employee being

satisfied that the applicant should be granted a permit under this title, the employee must issue to the applicant under such regulations and at such fee as may be prescribed by the board a permit of the class applied for, as follows:

(1) Where the application is for a special permit by a physician or dentist, or by any person in charge of an institution regularly conducted as a hospital or sanitorium for the care of persons in ill health, or as a home devoted exclusively to the care of aged people, a special liquor purchase permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(2) Where the application is for a special permit by a person engaged within the state in mechanical or manufacturing business or in scientific pursuits requiring alcohol for use therein, or by any private individual, a special permit to purchase alcohol for the purpose named in the permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(3) Where the application is for a special permit to consume liquor at a banquet, at a specified date and place, a special permit to purchase liquor for consumption at such banquet, to such applicants as may be fixed by the board;

(4) Where the application is for a special permit to consume liquor on the premises of a business not licensed under this title, a special permit to purchase liquor for consumption thereon for such periods of time and to such applicants as may be fixed by the board;

(5) Where the application is for a special permit by a manufacturer to import or purchase within the state alcohol, malt, and other materials containing alcohol to be used in the manufacture of liquor, or other products, a special permit;

(6) Where the application is for a special permit by a person operating a drug store to purchase liquor at retail prices only, to be thereafter sold by such person on the prescription of a physician, a special liquor purchase permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(7) Where the application is for a special permit by an authorized representative of a military installation operated by or for any of the armed forces within the geographical boundaries of the state of Washington, a special permit to purchase liquor for use on such military installation;

(8) Where the application is for a special permit by a vendor that manufactures or sells a product which cannot be effectively presented to potential buyers without serving it with liquor or by a manufacturer, importer, or distributor, or representative thereof, to serve liquor without charge to delegates and guests at a convention of a trade association composed of licensees of the board, when the said liquor is served in a hospitality room or from a booth in a board-approved suppliers' display room at the convention, and when the liquor so served is for consumption in the said hospitality room or display room during the convention, anything in this title to the contrary notwithstanding. Any such spirituous liquor must be purchased from a spirits retailer or distributor, and any such liquor is subject to the taxes imposed by RCW 82.08.150, 66.24.290, and 66.24.210;

(9) Where the application is for a special permit by a manufacturer, importer, or distributor, or representative thereof, to donate liquor for a reception, breakfast, luncheon, or dinner for delegates and guests at a convention of a trade association composed of licensees of the board, when the liquor so donated is for consumption at the said reception, breakfast, luncheon, or dinner during the convention, anything in this title to the contrary

notwithstanding. Any such spirituous liquor must be purchased from a spirits retailer or distributor, and any such liquor is subject to the taxes imposed by RCW 82.08.150, 66.24.290, and 66.24.210;

(10) Where the application is for a special permit by a manufacturer, importer, or distributor, or representative thereof, to donate and/or serve liquor without charge to delegates and guests at an international trade fair, show, or exposition held under the auspices of a federal, state, or local governmental entity or organized and promoted by a nonprofit organization, anything in this title to the contrary notwithstanding. Any such spirituous liquor must be purchased from a liquor spirits retailer or distributor, and any such liquor is subject to the taxes imposed by RCW 82.08.150, 66.24.290, and 66.24.210;

(11) Where the application is for an annual special permit by a person operating a bed and breakfast lodging facility to donate or serve wine or beer without charge to overnight guests of the facility if the wine or beer is for consumption on the premises of the facility. "Bed and breakfast lodging facility," as used in this subsection, means a facility offering from one to eight lodging units and breakfast to travelers and guests;

(12) Where the application is for a special permit to allow tasting of alcohol by persons at least eighteen years of age under the following circumstances:

(a) The application is from a community or technical college as defined in RCW 28B.50.030, a regional university, or a state university;

(b) The person who is permitted to taste under this subsection is enrolled as a student in a required or elective class that is part of a culinary, sommelier, wine business, enology, viticulture, wine technology, beer technology, or spirituous technology-related degree program;

(c) The alcohol served to any person in the degree-related programs under (b) of this subsection is tasted but not consumed for the purposes of educational training as part of the class curriculum with the approval of the educational provider;

(d) The service and tasting of alcoholic beverages is supervised by a faculty or staff member of the educational provider who is twenty-one years of age or older. The supervising faculty or staff member shall possess a class 12 or 13 alcohol server permit under the provisions of RCW 66.20.310;

(e) The enrolled student permitted to taste the alcoholic beverages does not purchase the alcoholic beverages; and

(f) The permit fee for the special permit provided for in this subsection (12) must be waived by the board;

(13) Where the application is for a special permit by a distillery or craft distillery for an event not open to the general public to be held or conducted at a specific place, including at the licensed premise of the applying distillery or craft distillery, upon a specific date for the purpose of tasting and selling spirits of its own production. The distillery or craft distillery must obtain a permit for a fee of ten dollars per event. An application for the permit must be submitted for private banquet permits prior to the event and, once issued, must be posted in a conspicuous place at the premises for which the permit was issued during all times the permit is in use. No licensee may receive more than twelve permits under this subsection (13) each year;

(14) Where the application is for a special permit by a manufacturer of wine for an event not open to the general public to be held or conducted at a specific place upon a specific date for the purpose of tasting and selling wine of its own production. The winery must obtain a permit for a fee of ten dollars per event. An application for the permit must be submitted at least ten days before the event and once issued, must be posted in a conspicuous place at the premises for which the permit was issued during all times the permit is in use. No more than twelve events per year

may be held by a single manufacturer under this subsection;

(15) Where the application is for a special permit by an individual or business to sell a private collection of wine or spirits to an individual or business. The seller must obtain a permit at least five business days before the sale, for a fee of twenty-five dollars per sale. The seller must provide an inventory of products sold and the agreed price on a form provided by the board. The seller shall submit the report and taxes due to the board no later than twenty calendar days after the sale. A permit may be issued under this section to allow the sale of a private collection to licensees, but may not be issued to a licensee to sell to a private individual or business which is not otherwise authorized under the license held by the seller. If the liquor is purchased by a licensee, all sales are subject to taxes assessed as on liquor acquired from any other source. The board may adopt rules to implement this section.

Sec. 7. RCW 66.20.170 and 1973 1st ex.s. c 209 s 5 are each amended to read as follows:

A card of identification may for the purpose of this title and for the purpose of procuring liquor, be accepted as an identification card by any licensee ((or store employee)) and as evidence of legal age of the person presenting such card, provided the licensee ((or store employee)) complies with the conditions and procedures prescribed herein and such regulations as may be made by the board.

Sec. 8. RCW 66.20.180 and 2005 c 151 s 9 are each amended to read as follows:

A card of identification ((shall)) must be presented by the holder thereof upon request of any licensee, ((store employee, contract liquor store manager, contract liquor store employee,)) peace officer, or enforcement officer of the board for the purpose of aiding the licensee, ((store employee, contract liquor store manager, contract liquor store employee,)) peace officer, or enforcement officer of the board to determine whether or not such person is of legal age to purchase liquor when such person desires to procure liquor from a licensed establishment ((or state liquor store or contract liquor store)).

Sec. 9. RCW 66.20.190 and 2012 c 117 s 280 are each amended to read as follows:

In addition to the presentation by the holder and verification by the licensee ((or store employee)) of such card of identification, the licensee ((or store employee)) who is still in doubt about the true age of the holder ((shall)) must require the person whose age may be in question to sign a certification card and record an accurate description and serial number of his or her card of identification thereon. Such statement ((shall)) must be upon a five-inch by eight-inch file card, which card ((shall)) must be filed alphabetically by the licensee ((or store employee)) at or before the close of business on the day on which the statement is executed, in the file box containing a suitable alphabetical index and the card ((shall)) must be subject to examination by any peace officer or agent or employee of the board at all times. The certification card ((shall)) must also contain in bold-face type a statement stating that the signer understands that conviction for unlawful purchase of alcoholic beverages or misuse of the certification card may result in criminal penalties including imprisonment or fine or both.

Sec. 10. RCW 66.20.200 and 2003 c 53 s 295 are each amended to read as follows:

(1) It ((shall be)) is unlawful for the owner of a card of identification to transfer the card to any other person for the purpose of aiding such person to procure alcoholic beverages from any licensee ((or store employee)). Any person who ((shall)) permits his or her card of identification to be used by another or transfer such card to another for the purpose of aiding such transferee to obtain alcoholic beverages from a licensee ((or store



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employee)) or gain admission to a premises or portion of a premises classified by the board as off-limits to persons under twenty-one years of age, ((shall be)) is guilty of a misdemeanor punishable as provided by RCW 9A.20.021, except that a minimum fine of two hundred fifty dollars ((shall)) must be imposed and any sentence requiring community restitution ((shall)) must require not fewer than twenty-five hours of community restitution.

(2) Any person not entitled thereto who unlawfully procures or has issued or transferred to him or her a card of identification, and any person who possesses a card of identification not issued to him or her, and any person who makes any false statement on any certification card required by RCW 66.20.190, to be signed by him or her, ((shall be)) is guilty of a misdemeanor punishable as provided by RCW 9A.20.021, except that a minimum fine of two hundred fifty dollars ((shall)) must be imposed and any sentence requiring community restitution ((shall)) must require not fewer than twenty-five hours of community restitution.

Sec. 11. RCW 66.20.210 and 1973 1st ex.s. c 209 s 9 are each amended to read as follows:

(1) No licensee or the agent or employee of the licensee((, or store employee, shall)) may be prosecuted criminally or be sued in any civil action for serving liquor to a person under legal age to purchase liquor if such person has presented a card of identification in accordance with RCW 66.20.180, and has signed a certification card as provided in RCW 66.20.190.

(2) Such card in the possession of a licensee may be offered as a defense in any hearing held by the board for serving liquor to the person who signed the card and may be considered by the board as evidence that the licensee acted in good faith.

Sec. 12. RCW 66.24.210 and 2012 c 20 s 2 are each amended to read as follows:

(1) There is hereby imposed upon all wines except cider sold to wine distributors ((and the Washington state liquor control board,)) within the state a tax at the rate of twenty and one-fourth cents per liter. Any domestic winery or certificate of approval holder acting as a distributor of its own production ((shall)) must pay taxes imposed by this section. There is hereby imposed on all cider sold to wine distributors ((and the Washington state liquor control board)) within the state a tax at the rate of three and fifty-nine one-hundredths cents per liter. However, wine sold or shipped in bulk from one winery to another winery ((shall)) is not ((be)) subject to such tax.

(a) The tax provided for in this section shall be collected by direct payments based on wine purchased by wine distributors.

(b) Except as provided in subsection (7) of this section, every person purchasing wine under the provisions of this section ((shall)) must on or before the twentieth day of each month report to the board all purchases during the preceding calendar month in such manner and upon such forms as may be prescribed by the board, and with such report ((shall)) must pay the tax due from the purchases covered by such report unless the same has previously been paid. Any such purchaser of wine whose applicable tax payment is not postmarked by the twentieth day following the month of purchase will be assessed a penalty at the rate of two percent a month or fraction thereof. The board may require that every such person shall execute to and file with the board a bond to be approved by the board, in such amount as the board may fix, securing the payment of the tax. If any such person fails to pay the tax when due, the board may ((forthwith)) suspend or cancel the license until all taxes are paid.

(c) Any licensed retailer authorized to purchase wine from a certificate of approval holder with a direct shipment endorsement or a domestic winery ((shall)) must make monthly reports to the liquor ((control)) and cannabis board on wine purchased during

the preceding calendar month in the manner and upon such forms as may be prescribed by the board.

(2) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (1) of this section. All revenues collected during any month from this additional tax ((shall)) must be transferred to the state general fund by the twenty-fifth day of the following month.

(3) An additional tax is imposed on wines subject to tax under subsection (1) of this section, at the rate of one-fourth of one cent per liter for wine sold after June 30, 1987. After June 30, 1996, such additional tax does not apply to cider. An additional tax of five one-hundredths of one cent per liter is imposed on cider sold after June 30, 1996. All revenues collected under this subsection (3) shall be disbursed quarterly to the Washington wine commission for use in carrying out the purposes of chapter 15.88 RCW.

(4) An additional tax is imposed on all wine subject to tax under subsection (1) of this section. The additional tax is equal to twenty-three and forty-four one-hundredths cents per liter on fortified wine as defined in RCW 66.04.010 when bottled or packaged by the manufacturer, one cent per liter on all other wine except cider, and eighteen one-hundredths of one cent per liter on cider. All revenues collected during any month from this additional tax shall be deposited in the state general fund by the twenty-fifth day of the following month.

(5)(a) An additional tax is imposed on all cider subject to tax under subsection (1) of this section. The additional tax is equal to two and four one-hundredths cents per liter of cider sold after June 30, 1996, and before July 1, 1997, and is equal to four and seven one-hundredths cents per liter of cider sold after June 30, 1997.

(b) All revenues collected from the additional tax imposed under this subsection (5) ((shall)) must be deposited in the state general fund.

(6) For the purposes of this section, "cider" means table wine that contains not less than one-half of one percent of alcohol by volume and not more than seven percent of alcohol by volume and is made from the normal alcoholic fermentation of the juice of sound, ripe apples or pears. "Cider" includes, but is not limited to, flavored, sparkling, or carbonated cider and cider made from condensed apple or pear must.

(7) For the purposes of this section, out-of-state wineries ((shall)) must pay taxes under this section on wine sold and shipped directly to Washington state residents in a manner consistent with the requirements of a wine distributor under subsections (1) through (4) of this section, except wineries shall be responsible for the tax and not the resident purchaser.

(8) Notwithstanding any other provision of this section, any domestic winery or wine certificate of approval holder acting as a distributor of its own production that had total taxable sales of wine in Washington state of six thousand gallons or less during the calendar year preceding the date on which the tax would otherwise be due is not required to pay taxes under this section more often than annually.

Sec. 13. RCW 66.28.030 and 2012 c 2 s 113 are each amended to read as follows:

Every domestic distillery, brewery, and microbrewery, domestic winery, certificate of approval holder, licensed ((liquor)) spirits importer, licensed wine importer, and licensed beer importer is responsible for the conduct of any licensed spirits, beer, or wine distributor in selling, or contracting to sell, to retail licensees, spirits, beer, or wine manufactured by such domestic distillery, brewery, microbrewery, domestic winery, manufacturer holding a certificate of approval, sold by an authorized representative holding a certificate of approval, or imported by such ((liquor)) spirits, beer, or wine importer. Where

the board finds that any licensed spirits, beer, or wine distributor has violated any of the provisions of this title or of the regulations of the board in selling or contracting to sell spirits, beer, or wine to retail licensees, the board may, in addition to any punishment inflicted or imposed upon such distributor, prohibit the sale of the brand or brands of spirits, beer, or wine involved in such violation to any or all retail licensees within the trade territory usually served by such distributor for such period of time as the board may fix, irrespective of whether the distiller manufacturing such spirits or the ((liquor)) spirits importer importing such spirits, brewer manufacturing such beer or the beer importer importing such beer, or the domestic winery manufacturing such wine or the wine importer importing such wine or the certificate of approval holder manufacturing such spirits, beer, or wine or acting as authorized representative actually participated in such violation.

Sec. 14. RCW 66.28.035 and 2012 c 39 s 7 are each amended to read as follows:

(1) By the ((15th)) 20th day of each month, all spirits certificate of approval holders must file with the board, in a form and manner required by the board, a report of all spirits delivered to purchasers in this state during the preceding month ((along with a copy)). Copies of the invoices for all such purchases or other information required by the board that would disclose the identity of the purchasers must be made available upon request.

(2) A spirits certificate of approval holder may not ship or cause to be transported into this state any spirits unless the purchaser to whom the spirits are to be delivered is:

(a) Licensed by the board to sell spirits in this state, and the license is in good standing; or

(b) Otherwise legally authorized to sell spirits in this state.

(3) The liquor ((control)) and cannabis board must maintain on its web site a list of all purchasers that meet the conditions of subsection (2) of this section.

(4) A violation of this section is grounds for suspension of a spirits certificate of approval license in accordance with RCW 66.08.150, in addition to any punishment as may be authorized by RCW 66.28.030.

Sec. 15. RCW 66.28.040 and 2014 c 92 s 2 are each amended to read as follows:

Except as permitted by the board under RCW 66.20.010, no domestic brewery, microbrewery, distributor, distiller, domestic winery, importer, rectifier, certificate of approval holder, or other manufacturer of liquor may, within the state of Washington, give to any person any liquor; but nothing in this section nor in RCW 66.28.305 prevents a domestic brewery, microbrewery, distributor, domestic winery, distiller, certificate of approval holder, or importer from furnishing samples of beer, wine, or spirituous liquor to authorized licensees for the purpose of negotiating a sale, in accordance with regulations adopted by the liquor ((control)) and cannabis board, provided that the samples are subject to taxes imposed by RCW 66.24.290 and 66.24.210; nothing in this section prevents a domestic brewery, microbrewery, domestic winery, distillery, certificate of approval holder, or distributor from furnishing beer, wine, or spirituous liquor for instructional purposes under RCW 66.28.150; nothing in this section prevents a domestic winery, certificate of approval holder, or distributor from furnishing wine without charge, subject to the taxes imposed by RCW 66.24.210, to a not-for-profit group organized and operated solely for the purpose of enology or the study of viticulture which has been in existence for at least six months and that uses wine so furnished solely for such educational purposes or a domestic winery, or an out-of-state certificate of approval holder, from furnishing wine without charge or a domestic brewery, or an out-of-state certificate of approval holder, from furnishing beer without charge, subject to the taxes imposed by RCW 66.24.210 or 66.24.290, or a domestic

distiller licensed under RCW 66.24.140 or an accredited representative of a distiller, manufacturer, importer, or distributor of spirituous liquor licensed under RCW 66.24.310, from furnishing spirits without charge, to a nonprofit charitable corporation or association exempt from taxation under 26 U.S.C. Sec. 501(c)(3) or (6) of the internal revenue code of 1986 for use consistent with the purpose or purposes entitling it to such exemption; nothing in this section prevents a domestic brewery or microbrewery from serving beer without charge, on the brewery premises; nothing in this section prevents donations of wine for the purposes of RCW 66.12.180; nothing in this section prevents a domestic winery from serving wine without charge, on the winery premises; and nothing in this section prevents a craft distillery from serving spirits, on the distillery premises subject to RCW 66.24.145.

Sec. 16. RCW 66.44.350 and 2014 c 29 s 4 are each amended to read as follows:

Notwithstanding provisions of RCW 66.44.310, employees of businesses holding beer and/or wine restaurant; beer and/or wine private club; snack bar; spirits, beer, and wine restaurant; spirits, beer, and wine private club; catering; and sports entertainment facility licenses who are ((licensees)) between eighteen and twenty-one years of age ((and over)) may take orders for, serve, and sell liquor in any part of the licensed premises except cocktail lounges, bars, or other areas classified by the Washington state liquor ((control)) and cannabis board as off-limits to persons under twenty-one years of age: PROVIDED, That such employees may enter such restricted areas to perform work assignments including picking up liquor for service in other parts of the licensed premises, performing clean up work, setting up and arranging tables, delivering supplies, delivering messages, serving food, and seating patrons: PROVIDED FURTHER, That such employees ((shall)) remain in the areas off-limits to minors no longer than is necessary to carry out their aforementioned duties: PROVIDED FURTHER, That such employees ((shall)) are not be permitted to perform activities or functions of a bartender.

NEW SECTION. Sec. 17. RCW 66.24.440 (Liquor by the drink, spirits, beer, and wine restaurant, spirits, beer, and wine private club, hotel, spirits, beer, and wine nightclub, sports entertainment facility, and VIP airport lounge license—Purchase of liquor by licensees—Discount) and 2011 c 325 s 3, 2009 c 271 s 8, 2007 c 370 s 20, 1998 c 126 s 8, 1997 c 321 s 29, & 1949 c 5 s 5 are each repealed.

NEW SECTION. Sec. 18. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the supplemental omnibus operating appropriations act, this act is null and void."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Baumgartner moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 6470.

Senator Baumgartner spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Baumgartner that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 6470.

The motion by Senator Baumgartner carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 6470 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 6470, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 6470, as amended by the House, and the bill passed the Senate by the following vote:

Yeas, 44; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Litzow, McAuliffe, McCoy, Miloscia, Mullet, O'Ban, Padden, Parlette, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Voting nay: Senators Hasegawa, Liias, Nelson and Pearson  
Excused: Senator Hargrove

ENGROSSED SUBSTITUTE SENATE BILL NO. 6470, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 1, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6337 with the following amendment(s): 6337-S AMH CDHT RUBE 127

On page 1, line 19 after "(2)" strike "The" and insert "Except when a county legislative authority purchases the tax-foreclosed property for public purposes, the"

On page 2, line 4 after "84.64.080," strike "under the following conditions" and insert "together with any direct costs incurred by the county in the sale. If the city chooses to purchase the property, the following conditions apply"

On page 2, beginning on line 13 after "reimbursed" strike all material through "entity" on line 14 and insert "by the housing authority or other nonprofit entity for the amount the city paid to purchase the property together with any direct costs incurred by the city in the transfer to the housing authority or other nonprofit entity"

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator O'Ban moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6337.

Senator O'Ban spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator O'Ban that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6337.

The motion by Senator O'Ban carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6337 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6337, as amended by

the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6337, as amended by the House, and the bill passed the Senate by the following vote:

Yeas, 37; Nays, 11; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Becker, Billig, Braun, Carlyle, Chase, Cleveland, Conway, Dammeier, Darneille, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Pedersen, Ranker, Rivers, Rolfes, Schoesler, Sheldon, Takko and Warnick

Voting nay: Senators Angel, Bailey, Benton, Brown, Dansel, Ericksen, Honeyford, Padden, Parlette, Pearson and Roach  
Excused: Senator Hargrove

SUBSTITUTE SENATE BILL NO. 6337, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6329 with the following amendment(s): 6329-S AMH APP H4642.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. For over thirty years, parent to parent programs for individuals with either developmental disabilities, or special health care needs, or both, have been providing emotional and informational support by matching parents seeking support with an experienced and trained support parent.

The parent to parent program currently exists in thirty-one counties: Adams, Asotin, Benton, Chelan, Clallam, Clark, Columbia, Cowlitz, Douglas, Franklin, Garfield, Grant, Grays Harbor, Island, Jefferson, King, Kitsap, Kittitas, Lewis, Lincoln, Mason, Pacific, Pierce, Skagit, Snohomish, Spokane, Thurston, Walla Walla, Whatcom, Whitman, and Yakima. It is the legislature's goal to continue, support, and enhance the programs in these counties and expand these programs statewide by 2021.

NEW SECTION. Sec. 2. A new section is added to chapter 71A.14 RCW to read as follows:

The goals of the parent to parent program are to:

- (1) Provide early outreach, support, and education to parents who have a child with special health care needs;
- (2) Match a trained volunteer support parent with a new parent who has a child with similar needs to the child of the support parent; and
- (3) Provide parents with tools and resources to be successful as they learn to understand the support and advocacy needs of their children.

NEW SECTION. Sec. 3. A new section is added to chapter 71A.14 RCW to read as follows:

Subject to the availability of funds appropriated for this specific purpose, activities of the parent to parent program may include:

- (1) Outreach and support to newly identified parents of children with special health care needs;
- (2) Trainings that educate parents in ways to support their child

and navigate the complex health, educational, and social systems;

(3) Ongoing peer support from a trained volunteer support parent; and

(4) Regular communication with other local programs to ensure consistent practices.

NEW SECTION. Sec. 4. A new section is added to chapter 71A.14 RCW to read as follows:

(1) Subject to the availability of funds appropriated for this specific purpose, the parent to parent program must be funded through the department and centrally administered through a pass-through to a Washington state lead organization that has extensive experience supporting and training support parents.

(2) Through the contract with the lead organization, each local program must be locally administered by an organization that shall serve as the host organization.

(3) Parents shall serve as advisors to the host organizations.

(4) A parent or grandparent of a child with developmental disabilities or special health care needs shall provide program coordination and local program information.

(5) The lead organization shall provide ongoing training to the host organizations and statewide program oversight and maintain statewide program information.

(6) For the purpose of this act, "special health care needs" means disabilities, chronic illnesses or conditions, health related educational or behavioral problems, or the risk of developing such disabilities, conditions, illnesses or problems.

NEW SECTION. Sec. 5. If specific funding for the purposes of this act, referencing the act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator O'Ban moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6329.

Senator O'Ban spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator O'Ban that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6329.

The motion by Senator O'Ban carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6329 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6329, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6329, as amended by the House, and the bill passed the Senate by the following vote:

Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Erickson, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senator Hargrove

SUBSTITUTE SENATE BILL NO. 6329, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 4, 2016

MR. PRESIDENT:

The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 6293 with the following amendment(s): 6293-S.E AMH MANW TANG 129

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** The legislature finds that: (1) School-sponsored, unpaid work-based learning, including cooperative education, clinical experiences, and internship programs are a valuable component of many college certifications and degrees; (2) the opportunity to provide labor and industries' medical aid coverage to students in these programs will encourage employers to participate in school-sponsored, unpaid work-based learning, potentially improving employment opportunities for students; and (3) education improves economic viability in communities and in the state of Washington.

**Sec. 2.** RCW 51.12.170 and 1994 c 246 s 1 are each amended to read as follows:

(1) An employer covered under this title may elect to include student volunteers or unpaid students as employees or workers for all purposes relating to medical aid benefits under chapter 51.36 RCW. The employer shall give notice of its intent to cover all of its student volunteers or unpaid students to the director prior to the occurrence of the injury or contraction of an occupational disease.

(2) A student volunteer is an enrolled student in a public school as defined in RCW 28A.150.010, a private school governed under chapter 28A.195 RCW, or a state public or private institution of higher education, who is participating as a volunteer under a program authorized by the ((public)) school. The student volunteer shall perform duties for the employer without wages. The student volunteer shall be deemed to be a volunteer even if the student is granted maintenance and reimbursement for actual expenses necessarily incurred in performing his or her assigned or authorized duties. A person who earns wages for the services performed is not a student volunteer.

(3) An unpaid student is an enrolled student in a state public or private institution of higher education who is participating in an unpaid work-based learning program authorized by the school. The unpaid student shall perform duties for the employer without wages but receives credit towards completing the school program, certification, or degree in return for the services provided.

(4) Any and all premiums or assessments due under this title on account of service by a student volunteer or unpaid student shall be paid by the employer who has registered and accepted the services of student volunteers or engaged in an approved student work-based learning program authorized by the school and has exercised its option to secure the medical aid benefits under chapter 51.36 RCW for the student volunteers or unpaid students.

(5) For the purposes of this section, "unpaid student" includes a student in school-sponsored, unpaid work-based learning, including cooperative education, clinical experiences, and internship programs.

**NEW SECTION. Sec. 3.** A new section is added to chapter 51.12 RCW to read as follows:

An employer who has registered and accepted the services of volunteers, student volunteers, or unpaid students, who are

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eligible for medical aid benefits under this chapter, may annually elect to pay the premiums and assessments due under this title at the rate due for one hundred hours of volunteer service for each volunteer, student volunteer, or unpaid student instead of tracking the actual number of hours for each volunteer, student volunteer, or unpaid student. An employer selecting this option must use the method to cover all their volunteers, student volunteers, or unpaid students for the calendar year."

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Braun moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 6293.

Senator Braun spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Braun that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 6293.

The motion by Senator Braun carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 6293 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 6293, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 6293, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senator Hargrove

ENGROSSED SUBSTITUTE SENATE BILL NO. 6293, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 4, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6264 with the following amendment(s): 6264-S AMH APP H4641.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 43.43 RCW to read as follows, but because of its temporary nature is not codified:

(1) A retiree whose retirement was effective before July 24, 2015, may purchase an annuity under subsection (2) of this section between January 1, 2017, and June 1, 2017.

(2) Retirees who meet the requirements of subsection (1) of this section may purchase an optional actuarially equivalent life

annuity benefit from the Washington state patrol retirement fund established in RCW 43.43.130. A minimum payment of twenty-five thousand dollars is required.

(a) Subject to rules adopted by the department, a member purchasing an annuity under this section must pay all of the cost with an eligible rollover, direct rollover, or trustee-to-trustee transfer from an eligible retirement plan.

(b) The department shall adopt rules to ensure that all eligible rollovers and transfers comply with the requirements of the internal revenue code and regulations adopted by the internal revenue service. The rules adopted by the department may condition the acceptance of a rollover or transfer from another plan on the receipt of information necessary to enable the department to determine the eligibility of any transferred funds for tax-free rollover treatment or other treatment under federal income tax law.

(c) "Eligible retirement plan" means a tax qualified plan offered by a governmental employer.

NEW SECTION. Sec. 2. A new section is added to chapter 41.26 RCW under the subchapter heading "plan 1" to read as follows:

(1) At the time of retirement, plan 1 members may purchase an optional actuarially equivalent life annuity benefit from the Washington law enforcement officers' and firefighters' retirement system plan 1 retirement fund established in RCW 41.50.075. A minimum payment of twenty-five thousand dollars is required.

(2) Subject to rules adopted by the department, a member purchasing an annuity under this section must pay all of the cost with an eligible rollover, direct rollover, or trustee-to-trustee transfer from an eligible retirement plan.

(a) The department shall adopt rules to ensure that all eligible rollovers and transfers comply with the requirements of the internal revenue code and regulations adopted by the internal revenue service. The rules adopted by the department may condition the acceptance of a rollover or transfer from another plan on the receipt of information necessary to enable the department to determine the eligibility of any transferred funds for tax-free rollover treatment or other treatment under federal income tax law.

(b) "Eligible retirement plan" means a tax qualified plan offered by a governmental employer.

(3) Plan 1 members whose retirement was effective prior to the effective date of this section may purchase an annuity under this section between January 1, 2017, and June 1, 2017.

NEW SECTION. Sec. 3. A new section is added to chapter 41.26 RCW under the subchapter heading "plan 2" to read as follows, but because of its temporary nature is not codified:

(1) A plan 2 retiree whose retirement was effective before June 1, 2014, may purchase an annuity under this section between January 1, 2017, and June 1, 2017.

(2) Plan 2 retirees who meet the requirements of subsection (1) of this section may purchase an optional actuarially equivalent life annuity benefit from the Washington law enforcement officers' and firefighters' retirement system plan 2 retirement fund established in RCW 41.50.075. A minimum payment of twenty-five thousand dollars is required.

(a) Subject to rules adopted by the department, a retiree purchasing an annuity under this section must pay all of the cost with an eligible rollover, direct rollover, or trustee-to-trustee transfer from an eligible retirement plan.

(b) The department shall adopt rules to ensure that all eligible rollovers and transfers comply with the requirements of the internal revenue code and regulations adopted by the internal revenue service. The rules adopted by the department may condition the acceptance of a rollover or transfer from another

plan on the receipt of information necessary to enable the department to determine the eligibility of any transferred funds for tax-free rollover treatment or other treatment under federal income tax law.

(c) "Eligible retirement plan" means a tax qualified plan offered by a governmental employer.

NEW SECTION. Sec. 4. If specific funding for purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Fain moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6264.

Senator Fain spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Fain that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6264.

The motion by Senator Fain carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6264 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6264, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6264, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senator Hargrove

SUBSTITUTE SENATE BILL NO. 6264, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6160 with the following amendment(s): 6160-S AMH GGIT H4626.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 46.37.640 and 2003 c 33 s 1 are each amended to read as follows:

(1) "Air bag" means an inflatable restraint system or portion of an inflatable restraint system ((installed in a motor vehicle)) including, but not limited to, the cushion material, cover, sensors, controllers, inflators, and wiring that (a) operates in the event of

a crash and (b) is designed in accordance with federal motor vehicle safety standards for the specific make, model, and year of the motor vehicle in which it is or will be installed.

(2) "Previously deployed air bag" means an inflatable restraint system or portion of the system that has been activated or inflated as a result of a collision or other incident involving the vehicle.

(3) "Nondeployed salvage air bag" means an inflatable restraint system or portion of an inflatable restraint system that has not been previously activated or inflated as a result of a collision or other incident involving the vehicle.

(4) "Counterfeit air bag" means a replacement motor vehicle inflatable occupant restraint system, including all component parts including, but not limited to, the cushion material, cover, sensors, controllers, inflators, and wiring, displaying a mark identical or similar to the genuine mark of a motor vehicle manufacturer without authorization from the manufacturer.

(5) "Nonfunctional air bag" means a replacement motor vehicle inflatable occupant restraint system, including all component parts including, but not limited to, the cushion material, cover, sensors, controllers, inflators, and wiring, which: (a) Was previously deployed or damaged; (b) has an electric fault that is detected by the vehicle air bag diagnostic system after the installation procedure is completed; or (c) includes any part or object including, but not limited to, a counterfeit or repaired air bag cover, installed in a motor vehicle to mislead the owner or operator of the motor vehicle into believing that a functional air bag has been installed.

Sec. 2. RCW 46.37.650 and 2011 c 96 s 33 are each amended to read as follows:

((1)) (a) It is unlawful for a person ((is guilty of a gross misdemeanor if he or she knew or reasonably should have known that an air bag he or she installs or reinstalls in a vehicle for compensation, or distributes as an auto part)), with criminal negligence, to manufacture or import a motor vehicle air bag, that: (i) Is a counterfeit air bag, (ii) is a nonfunctional air bag, (iii) is a previously deployed or damaged air bag that is part of an inflatable restraint system, or (iv) otherwise does not meet all applicable federal safety standards for an air bag. This subsection does not apply to nondeployed salvage air bags that meet the requirements of RCW 46.37.660(1).

((2)) (b) A person ((found guilty under subsection (1) of this section shall be punished by a fine of not more than five thousand dollars or by confinement in the county jail for up to three hundred sixty-four days, or both)) in violation of this subsection is guilty of a class C felony if the criminal negligence caused bodily injury as defined in RCW 9A.04.110 or death to another person.

(c) A person in violation of this subsection is guilty of a class C felony, regardless if the criminal negligence caused harm to another.

(2)(a) It is unlawful for a person, in a reckless manner, to sell, offer for sale, install, or reinstall a device in a vehicle for compensation, or distribute as an auto part, or replace a motor vehicle air bag, that: (i) Is a counterfeit air bag, (ii) is a nonfunctional air bag, (iii) is a previously deployed or damaged air bag that is part of an inflatable restraint system, or (iv) otherwise does not meet all applicable federal safety standards for an air bag. This subsection does not apply to nondeployed salvage air bags that meet the requirements of RCW 46.37.660(1).

(b) A person in violation of this subsection is guilty of a class C felony if the reckless manner caused bodily injury as defined in RCW 9A.04.110 or death to another person.

(c) A person in violation of this subsection is guilty of a class C felony, regardless if the reckless manner caused harm to another.

Sec. 3. RCW 46.37.660 and 2003 c 33 s 3 are each amended

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to read as follows:

(1)(a) Whenever an air bag that is part of a previously deployed inflatable restraint system is replaced by either a new air bag that is part of an inflatable restraint system or a nondeployed salvage air bag that is part of an inflatable restraint system, the air bag must conform to the original equipment manufacturer requirements and the installer must verify that the self-diagnostic system for the inflatable restraint system indicates that the entire inflatable restraint system is operating properly.

(b) A person in violation of this subsection (1) is guilty of a class C felony if the violation caused bodily injury as defined in RCW 9A.04.110 or death to another person.

(c) A person in violation of this subsection (1) is guilty of a class C felony, regardless if the violation caused harm to another.

(2)(a) No person may sell, install, or reinstall in any motor vehicle any device that causes the vehicle's diagnostic system to inaccurately indicate that the vehicle is equipped with a functional air bag when a counterfeit air bag, a nonfunctional air bag, or no air bag is installed. This subsection does not apply to nondeployed salvage air bags that meet the requirements of subsection (1) of this section.

(b) A person in violation of this subsection (2) is guilty of a class C felony if the violation caused bodily injury as defined in RCW 9A.04.110 or death to another person.

(c) A person in violation of this subsection (2) is guilty of a class C felony, regardless if the violation caused harm to another.

Sec. 4. RCW 46.63.020 and 2014 c 124 s 9 are each amended to read as follows:

Failure to perform any act required or the performance of any act prohibited by this title or an equivalent administrative regulation or local law, ordinance, regulation, or resolution relating to traffic including parking, standing, stopping, and pedestrian offenses, is designated as a traffic infraction and may not be classified as a criminal offense, except for an offense contained in the following provisions of this title or a violation of an equivalent administrative regulation or local law, ordinance, regulation, or resolution:

(1) RCW 46.09.457(1)(b)(i) relating to a false statement regarding the inspection of and installation of equipment on wheeled all-terrain vehicles;

(2) RCW 46.09.470(2) relating to the operation of a nonhighway vehicle while under the influence of intoxicating liquor or a controlled substance;

(3) RCW 46.09.480 relating to operation of nonhighway vehicles;

(4) RCW 46.10.490(2) relating to the operation of a snowmobile while under the influence of intoxicating liquor or narcotics or habit-forming drugs or in a manner endangering the person of another;

(5) RCW 46.10.495 relating to the operation of snowmobiles;

(6) Chapter 46.12 RCW relating to certificates of title, registration certificates, and markings indicating that a vehicle has been destroyed or declared a total loss;

(7) RCW 46.16A.030 and 46.16A.050(3) relating to the nonpayment of taxes and fees by failure to register a vehicle and falsifying residency when registering a motor vehicle;

(8) RCW 46.16A.520 relating to permitting unauthorized persons to drive;

(9) RCW 46.16A.320 relating to vehicle trip permits;

(10) RCW 46.19.050(1) relating to knowingly providing false information in conjunction with an application for a special placard or license plate for disabled persons' parking;

(11) RCW 46.19.050(8) relating to illegally obtaining a parking placard, special license plate, special year tab, or identification card;

(12) RCW 46.19.050(9) relating to sale of a parking placard, special license plate, special year tab, or identification card;

(13) RCW 46.20.005 relating to driving without a valid driver's license;

(14) RCW 46.20.091 relating to false statements regarding a driver's license or instruction permit;

(15) RCW 46.20.0921 relating to the unlawful possession and use of a driver's license;

(16) RCW 46.20.342 relating to driving with a suspended or revoked license or status;

(17) RCW 46.20.345 relating to the operation of a motor vehicle with a suspended or revoked license;

(18) RCW 46.20.410 relating to the violation of restrictions of an occupational driver's license, temporary restricted driver's license, or ignition interlock driver's license;

(19) RCW 46.20.740 relating to operation of a motor vehicle without an ignition interlock device in violation of a license notation that the device is required;

(20) RCW 46.20.750 relating to circumventing an ignition interlock device;

(21) RCW 46.25.170 relating to commercial driver's licenses;

(22) Chapter 46.29 RCW relating to financial responsibility;

(23) RCW 46.30.040 relating to providing false evidence of financial responsibility;

(24) RCW 46.35.030 relating to recording device information;

(25) RCW 46.37.435 relating to wrongful installation of sunscreening material;

(26) RCW 46.37.650 relating to the manufacture, importation, sale, ((resale,)) distribution, or installation of a counterfeit air bag, nonfunctional air bag, or previously deployed or damaged air bag;

(27) RCW 46.37.660 relating to the sale or installation of a device that causes a vehicle's diagnostic system to inaccurately indicate that the vehicle has a functional air bag when a counterfeit air bag, nonfunctional air bag, or no air bag is installed;

(28) RCW 46.37.671 through 46.37.675 relating to signal preemption devices;

((28)) (29) RCW 46.37.685 relating to switching or flipping license plates, utilizing technology to flip or change the appearance of a license plate, selling a license plate flipping device or technology used to change the appearance of a license plate, or falsifying a vehicle registration;

((29)) (30) RCW 46.44.180 relating to operation of mobile home pilot vehicles;

((30)) (31) RCW 46.48.175 relating to the transportation of dangerous articles;

((31)) (32) RCW 46.52.010 relating to duty on striking an unattended car or other property;

((32)) (33) RCW 46.52.020 relating to duty in case of injury to or death of a person or damage to an attended vehicle;

((33)) (34) RCW 46.52.090 relating to reports by repairers, storage persons, and appraisers;

((34)) (35) RCW 46.52.130 relating to confidentiality of the driving record to be furnished to an insurance company, an employer, and an alcohol/drug assessment or treatment agency;

((35)) (36) RCW 46.55.020 relating to engaging in the activities of a registered tow truck operator without a registration certificate;

((36)) (37) RCW 46.55.035 relating to prohibited practices by tow truck operators;

((37)) (38) RCW 46.55.300 relating to vehicle immobilization;

((38)) (39) RCW 46.61.015 relating to obedience to police officers, flaggers, or firefighters;

((39)) (40) RCW 46.61.020 relating to refusal to give

information to or cooperate with an officer;  
 (((40))) (41) RCW 46.61.022 relating to failure to stop and give identification to an officer;  
 (((41))) (42) RCW 46.61.024 relating to attempting to elude pursuing police vehicles;  
 (((42))) (43) RCW 46.61.212(4) relating to reckless endangerment of emergency zone workers;  
 (((43))) (44) RCW 46.61.500 relating to reckless driving;  
 (((44))) (45) RCW 46.61.502 and 46.61.504 relating to persons under the influence of intoxicating liquor or drugs;  
 (((45))) (46) RCW 46.61.503 relating to a person under age twenty-one driving a motor vehicle after consuming alcohol;  
 (((46))) (47) RCW 46.61.520 relating to vehicular homicide by motor vehicle;  
 (((47))) (48) RCW 46.61.522 relating to vehicular assault;  
 (((48))) (49) RCW 46.61.5249 relating to first degree negligent driving;  
 (((49))) (50) RCW 46.61.527(4) relating to reckless endangerment of roadway workers;  
 (((50))) (51) RCW 46.61.530 relating to racing of vehicles on highways;  
 (((51))) (52) RCW 46.61.655(7) (a) and (b) relating to failure to secure a load;  
 (((52))) (53) RCW 46.61.685 relating to leaving children in an unattended vehicle with the motor running;  
 (((53))) (54) RCW 46.61.740 relating to theft of motor vehicle fuel;  
 (((54))) (55) RCW 46.64.010 relating to unlawful cancellation of or attempt to cancel a traffic citation;  
 (((55))) (56) RCW 46.64.048 relating to attempting, aiding, abetting, coercing, and committing crimes;  
 (((56))) (57) Chapter 46.65 RCW relating to habitual traffic offenders;  
 (((57))) (58) RCW 46.68.010 relating to false statements made to obtain a refund;  
 (((58))) (59) Chapter 46.70 RCW relating to unfair motor vehicle business practices, except where that chapter provides for the assessment of monetary penalties of a civil nature;  
 (((59))) (60) Chapter 46.72 RCW relating to the transportation of passengers in for hire vehicles;  
 (((60))) (61) RCW 46.72A.060 relating to limousine carrier insurance;  
 (((61))) (62) RCW 46.72A.070 relating to operation of a limousine without a vehicle certificate;  
 (((62))) (63) RCW 46.72A.080 relating to false advertising by a limousine carrier;  
 (((63))) (64) Chapter 46.80 RCW relating to motor vehicle wreckers;  
 (((64))) (65) Chapter 46.82 RCW relating to driver's training schools;  
 (((65))) (66) RCW 46.87.260 relating to alteration or forgery of a cab card, letter of authority, or other temporary authority issued under chapter 46.87 RCW;  
 (((66))) (67) RCW 46.87.290 relating to operation of an unregistered or unlicensed vehicle under chapter 46.87 RCW.  
 Sec. 5. RCW 9.94A.515 and 2015 c 261 s 11 are each amended to read as follows:

TABLE 2  
 CRIMES INCLUDED WITHIN EACH  
 SERIOUSNESS LEVEL

XVI	Aggravated Murder 1 (RCW 10.95.020)
XV	Homicide by abuse (RCW 9A.32.055)
	Malicious explosion 1 (RCW 70.74.280(1))
	Murder 1 (RCW 9A.32.030)
XIV	Murder 2 (RCW 9A.32.050)

	Trafficking 1 (RCW 9A.40.100(1))
XIII	Malicious explosion 2 (RCW 70.74.280(2))
	Malicious placement of an explosive 1 (RCW 70.74.270(1))
XII	Assault 1 (RCW 9A.36.011)
	Assault of a Child 1 (RCW 9A.36.120)
	Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a))
	Promoting Commercial Sexual Abuse of a Minor (RCW 9.68A.101)
	Rape 1 (RCW 9A.44.040)
	Rape of a Child 1 (RCW 9A.44.073)
	Trafficking 2 (RCW 9A.40.100(3))
XI	Manslaughter 1 (RCW 9A.32.060)
	Rape 2 (RCW 9A.44.050)
	Rape of a Child 2 (RCW 9A.44.076)
	Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520)
X	Child Molestation 1 (RCW 9A.44.083)
	Criminal Mistreatment 1 (RCW 9A.42.020)
	Indecent Liberties (with forcible compulsion) (RCW 9A.44.100(1)(a))
	Kidnapping 1 (RCW 9A.40.020)
	Leading Organized Crime (RCW 9A.82.060(1)(a))
	Malicious explosion 3 (RCW 70.74.280(3))
	Sexually Violent Predator Escape (RCW 9A.76.115)
IX	Abandonment of Dependent Person 1 (RCW 9A.42.060)
	Assault of a Child 2 (RCW 9A.36.130)
	Explosive devices prohibited (RCW 70.74.180)
	Hit and Run—Death (RCW 46.52.020(4)(a))
	Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050)
	Inciting Criminal Profiteering (RCW 9A.82.060(1)(b))
	Malicious placement of an explosive 2 (RCW 70.74.270(2))
	Robbery 1 (RCW 9A.56.200)
	Sexual Exploitation (RCW 9.68A.040)
VIII	Arson 1 (RCW 9A.48.020)
	Commercial Sexual Abuse of a Minor (RCW 9.68A.100)
	Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050)
	Manslaughter 2 (RCW 9A.32.070)
	Promoting Prostitution 1 (RCW 9A.88.070)
	Theft of Ammonia (RCW 69.55.010)
	Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520)
VII	Air bag diagnostic systems (causing bodily injury or death) (RCW 46.37.660(2)(b))
	Air bag replacement requirements (causing bodily injury or death) (RCW



- 46.37.660(1)(b))
  - Burglary 1 (RCW 9A.52.020)
  - Child Molestation 2 (RCW 9A.44.086)
  - Civil Disorder Training (RCW 9A.48.120)
  - Manufacture or import counterfeit, nonfunctional, damaged, or previously deployed air bag (causing bodily injury or death) (RCW 46.37.650(1)(b))
  - Sale, install, reinstall counterfeit, nonfunctional, damaged, or previously deployed airbag (RCW 46.37.650(2)(b))
  - Dealing in depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.050(1))
  - Drive-by Shooting (RCW 9A.36.045)
  - Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050)
  - Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c))
  - Introducing Contraband 1 (RCW 9A.76.140)
  - Malicious placement of an explosive 3 (RCW 70.74.270(3))
  - Negligently Causing Death By Use of a Signal Preemption Device (RCW 46.37.675)
  - Sending, bringing into state depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.060(1))
  - Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(1))
  - Use of a Machine Gun in Commission of a Felony (RCW 9.41.225)
  - Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520)
- VI
  - Bail Jumping with Murder 1 (RCW 9A.76.170(3)(a))
  - Bribery (RCW 9A.68.010)
  - Incest 1 (RCW 9A.64.020(1))
  - Intimidating a Judge (RCW 9A.72.160)
  - Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130)
  - Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b))
  - Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.070(1))
  - Rape of a Child 3 (RCW 9A.44.079)
  - Theft of a Firearm (RCW 9A.56.300)
  - Unlawful Storage of Ammonia (RCW 69.55.020)
- V
  - Abandonment of Dependent Person 2 (RCW 9A.42.070)
  - Advancing money or property for extortionate extension of credit (RCW 9A.82.030)
  - Air bag diagnostic systems (RCW 46.37.660(2)(c))
  - Air bag replacement requirements (RCW 46.37.660(1)(c))
  - Bail Jumping with class A Felony (RCW 9A.76.170(3)(b))
  - Child Molestation 3 (RCW 9A.44.089)
  - Manufacture or import counterfeit, nonfunctional, damaged, or previously deployed air bag (RCW 46.37.650(1)(c))
  - Sale, install, reinstall counterfeit, nonfunctional, damaged, or previously deployed airbag (RCW 46.37.650(2)(c))
  - Criminal Mistreatment 2 (RCW 9A.42.030)
  - Custodial Sexual Misconduct 1 (RCW 9A.44.160)
  - Dealing in Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.050(2))
  - Domestic Violence Court Order Violation (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, 26.26.138, 26.50.110, 26.52.070, or 74.34.145)
  - Driving While Under the Influence (RCW 46.61.502(6))
  - Extortion 1 (RCW 9A.56.120)
  - Extortionate Extension of Credit (RCW 9A.82.020)
  - Extortionate Means to Collect Extensions of Credit (RCW 9A.82.040)
  - Incest 2 (RCW 9A.64.020(2))
  - Kidnapping 2 (RCW 9A.40.030)
  - Perjury 1 (RCW 9A.72.020)
  - Persistent prison misbehavior (RCW 9.94.070)
  - Physical Control of a Vehicle While Under the Influence (RCW 46.61.504(6))
  - Possession of a Stolen Firearm (RCW 9A.56.310)
  - Rape 3 (RCW 9A.44.060)
  - Rendering Criminal Assistance 1 (RCW 9A.76.070)
  - Sending, Bringing into State Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.060(2))
  - Sexual Misconduct with a Minor 1 (RCW 9A.44.093)
  - Sexually Violating Human Remains (RCW 9A.44.105)
  - Stalking (RCW 9A.46.110)
  - Taking Motor Vehicle Without Permission 1 (RCW 9A.56.070)
- IV
  - Arson 2 (RCW 9A.48.030)
  - Assault 2 (RCW 9A.36.021)
  - Assault 3 (of a Peace Officer with a Projectile Stun Gun) (RCW 9A.36.031(1)(h))
  - Assault by Watercraft (RCW 79A.60.060)
  - Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100)
  - Cheating 1 (RCW 9.46.1961)
  - Commercial Bribery (RCW 9A.68.060)
  - Counterfeiting (RCW 9.16.035(4))
  - Endangerment with a Controlled Substance (RCW 9A.42.100)
  - Escape 1 (RCW 9A.76.110)
  - Hit and Run—Injury (RCW 46.52.020(4)(b))
  - Hit and Run with Vessel—Injury Accident (RCW 79A.60.200(3))
  - Identity Theft 1 (RCW 9.35.020(2))

- Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010)
- Influencing Outcome of Sporting Event (RCW 9A.82.070)
- Malicious Harassment (RCW 9A.36.080)
- Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.070(2))
- Residential Burglary (RCW 9A.52.025)
- Robbery 2 (RCW 9A.56.210)
- Theft of Livestock 1 (RCW 9A.56.080)
- Threats to Bomb (RCW 9.61.160)
- Trafficking in Stolen Property 1 (RCW 9A.82.050)
- Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(b))
- Unlawful transaction of health coverage as a health care service contractor (RCW 48.44.016(3))
- Unlawful transaction of health coverage as a health maintenance organization (RCW 48.46.033(3))
- Unlawful transaction of insurance business (RCW 48.15.023(3))
- Unlicensed practice as an insurance professional (RCW 48.17.063(2))
- Use of Proceeds of Criminal Profiteering (RCW 9A.82.080 (1) and (2))
- Vehicle Prowling 2 (third or subsequent offense) (RCW 9A.52.100(3))
- Vehicular Assault, by being under the influence of intoxicating liquor or any drug, or by the operation or driving of a vehicle in a reckless manner (RCW 46.61.522)
- Viewing of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.075(1))
- Willful Failure to Return from Furlough (RCW 72.66.060)
- III Animal Cruelty 1 (Sexual Conduct or Contact) (RCW 16.52.205(3))
- Assault 3 (Except Assault 3 of a Peace Officer With a Projectile Stun Gun) (RCW 9A.36.031 except subsection (1)(h))
- Assault of a Child 3 (RCW 9A.36.140)
- Bail Jumping with class B or C Felony (RCW 9A.76.170(3)(c))
- Burglary 2 (RCW 9A.52.030)
- Communication with a Minor for Immoral Purposes (RCW 9.68A.090)
- Criminal Gang Intimidation (RCW 9A.46.120)
- Custodial Assault (RCW 9A.36.100)
- Cyberstalking (subsequent conviction or threat of death) (RCW 9.61.260(3))
- Escape 2 (RCW 9A.76.120)
- Extortion 2 (RCW 9A.56.130)
- Harassment (RCW 9A.46.020)
- Intimidating a Public Servant (RCW 9A.76.180)
- Introducing Contraband 2 (RCW 9A.76.150)
- Malicious Injury to Railroad Property (RCW 81.60.070)
- Mortgage Fraud (RCW 19.144.080)
- Negligently Causing Substantial Bodily Harm By Use of a Signal Preemption Device (RCW 46.37.674)
- Organized Retail Theft 1 (RCW 9A.56.350(2))
- Perjury 2 (RCW 9A.72.030)
- Possession of Incendiary Device (RCW 9.40.120)
- Possession of Machine Gun or Short-Barreled Shotgun or Rifle (RCW 9.41.190)
- Promoting Prostitution 2 (RCW 9A.88.080)
- Retail Theft with Special Circumstances 1 (RCW 9A.56.360(2))
- Securities Act violation (RCW 21.20.400)
- Tampering with a Witness (RCW 9A.72.120)
- Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230(2))
- Theft of Livestock 2 (RCW 9A.56.083)
- Theft with the Intent to Resell 1 (RCW 9A.56.340(2))
- Trafficking in Stolen Property 2 (RCW 9A.82.055)
- Unlawful Hunting of Big Game 1 (RCW 77.15.410(3)(b))
- Unlawful Imprisonment (RCW 9A.40.040)
- Unlawful Misbranding of Food Fish or Shellfish 1 (RCW 69.04.938(3))
- Unlawful possession of firearm in the second degree (RCW 9.41.040(2))
- Unlawful Taking of Endangered Fish or Wildlife 1 (RCW 77.15.120(3)(b))
- Unlawful Trafficking in Fish, Shellfish, or Wildlife 1 (RCW 77.15.260(3)(b))
- Unlawful Use of a Nondesignated Vessel (RCW 77.15.530(4))
- Vehicular Assault, by the operation or driving of a vehicle with disregard for the safety of others (RCW 46.61.522)
- Willful Failure to Return from Work Release (RCW 72.65.070)
- II Commercial Fishing Without a License 1 (RCW 77.15.500(3)(b))
- Computer Trespass 1 (RCW 9A.52.110)
- Counterfeiting (RCW 9.16.035(3))
- Engaging in Fish Dealing Activity Unlicensed 1 (RCW 77.15.620(3))
- Escape from Community Custody (RCW 72.09.310)
- Failure to Register as a Sex Offender (second or subsequent offense) (RCW 9A.44.130 prior to June 10, 2010, and RCW 9A.44.132)
- Health Care False Claims (RCW 48.80.030)
- Identity Theft 2 (RCW 9.35.020(3))
- Improperly Obtaining Financial Information (RCW 9.35.010)
- Malicious Mischief 1 (RCW 9A.48.070)
- Organized Retail Theft 2 (RCW 9A.56.350(3))

Possession of Stolen Property 1 (RCW 9A.56.150)  
 Possession of a Stolen Vehicle (RCW 9A.56.068)  
 Retail Theft with Special Circumstances 2 (RCW 9A.56.360(3))  
 Scrap Processing, Recycling, or Supplying Without a License (second or subsequent offense) (RCW 19.290.100)  
 Theft 1 (RCW 9A.56.030)  
 Theft of a Motor Vehicle (RCW 9A.56.065)  
 Theft of Rental, Leased, or Lease-purchased Property (valued at one thousand five hundred dollars or more) (RCW 9A.56.096(5)(a))  
 Theft with the Intent to Resell 2 (RCW 9A.56.340(3))  
 Trafficking in Insurance Claims (RCW 48.30A.015)  
 Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(a))  
 Unlawful Participation of Non-Indians in Indian Fishery (RCW 77.15.570(2))  
 Unlawful Practice of Law (RCW 2.48.180)  
 Unlawful Purchase or Use of a License (RCW 77.15.650(3)(b))  
 Unlawful Trafficking in Fish, Shellfish, or Wildlife 2 (RCW 77.15.260(3)(a))  
 Unlicensed Practice of a Profession or Business (RCW 18.130.190(7))  
 Voyeurism (RCW 9A.44.115)  
 I Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024)  
 False Verification for Welfare (RCW 74.08.055)  
 Forgery (RCW 9A.60.020)  
 Fraudulent Creation or Revocation of a Mental Health Advance Directive (RCW 9A.60.060)  
 Malicious Mischief 2 (RCW 9A.48.080)  
 Mineral Trespass (RCW 78.44.330)  
 Possession of Stolen Property 2 (RCW 9A.56.160)  
 Reckless Burning 1 (RCW 9A.48.040)  
 Spotlighting Big Game 1 (RCW 77.15.450(3)(b))  
 Suspension of Department Privileges 1 (RCW 77.15.670(3)(b))  
 Taking Motor Vehicle Without Permission 2 (RCW 9A.56.075)  
 Theft 2 (RCW 9A.56.040)  
 Theft of Rental, Leased, or Lease-purchased Property (valued at two hundred fifty dollars or more but less than one thousand five hundred dollars) (RCW 9A.56.096(5)(b))  
 Transaction of insurance business beyond the scope of licensure (RCW 48.17.063)  
 Unlawful Fish and Shellfish Catch Accounting (RCW 77.15.630(3)(b))  
 Unlawful Issuance of Checks or Drafts (RCW 9A.56.060)

Unlawful Possession of Fictitious Identification (RCW 9A.56.320)  
 Unlawful Possession of Instruments of Financial Fraud (RCW 9A.56.320)  
 Unlawful Possession of Payment Instruments (RCW 9A.56.320)  
 Unlawful Possession of a Personal Identification Device (RCW 9A.56.320)  
 Unlawful Production of Payment Instruments (RCW 9A.56.320)  
 Unlawful Releasing, Planting, Possessing, or Placing Deleterious Exotic Wildlife (RCW 77.15.250(2)(b))  
 Unlawful Trafficking in Food Stamps (RCW 9.91.142)  
 Unlawful Use of Food Stamps (RCW 9.91.144)  
 Unlawful Use of Net to Take Fish 1 (RCW 77.15.580(3)(b))  
 Unlawful Use of Prohibited Aquatic Animal Species (RCW 77.15.253(3))  
 Vehicle Prowl 1 (RCW 9A.52.095)  
 Violating Commercial Fishing Area or Time 1 (RCW 77.15.550(3)(b))

NEW SECTION. Sec. 6. The legislature finds that the practices covered by this act are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this act is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.

NEW SECTION. Sec. 7. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the supplemental omnibus operating appropriations act, this act is null and void."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator Padden moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6160.

Senator Padden spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Padden that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6160.

The motion by Senator Padden carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6160 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6160, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6160, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser,

Frocht, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Excused: Senator Hargrove

SUBSTITUTE SENATE BILL NO. 6160, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed ENGROSSED SENATE BILL NO. 6100 with the following amendment(s): 6100.E AMH GGIT H4625.1

Strike everything after the enacting clause and insert the following:

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

(a) Washington's unemployment rate during the recent recession created economic and social hardships for the people of the state;

(b) Local start-up companies and small businesses are likely, as they grow, to remain in their communities of origin, thereby creating local jobs and an economic multiplier effect with their payrolls and taxes while providing local economic stimuli, which increases the local tax base;

(c) Statewide economic prosperity and job creation are advanced significantly by creating, promoting, and retaining local start-up companies and small businesses with high growth potential;

(d) Entrepreneurs and small business owners of second-stage companies, which are those companies that are beyond the start-up stage but have not yet fully matured, with innovative products or services that satisfy market needs, have particular potential for expansion and job creation;

(e) Such entrepreneurs and owners can benefit from specialized business assistance to refine core strategies and from access to in-depth market research, competitor analyses, geographic information systems, search engine optimization, and other strategic information, as well as from relationships with mentors and advisers;

(f) The aspects of economic gardening that incorporate these principles have proven successful in improving the entrepreneurial process and promoting economically sustainable local businesses; and

(g) It is important to the overall health and growth of the state's economy to promote favorable conditions for those expanding Washington businesses that demonstrate the ability to grow.

(2) In recognition of the foregoing findings and principles, it is the intent of the legislature to create a Washington economic gardening pilot project in the department of commerce.

NEW SECTION. Sec. 2. A new section is added to chapter 43.31 RCW to read as follows:

(1) There is hereby created within the department the economic gardening pilot project. The purpose of the pilot project is to stimulate Washington's economy and create good-paying, sustainable jobs by providing economic gardening strategic assistance services to second-stage companies in accordance with this section.

(2) The department must oversee and direct all resources for the execution of the pilot project. The department must work with chambers of commerce, associate development organizations,

and other economic development organizations to implement the pilot project. The pilot project includes developing the processes for qualifying and selecting second-stage companies, identifying training components for economic development organizations implementing the pilot project, engaging private contractors as necessary to obtain strategic assistance from nationally recognized industry experts, and providing economic gardening strategic assistance to companies participating in the pilot project.

(3)(a) On or before January 1, 2017, the department must initiate a program to provide or obtain all necessary credentials for high-impact strategic assistance for the economic development organizations participating in the pilot project.

(b) Economic development organizations participating in the pilot project must be certified in economic gardening by an entity with relevant expertise in providing strategic assistance to second-stage companies.

(i) Prior to December 1, 2016, the department must issue a request for expression of interest in offering an economic gardening strategic assistance program. The department must compile a list of interested parties identified through the request for expression of interest process.

(ii) By December 1, 2016, the department must provide the list to the legislature. The department must select from the list of interested parties the entity it deems best able to deliver the training and strategic assistance services to second-stage companies described in this section and achieve the deliverables identified in subsection (6) of this section.

(c) The department or economic development organizations participating in the pilot project may, as necessary, contract with national specialists in the industries of the second-stage companies selected for the pilot program.

(d) The department must use the existing infrastructure of economic development organizations in the state to promote the pilot project to second-stage companies and to those clients and referrals that show growth potential in jobs, sales, or export potential.

(4)(a) On or before January 1, 2017, the department and participating economic development organizations must publish criteria for a second-stage company to be selected to participate in the pilot project. The criteria must include job growth potential, sustainability, export potential, and a workforce comprised of at least fifty percent Washington residents. Application criteria must also include requirements for data collection, as specified by the department, to show the impacts of services provided through the pilot project. The department and participating economic development organizations must utilize existing strategic infrastructure and consult with local and regional economic development partners, such as chambers of commerce, associate development organizations, and other local or regional economic development entities, to identify eligible second-stage companies.

(b) In order to participate in the pilot project, a company selected for participation must pay a one-time fee of seven hundred fifty dollars, which moneys must be deposited into the economic gardening pilot project fund, created in subsection (5) of this section, for reinvestment in the pilot project.

(c) On or before March 1, 2017, the department and participating economic development organizations must select a minimum of twenty companies to participate in the pilot project.

(d) The department must oversee staff members certified pursuant to subsection (3)(b) of this section and private contractors selected pursuant to subsection (3)(c) of this section to deploy strategic assistance to all pilot project participants. The department and participating economic development organizations must acquire any tools necessary to provide the strategic assistance, including database licenses, permits, and

economic gardening certification.

(e) A participating company has twelve months from the date that the department and participating economic development organizations select the company to participate in the pilot project to use the strategic assistance and other economic gardening services offered pursuant to the pilot project.

(5) There is hereby created in the state treasury the economic gardening pilot project fund, to be administered by the department. The fund consists of all fees received under subsection (4)(b) of this section and any moneys appropriated by the legislature for the purposes of this section. The legislature must make annual appropriations of the moneys in the fund to the department for administering the pilot project. Any moneys in the fund not appropriated must remain in the fund and may not be transferred or revert to the general fund at the end of any fiscal year.

(6) On or before November 1, 2017, and on or before November 1st each year thereafter through November 1, 2019, and in compliance with RCW 43.01.036 the department must submit a report to the economic development and workforce development committees of the legislature. The report must include, at a minimum:

(a) The services offered through the pilot project's strategic assistance;

(b) The department's expenditures on strategic assistance provided to pilot project participants;

(c) The number and types of jobs created as a result of the pilot project;

(d) The increased sales as a result of the pilot project; and

(e) The value of goods or services sold outside the company's local area or state.

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

(a) "Department" means the department of commerce.

(b) "Economic gardening" means an approach to economic growth and development that emphasizes nurturing and cultivating local small businesses by providing strategic assistance to second-stage companies.

(c) "Key industry" means an industry critical to the Washington economy, as identified by the department.

(d) "Pilot project" means the economic gardening pilot project created in this section.

(e) "Second-stage company" means a privately held business that:

(i) Employs full-time at least six persons but not more than ninety-nine persons;

(ii) Has maintained its principal place of business and a majority of its employees in Washington for at least the previous two years;

(iii) Claims at least five hundred thousand dollars but not more than fifty million dollars as annual gross revenue or working capital; and

(iv) Has a product or service that is, or has the potential to be, sold outside the company's local area or state.

(f) "Strategic assistance" or "economic gardening strategic assistance" means performing high-level database research and analysis or deploying staff members certified under subsection (4) of this section or possessing national expertise in the relevant industry to perform market research, develop core strategies, conduct business modeling, identify qualified sales leads, provide growth financing referrals, perform search engine optimization, utilize geographic information systems, advise on new media marketing, or assist with network analyses and innovation strategies.

(8) The pilot project created in this section terminates July 1,

2019.

(9) This section expires July 1, 2020.

**NEW SECTION. Sec. 3.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

**MOTION**

Senator Brown moved that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 6100.

Senators Brown and Chase spoke in favor of the motion.

**MOTION**

On motion of Senator Mullet, and without objection, Senator Pedersen was excused.

The President declared the question before the Senate to be the motion by Senator Brown that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 6100.

The motion by Senator Brown carried and the Senate concurred in the House amendment(s) to Engrossed Senate Bill No. 6100 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 6100, as amended by the House.

**ROLL CALL**

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 6100, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 44; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Damsel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hasegawa, Hewitt, Hill, Hobbs, Jayapal, Keiser, King, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Pearson, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon and Takko

Voting nay: Senators Honeyford, Liias, Parlette and Warnick  
Excused: Senator Pedersen

ENGROSSED SENATE BILL NO. 6100, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

**MESSAGE FROM THE HOUSE**

March 4, 2016

MR. PRESIDENT:

The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 5435 with the following amendment(s): 5435-S.E AMH VAND PRIN 517

On page 12, after line 3, insert the following:

**"NEW SECTION. Sec. 5.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator Bailey moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5435.

Senator Bailey spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Bailey that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5435.

The motion by Senator Bailey carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5435 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5435, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5435, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

ENGROSSED SUBSTITUTE SENATE BILL NO. 5435, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 4, 2016

MR. PRESIDENT:

The House passed FIFTH ENGROSSED SUBSTITUTE SENATE BILL NO. 5857 with the following amendment(s): 5857-S.E5 AMH ENGR H4627.E

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 19.340.030 and 2014 c 213 s 2 are each amended to read as follows:

(1) To conduct business in this state, a pharmacy benefit manager must register with the ((department of revenue's business licensing service)) office of the insurance commissioner and annually renew the registration.

(2) To register under this section, a pharmacy benefit manager must:

(a) Submit an application requiring the following information:

(i) The identity of the pharmacy benefit manager;

(ii) The name, business address, phone number, and contact person for the pharmacy benefit manager; and

(iii) Where applicable, the federal tax employer identification number for the entity; and

(b) Pay a registration fee ((of two hundred dollars)) established in rule by the commissioner. The registration fee must be set to

allow the registration and oversight activities to be self-supporting.

(3) To renew a registration under this section, a pharmacy benefit manager must pay a renewal fee ((of two hundred dollars)) established in rule by the commissioner. The renewal fee must be set to allow the renewal and oversight activities to be self-supporting.

(4) All receipts from registrations and renewals collected by the ((department)) commissioner must be deposited into the ((business license account created in RCW 19.02.210)) insurance commissioner's regulatory account created in RCW 48.02.190.

NEW SECTION. Sec. 2. A new section is added to chapter 19.340 RCW to read as follows:

(1) The commissioner shall have enforcement authority over this chapter and shall have authority to render a binding decision in any dispute between a pharmacy benefit manager, or third-party administrator of prescription drug benefits, and a pharmacy arising out of an appeal under RCW 19.340.100(6) regarding drug pricing and reimbursement.

(2) Any person, corporation, third-party administrator of prescription drug benefits, pharmacy benefit manager, or business entity which violates any provision of this chapter shall be subject to a civil penalty in the amount of one thousand dollars for each act in violation of this chapter or, if the violation was knowing and willful, a civil penalty of five thousand dollars for each violation of this chapter.

**Sec. 3.** RCW 19.340.010 and 2014 c 213 s 1 are each amended to read as follows:

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

(1) "Claim" means a request from a pharmacy or pharmacist to be reimbursed for the cost of filling or refilling a prescription for a drug or for providing a medical supply or service.

(2) "Commissioner" means the insurance commissioner established in chapter 48.02 RCW.

(3) "Insurer" has the same meaning as in RCW 48.01.050.

((3)) (4) "Pharmacist" has the same meaning as in RCW 18.64.011.

((4)) (5) "Pharmacy" has the same meaning as in RCW 18.64.011.

((5)) (6)(a) "Pharmacy benefit manager" means a person that contracts with pharmacies on behalf of an insurer, a third-party payor, or the prescription drug purchasing consortium established under RCW 70.14.060 to:

(i) Process claims for prescription drugs or medical supplies or provide retail network management for pharmacies or pharmacists;

(ii) Pay pharmacies or pharmacists for prescription drugs or medical supplies; or

(iii) Negotiate rebates with manufacturers for drugs paid for or procured as described in this subsection.

(b) "Pharmacy benefit manager" does not include a health care service contractor as defined in RCW 48.44.010.

((6)) (7) "Third-party payor" means a person licensed under RCW 48.39.005.

**Sec. 4.** RCW 19.340.100 and 2014 c 213 s 10 are each amended to read as follows:

(1) As used in this section:

(a) "List" means the list of drugs for which ((maximum allowable costs have been established.

(b) "Maximum allowable cost" means the maximum amount that a pharmacy benefit manager will reimburse a pharmacy for the cost of a drug.

(c)) predetermined reimbursement costs have been established, such as a maximum allowable cost or maximum allowable cost list or any other benchmark prices utilized by the

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pharmacy benefit manager and must include the basis of the methodology and sources utilized to determine multisource generic drug reimbursement amounts.

(b) "Multiple source drug" means a therapeutically equivalent drug that is available from at least two manufacturers.

(c) "Multisource generic drug" means any covered outpatient prescription drug for which there is at least one other drug product that is rated as therapeutically equivalent under the food and drug administration's most recent publication of "Approved Drug Products with Therapeutic Equivalence Evaluations;" is pharmaceutically equivalent or bioequivalent, as determined by the food and drug administration; and is sold or marketed in the state during the period.

(d) "Network pharmacy" means a retail drug outlet licensed as a pharmacy under RCW 18.64.043 that contracts with a pharmacy benefit manager.

(e) "Therapeutically equivalent" has the same meaning as in RCW 69.41.110.

(2) A pharmacy benefit manager:

(a) May not place a drug on a list unless ((are is)) there are at least two therapeutically equivalent multiple source drugs, or at least one generic drug available from only one manufacturer, generally available for purchase by network pharmacies from national or regional wholesalers;

(b) Shall ensure that all drugs on a list are ((generally)) readily available for purchase by pharmacies in this state from national or regional wholesalers that serve pharmacies in Washington;

(c) Shall ensure that all drugs on a list are not obsolete;

(d) Shall make available to each network pharmacy at the beginning of the term of a contract, and upon renewal of a contract, the sources utilized to determine the ((maximum allowable cost pricing)) predetermined reimbursement costs for multisource generic drugs of the pharmacy benefit manager;

(e) Shall make a list available to a network pharmacy upon request in a format that is readily accessible to and usable by the network pharmacy;

(f) Shall update each list maintained by the pharmacy benefit manager every seven business days and make the updated lists, including all changes in the price of drugs, available to network pharmacies in a readily accessible and usable format;

(g) Shall ensure that dispensing fees are not included in the calculation of ((maximum allowable cost)) the predetermined reimbursement costs for multisource generic drugs.

(3) A pharmacy benefit manager must establish a process by which a network pharmacy may appeal its reimbursement for a drug subject to ((maximum allowable cost pricing)) predetermined reimbursement costs for multisource generic drugs. A network pharmacy may appeal a ((maximum allowable cost)) predetermined reimbursement cost for a multisource generic drug if the reimbursement for the drug is less than the net amount that the network pharmacy paid to the supplier of the drug. ((An appeal requested under this section must be completed within thirty calendar days of the pharmacy making the claim for which an appeal has been requested.)) An appeal requested under this section must be completed within thirty calendar days of the pharmacy submitting the appeal. If after thirty days the network pharmacy has not received the decision on the appeal from the pharmacy benefit manager, then the appeal is considered denied.

The pharmacy benefit manager shall uphold the appeal of a pharmacy with fewer than fifteen retail outlets, within the state of Washington, under its corporate umbrella if the pharmacy or pharmacist can demonstrate that it is unable to purchase a therapeutically equivalent interchangeable product from a supplier doing business in Washington at the pharmacy benefit manager's list price.

(4) A pharmacy benefit manager must provide as part of the appeals process established under subsection (3) of this section:

(a) A telephone number at which a network pharmacy may contact the pharmacy benefit manager and speak with an individual who is responsible for processing appeals; and

(b) ((A final response to an appeal of a maximum allowable cost within seven business days; and

(c)) If the appeal is denied, the reason for the denial and the national drug code of a drug that ((may be)) has been purchased by ((similarly situated)) other network pharmacies located in Washington at a price that is equal to or less than the ((maximum allowable cost)) predetermined reimbursement cost for the multisource generic drug. A pharmacy with fifteen or more retail outlets, within the state of Washington, under its corporate umbrella may submit information to the commissioner about an appeal under subsection (3) of this section for purposes of information collection and analysis.

(5)(a) If an appeal is upheld under this section, the pharmacy benefit manager shall make ((an)) a reasonable adjustment on a date no later than one day after the date of determination. ((The pharmacy benefit manager shall make the adjustment effective for all similarly situated pharmacies in this state that are within the network.))

(b) If the request for an adjustment has come from a critical access pharmacy, as defined by the state health care authority by rule for purposes related to the prescription drug purchasing consortium established under RCW 70.14.060, the adjustment approved under (a) of this subsection shall apply only to critical access pharmacies.

(6) Beginning July 1, 2017, if a network pharmacy appeal to the pharmacy benefit manager is denied, or if the network pharmacy is unsatisfied with the outcome of the appeal, the pharmacy or pharmacist may dispute the decision and request review by the commissioner within thirty calendar days of receiving the decision.

(a) All relevant information from the parties may be presented to the commissioner, and the commissioner may enter an order directing the pharmacy benefit manager to make an adjustment to the disputed claim, deny the pharmacy appeal, or take other actions deemed fair and equitable. An appeal requested under this section must be completed within thirty calendar days of the request.

(b) Upon resolution of the dispute, the commissioner shall provide a copy of the decision to both parties within seven calendar days.

(c) The commissioner may authorize the office of administrative hearings, as provided in chapter 34.12 RCW, to conduct appeals under this subsection (6).

(d) A pharmacy benefit manager may not retaliate against a pharmacy for pursuing an appeal under this subsection (6).

(e) This subsection (6) applies only to a pharmacy with fewer than fifteen retail outlets, within the state of Washington, under its corporate umbrella.

(7) This section does not apply to the state medical assistance program.

(8) A pharmacy benefit manager shall comply with any requests for information from the commissioner for purposes of the study of the pharmacy chain of supply conducted under section 7 of this act.

NEW SECTION. Sec. 5. A new section is added to chapter 48.02 RCW to read as follows:

(1) The commissioner shall accept registration of pharmacy benefit managers as established in RCW 19.340.030 and receipts shall be deposited in the insurance commissioner's regulatory account.

(2) The commissioner shall have enforcement authority over chapter 19.340 RCW consistent with requirements established in section 2 of this act.

(3) The commissioner may adopt rules to implement chapter 19.340 RCW and to establish registration and renewal fees that ensure the registration, renewal, and oversight activities are self-supporting.

**NEW SECTION. Sec. 6.** The insurance commissioner, in collaboration with the department of health, must review the potential to use the independent review organizations, established in RCW 48.43.535, as an alternative to the appeal process for pharmacy and pharmacy benefit manager disputes. By December 1, 2016, the agencies must submit recommendations for use of the independent review organizations including detailed suggestions for modifications to the process, and the possible transition of the process from the department of health, established in RCW 43.70.235, to the office of the insurance commissioner.

**NEW SECTION. Sec. 7.** (1) The office of the insurance commissioner shall conduct a study of the pharmacy chain of supply. The commissioner or his or her designee may convene one or more stakeholder work groups to address the components of the study, which must include but are not limited to the following:

(a) Review the entire drug supply chain including plan and pharmacy benefit manager reimbursements to network pharmacies, wholesaler or pharmacy service administrative organization prices to network pharmacies, and drug manufacturer prices to network pharmacies;

(b) Discuss suggestions that recognize the unique nature of small and rural pharmacies and possible options that support a viable business model that do not increase the cost of pharmacy products;

(c) Review the availability of all drugs on the maximum allowable cost list or any similar list for pharmacies;

(d) Review data submitted under RCW 19.340.100(4)(b) for patterns and trends in the denials of internal pharmacy benefit manager appeals involving pharmacies with fifteen or more retail outlets, within the state of Washington, under their corporate umbrellas;

(e) Review the telephone contacts and standards for response times and availability; and

(f) Review the pharmacy acquisition cost from national or regional wholesalers that serve pharmacies in Washington, and consider when or whether to make an adjustment and under what standards. The review may assess the timing of pharmacy purchases of products and the relative risk of list price changes related to the timing of dispensing the products.

(2) The study must be delivered to the legislature by November 1, 2016.

**NEW SECTION. Sec. 8.** Section 1 of this act takes effect January 1, 2017."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Parlette moved that the Senate concur in the House amendment(s) to Fifth Engrossed Substitute Senate Bill No. 5857.

Senators Parlette, Cleveland and Conway spoke in favor of the motion.

#### POINT OF INQUIRY

Senator Cleveland: "Thank you. There's language in this bill that indicates that the pharmacy benefit managers cannot retaliate against a pharmacy that files an appeal, and so my question is, do

we have any assurance that the pharmacy benefit managers will not drop a pharmacy who's appealed from their networks in retaliation?"

Senator Parlette: "Thank you Senator Cleveland for asking the question. As you know the health plans have legal network obligations regarding distance to a pharmacy. And the number of pharmacies needed to ensure adequacy and access under the current network adequacy requirements. The Office of the Insurance Commissioner will be able to monitor that adequacy and monitor for any nexus of small pharmacies that have filed appeals and were subsequently dropped from the networks. Thank you for asking the question."

The President declared the question before the Senate to be the motion by Senator Parlette that the Senate concur in the House amendment(s) to Fifth Engrossed Substitute Senate Bill No. 5857.

The motion by Senator Parlette carried and the Senate concurred in the House amendment(s) to Fifth Engrossed Substitute Senate Bill No. 5857 by voice vote.

The President declared the question before the Senate to be the final passage of Fifth Engrossed Substitute Senate Bill No. 5857, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Fifth Engrossed Substitute Senate Bill No. 5857, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Danel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

FIFTH ENGROSSED SUBSTITUTE SENATE BILL NO. 5857, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed SENATE BILL NO. 5689 with the following amendment(s): 5689 AMH APP H4636.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The health care authority, department of social and health services, and department of health shall collaborate to identify goals and benchmarks while also developing individual agency plans to reduce the incidence of diabetes in Washington, improve diabetes care, and control complications associated with diabetes.

NEW SECTION. Sec. 2. The health care authority, department of social and health services, and department of health shall each submit a report to the governor and the legislature by December 31, 2019, and every second year thereafter, on the following:



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(1) The financial impact and reach diabetes of all types is having on programs administered by each agency and individuals enrolled in those programs. Items included in this assessment must include the number of lives with diabetes impacted or covered by programs administered by the agency, the number of lives with diabetes and family members impacted by prevention and diabetes control programs implemented by the agency, the financial toll or impact diabetes and its complications places on these programs, and the financial toll or impact diabetes and its complications places on these programs in comparison to other chronic diseases and conditions;

(2) An assessment of the benefits of implemented programs and activities aimed at controlling diabetes and preventing the disease. This assessment must also document the amount and source for any funding directed to the agency for programs and activities aimed at reaching those with diabetes;

(3) A description of the level of coordination existing between the agencies on activities, programmatic activities, and messaging on managing, treating, or preventing all forms of diabetes and its complications;

(4) A development or revision of detailed action plans for battling diabetes with a range of actionable items for consideration by the legislature. The plans must identify proposed action steps to reduce the impact of diabetes, prediabetes, and related diabetes complications. The plan must also identify expected outcomes of the action steps proposed in the following biennium while also establishing benchmarks for controlling and preventing relevant forms of diabetes; and

(5) An estimate of costs and resources required to implement the plan identified in subsection (4) of this section.

NEW SECTION. Sec. 3. Sections 1 and 2 of this act constitute a new chapter in Title 70 RCW.

NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void."

Correct the title.

BERNARD DEAN, Deputy Chief Clerk

#### MOTION

Senator Becker moved that the Senate concur in the House amendment(s) to Senate Bill No. 5689.

Senator Becker spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Becker that the Senate concur in the House amendment(s) to Senate Bill No. 5689.

The motion by Senator Becker carried and the Senate concurred in the House amendment(s) to Senate Bill No. 5689 by voice vote.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5689, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5689, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe,

McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

SENATE BILL NO. 5689, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

March 3, 2016

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 5778 with the following amendment(s): 5778-S AMH APP H4635.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 43.70.250 and 2013 c 77 s 2 are each amended to read as follows:

(1) It shall be the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business.

(2) The secretary shall from time to time establish the amount of all application fees, license fees, registration fees, examination fees, permit fees, renewal fees, and any other fee associated with licensing or regulation of professions, occupations, or businesses administered by the department. In fixing said fees, the secretary shall set the fees for each program at a sufficient level to defray the costs of administering that program and the cost of regulating licensed volunteer medical workers in accordance with RCW 18.130.360, except as provided in RCW 18.79.202. In no case may the secretary increase a licensing fee for an ambulatory surgical facility licensed under chapter 70.230 RCW prior to July 1, 2018, nor may he or she commence the adoption of rules to increase a licensing fee prior to July 1, 2018.

(3) All such fees shall be fixed by rule adopted by the secretary in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

Sec. 2. RCW 70.230.020 and 2007 c 273 s 2 are each amended to read as follows:

The secretary shall:

(1) Issue a license to any ambulatory surgical facility that:

(a) Submits payment of the fee established in ((section 7, chapter 273, Laws of 2007)) RCW 43.70.110 and 43.70.250;

(b) Submits a completed application that demonstrates the ability to comply with the standards established for operating and maintaining an ambulatory surgical facility in statute and rule. An ambulatory surgical facility shall be deemed to have met the standards if it submits proof of certification as a medicare ambulatory surgical facility or accreditation by an organization that the secretary has determined to have substantially equivalent standards to those of the department; and

(c) Successfully completes the survey requirements established in RCW 70.230.100;

(2) Develop an application form for applicants for a license to operate an ambulatory surgical facility;

(3) Initiate investigations and enforcement actions for complaints or other information regarding failure to comply with this chapter or the standards and rules adopted under this chapter;

(4) Conduct surveys of facilities, including reviews of medical records and documents required to be maintained under this chapter or rules adopted under this chapter;

(5) By March 1, 2008, determine which accreditation

organizations have substantially equivalent standards for purposes of deeming specific licensing requirements required in statute and rule as having met the state's standards; and

(6) Adopt any rules necessary to implement this chapter.

Sec. 3. RCW 70.230.050 and 2007 c 273 s 5 are each amended to read as follows:

(1) An applicant for a license to operate an ambulatory surgical facility must demonstrate the ability to comply with the standards established for operating and maintaining an ambulatory surgical facility in statute and rule, including:

(a) Submitting a written application to the department providing all necessary information on a form provided by the department, including a list of surgical specialties offered;

(b) Submitting building plans for review and approval by the department for new construction, alterations other than minor alterations, and additions to existing facilities, prior to obtaining a license and occupying the building;

(c) Demonstrating the ability to comply with this chapter and any rules adopted under this chapter;

(d) Cooperating with the department during on-site surveys prior to obtaining an initial license or renewing an existing license;

(e) Providing such proof as the department may require concerning the ownership and management of the ambulatory surgical facility, including information about the organization and governance of the facility and the identity of the applicant, officers, directors, partners, managing employees, or owners of ten percent or more of the applicant's assets;

(f) Submitting proof of operation of a coordinated quality improvement program in accordance with RCW 70.230.080;

(g) Submitting a copy of the facility safety and emergency training program established under RCW 70.230.060;

(h) Paying any fees established by the secretary under ((section 7, chapter 273, Laws of 2007)) RCW 43.70.110 and 43.70.250; and

(i) Providing any other information that the department may reasonably require.

(2) A license is valid for three years, after which an ambulatory surgical facility must submit an application for renewal of license upon forms provided by the department and the renewal fee as established in ((section 7, chapter 273, Laws of 2007)) RCW 43.70.110 and 43.70.250. The applicant must demonstrate the ability to comply with the standards established for operating and maintaining an ambulatory surgical facility in statutes, standards, and rules. The applicant must submit the license renewal document no later than thirty days prior to the date of expiration of the license.

(3) The applicant may demonstrate compliance with any of the requirements of subsection (1) of this section by providing satisfactory documentation to the secretary that it has met the standards of an accreditation organization or federal agency that the secretary has determined to have substantially equivalent standards as the statutes and rules of this state.

Sec. 4. RCW 70.230.100 and 2007 c 273 s 11 are each amended to read as follows:

(1) The department shall make or cause to be made a survey of all ambulatory surgical facilities according to the following frequency:

(a) Except as provided in (b) of this subsection, an ambulatory surgical facility must be surveyed by the department no more than once every eighteen months.

(b) An ambulatory surgical facility must be surveyed by the department no more than once every thirty-six months if the ambulatory surgical facility:

(i) Has had, within eighteen months of a department survey, a survey in connection with its certification by the centers for

medicare and medicaid services or accreditation by an accreditation organization approved by the department under RCW 70.230.020(5);

(ii) Has maintained certification by the centers for medicare and medicaid services or accreditation by an accreditation organization approved by the department under RCW 70.230.020(5) since the survey in connection with its certification or accreditation pursuant to (b)(i) of this subsection; and

(iii) As soon as practicable after a survey in connection with its certification or accreditation pursuant to (b)(i) of this subsection, provides the department with documentary evidence that the ambulatory surgical facility is certified or accredited and that the survey has occurred, including the date that the survey occurred.

(2) Every survey of an ambulatory surgical facility may include an inspection of every part of the surgical facility. The department may make an examination of all phases of the ambulatory surgical facility operation necessary to determine compliance with all applicable statutes, rules, and regulations. In the event that the department is unable to make a survey or cause a survey to be made during the three years of the term of the license, the license of the ambulatory surgical facility shall remain in effect until the state conducts a survey or a substitute survey is performed if the ambulatory surgical facility is in compliance with all other licensing requirements.

((2) An ambulatory surgical facility shall be deemed to have met the survey standards of this section if it submits proof of certification as a medicare ambulatory surgical facility or accreditation by an organization that the secretary has determined to have substantially equivalent survey standards to those of the department. A survey performed pursuant to medicare certification or by an approved accrediting organization may substitute for a survey by the department if:

(a) The ambulatory surgical facility has satisfactorily completed a survey by the department in the previous eighteen months; and

(b) Within thirty days of learning the result of a survey, the ambulatory surgical facility provides the department with documentary evidence that the ambulatory surgical facility has been certified or accredited as a result of a survey and the date of the survey.)

(3) Ambulatory surgical facilities shall make the written reports of surveys conducted pursuant to medicare certification procedures or by an approved accrediting organization available to department surveyors during any department surveys(,) or upon request.

NEW SECTION. Sec. 5. A new section is added to chapter 48.39 RCW to read as follows:

If a payor that contracts with an ambulatory surgical facility licensed under chapter 70.230 RCW requires successful completion of a survey as part of the contract, the ambulatory surgical facility is deemed to have met survey requirements if it has successfully completed a survey performed pursuant to medicare certification or by an accrediting organization that has been determined by the secretary of the department of health to have substantially equivalent survey standards to those of the centers for medicare and medicaid services. The payor may not impose additional survey requirements on the ambulatory surgical facility.

NEW SECTION. Sec. 6. A new section is added to chapter 70.230 RCW to read as follows:

(1) The department shall report to the fiscal committees of the legislature by December 1, 2016, and December 1, 2017, if it anticipates that the amounts raised by ambulatory surgical facility licensing fees will not be sufficient to defray the costs of regulating ambulatory surgical facilities. The report shall identify

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the amount of state general fund money necessary to compensate for the insufficiency.

(2) The department shall conduct a benchmark survey to compare Washington's system for licensing ambulatory surgical facilities with the ambulatory surgical facility licensing systems of other states with a similar number of licensed ambulatory surgical facilities. The survey must review the licensing standards, staffing levels, training of surveyors and inspectors, and expenditures of the selected states. The survey must examine the total cost of the other states' regulatory structures and analyze the reasons for any differences in cost. The survey must assess the extent to which total program costs in other states are supported through licensing fees compared with state general fund money or other resources. The findings of the survey must be submitted to the committees of the legislature with jurisdiction over health care issues by December 1, 2016. The findings must include recommendations for statutory, regulatory, and administrative changes to reduce ambulatory surgical facility licensing fees.

(3) This section expires July 1, 2018.

NEW SECTION. Sec. 7. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2016, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 8. RCW 70.230.180 (Ambulatory surgical facility account) and 2007 c 273 s 19 are each repealed." Correct the title.

BERNARD DEAN, Deputy Chief Clerk

MOTION

Senator Becker moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5778.

Senator Becker spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Becker that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5778.

The motion by Senator Becker carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5778 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5778, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5778, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Dansel, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

SUBSTITUTE SENATE BILL NO. 5778, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

Senator Fraser announced a meeting of the Democratic Caucus immediately upon going at ease.

Senator Parlette announced a meeting of the Majority Coalition Caucus immediately upon going at ease.

MOTION

At 4:10 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

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EVENING SESSION

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The Senate was called to order at 5:19 p.m. by the President of the Senate, Lt. Governor Owen presiding.

MOTION

On motion of Senator Fain, and without objection, the Senate advanced to the sixth order of business.

SECOND READING

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2872, by Representatives Fey, Hayes, Clibborn, Moscoso, Rodne, Tarleton, Kilduff, Muri, Fitzgibbon, Appleton, Stokesbary, Stanford, Griffey, Senn, Bergquist, S. Hunt, Ortiz-Self, Gregerson and Ormsby

Concerning the recruitment and retention of Washington state patrol commissioned officers.

The measure was read the second time.

MOTION

Senator King moved that the following striking amendment no. 741 by Senators King and Hobbs be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. It is the intent of the legislature to recruit and retain the highest qualified commissioned officers of the Washington state patrol appointed under RCW 43.43.020. The "Joint Transportation Committee Recruitment and Retention Study" dated January 7, 2016, outlines several recommendations to fulfill this intent. The study recommendations were broken down into several areas, with the Washington state patrol, office of financial management, select committee on pension policy, and the legislature all supporting their respective authorizations and control over their respective areas of responsibility and accountability. It is also the intent of the legislature in the 2017-2019 fiscal biennium to increase the thirty dollar vehicle license fee distribution to the state patrol for the salaries and benefits of state patrol officers, including troopers, sergeants, lieutenants, and captains, and make adjustments as needed in the 2019-2021 fiscal biennium.

Sec. 2. RCW 46.68.030 and 2015 3rd sp.s. c 43 s 601 are each amended to read as follows:

(1) The director shall forward all fees for vehicle registrations under chapters 46.16A and 46.17 RCW, unless otherwise specified by law, to the state treasurer with a proper identifying detailed report. The state treasurer shall credit these moneys to the motor vehicle fund created in RCW 46.68.070.

(2) Proceeds from vehicle license fees and renewal vehicle license fees must be deposited by the state treasurer as follows:

(a) ((\$20.35)) \$23.60 of each initial or renewal vehicle license fee must be deposited in the state patrol highway account in the motor vehicle fund, hereby created. Vehicle license fees, renewal vehicle license fees, and all other funds in the state patrol highway account must be for the sole use of the Washington state patrol for highway activities of the Washington state patrol, subject to proper appropriations and reappropriations.

(b) \$2.02 of each initial vehicle license fee and \$0.93 of each renewal vehicle license fee must be deposited each biennium in the Puget Sound ferry operations account.

(c) Any remaining amounts of vehicle license fees and renewal vehicle license fees that are not distributed otherwise under this section must be deposited in the motor vehicle fund.

(3) During the 2015-2017 fiscal biennium, the legislature may transfer from the state patrol highway account to the connecting Washington account such amounts as reflect the excess fund balance of the state patrol highway account.

NEW SECTION. Sec. 3. (1) The office of financial management must perform an organization study through a third-party independent consultant to implement the changes in the "Joint Transportation Committee Recruitment and Retention Study" dated January 7, 2016, affecting each organization in the study. Washington state patrol management must work actively with the independent consultant to implement the recommended changes. An implementation report must be delivered to the transportation committees of the house of representatives and senate by September 1, 2016.

(2) The Washington state patrol must develop an action plan and implementation strategy for each of the recommendations that are outlined in the study with a report due to the transportation committees of the house of representatives and senate by November 15, 2016.

(3) The select committee on pension policy must review the pension-related items in the study and make recommendations to the governor's office and the legislature by November 1, 2016, on pension policy that will assist in recruiting and retaining state patrol commissioned officers.

NEW SECTION. Sec. 4. Effective July 1, 2016, Washington state patrol troopers, sergeants, lieutenants, and captains must receive a one-time five percent compensation increase. The pay increase must be based on the commissioned salary schedule that is effective July 1, 2016.

Sec. 5. RCW 43.43.380 and 1965 c 8 s 43.43.380 are each amended to read as follows:

The minimum monthly salary paid to state patrol ((officers shall be as follows: Officers, three hundred dollars; staff or technical sergeants, three hundred twenty-five dollars; line sergeants, three hundred fifty dollars; lieutenants, three hundred seventy-five dollars; captains, four hundred twenty-five dollars)) troopers and sergeants on July 1, 2017, must be competitive with law enforcement agencies within the boundaries of the state of Washington, guided by the results of a survey undertaken in the collective bargaining process during 2016. The salary levels on July 1, 2017, must be guided by the average of compensation paid to the corresponding rank from the Seattle police department, King county sheriff's office, Tacoma police department, Snohomish county sheriff's office, Spokane police department, and Vancouver police department. Compensation must be calculated using base salary, premium pay (a pay received by more than a majority of employees), education pay, and longevity pay. The compensation comparison data is based on the Washington state patrol and the law enforcement agencies listed in this section as of July 1, 2016. Increases in salary levels for captains and lieutenants that are collectively bargained must be proportionate to the increases in salaries for troopers and sergeants as a result of the survey described in this section.

NEW SECTION. Sec. 6. A new section is added to chapter 43.43 RCW to read as follows:

During the 2017-2019 collective bargaining process, the office of financial management, the Washington state patrol troopers association, and the Washington state patrol lieutenants association must evaluate regional differences in the cost of living to determine areas of the state where geographic pay may be needed. The negotiators must implement regional compensation adjustments, as appropriate.

NEW SECTION. Sec. 7. A new section is added to chapter 43.43 RCW to read as follows:

To ensure that it is adequately and thoroughly reaching potential recruits, the Washington state patrol must develop a comprehensive outreach and marketing strategic plan that expands on the success of current strategies and looks for ways to tap into groups or individuals that do not currently show an interest in the state patrol or law enforcement as a career. The plan must include, but is not limited to, expanding marketing and outreach efforts online and through other media outlets and expanding recruitment relationships in respective communities. The plan must also include polling applicants about their application. Results from the polling must be tracked to determine the success of each outreach method.

NEW SECTION. Sec. 8. Section 2 of this act takes effect July 1, 2017."

On page 1, line 2 of the title, after "officers;" strike the remainder of the title and insert "amending RCW 46.68.030 and 43.43.380; adding new sections to chapter 43.43 RCW; creating new sections; and providing an effective date."

#### MOTION

Senator Benton moved that the following amendment no. 747 by Senator Benton and others to the striking amendment be adopted:

On page 4, after line 7 of the amendment, insert the following: "Sec. 8. RCW 43.43.050 and 1965 c 8 s 43.43.050 are each amended to read as follows:

(1) Washington state patrol officers ((shall be)) are entitled to retain their ranks and positions until death or resignation, or until suspended, demoted, or discharged in the manner hereinafter provided.

(2) Any Washington state local law enforcement agency that employs a current or former state patrol officer within thirty-six months of the officer's initial appointment as a state patrol officer must incur the costs of training the officer. The state treasurer must withhold from distribution to individual cities and counties under RCW 82.14.310 and 82.14.320 an amount equal to the costs incurred by the state patrol in recruiting and training the state patrol officer, as determined jointly by the state treasurer and the chief of the Washington state patrol. The amount withheld must be deposited into the state patrol highway account to be used solely for the Washington state patrol academy.

Sec. 9. RCW 82.14.310 and 2013 2nd sp.s. c 4 s 1004 are each amended to read as follows:

(1) The county criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer must transfer into the county criminal justice assistance account from the general fund the sum of twenty-three million two hundred thousand dollars divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the state treasurer must increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year.

(2) The moneys deposited in the county criminal justice

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assistance account for distribution under this section, less any moneys deducted under RCW 43.43.050(2) or appropriated for purposes under subsection (4) of this section, must be distributed at such times as distributions are made under RCW 82.44.150 and on the relative basis of each county's funding factor as determined under this subsection.

(a) A county's funding factor is the sum of:

(i) The population of the county, divided by one thousand, and multiplied by two-tenths;

(ii) The crime rate of the county, multiplied by three-tenths; and

(iii) The annual number of criminal cases filed in the county superior court, for each one thousand in population, multiplied by five-tenths.

(b) Under this section and RCW 82.14.320 and 82.14.330:

(i) The population of the county or city is as last determined by the office of financial management;

(ii) The crime rate of the county or city is the annual occurrence of specified criminal offenses, as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs, for each one thousand in population;

(iii) The annual number of criminal cases filed in the county superior court must be determined by the most recent annual report of the courts of Washington, as published by the administrative office of the courts;

(iv) Distributions and eligibility for distributions in the 1989-1991 biennium must be based on 1988 figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection. Future distributions must be based on the most recent figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection.

(3) Moneys distributed under this section must be expended exclusively for criminal justice purposes and may not be used to replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil or juvenile justice system occurs, and which includes (a) domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile dispositional hearings relating to petitions for at-risk youth, truancy, and children in need of services. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.

(4) Not more than five percent of the funds deposited to the county criminal justice assistance account may be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements may not supplant existing funds from the state general fund.

(5) During the 2011-2013 fiscal biennium, the amount that would otherwise be transferred into the county criminal justice assistance account from the general fund under subsection (1) of this section must be reduced by 3.4 percent.

(6) During the 2013-2015 fiscal biennium, for the purposes of

substance abuse and other programs for offenders, the legislature may appropriate from the county criminal justice assistance account such amounts as are in excess of the amounts necessary to fully meet the state's obligations to the counties and to the Washington state patrol. Excess amounts in this account are not the result of subsection (5) of this section.

Sec. 10. RCW 82.14.320 and 2011 1st sp.s. c 50 s 971 are each amended to read as follows:

(1) The municipal criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer must transfer into the municipal criminal justice assistance account for distribution under this section from the general fund the sum of four million six hundred thousand dollars divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the state treasurer must increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year.

(2) No city may receive a distribution under this section from the municipal criminal justice assistance account unless:

(a) The city has a crime rate in excess of one hundred twenty-five percent of the statewide average as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs;

(b) The city has levied the tax authorized in RCW 82.14.030(2) at the maximum rate or the tax authorized in RCW 82.46.010(3) at the maximum rate; and

(c) The city has a per capita yield from the tax imposed under RCW 82.14.030(1) at the maximum rate of less than one hundred fifty percent of the statewide average per capita yield for all cities from such local sales and use tax.

(3) The moneys deposited in the municipal criminal justice assistance account for distribution under this section, less any moneys deducted under RCW 43.43.050(2) or appropriated for purposes under subsection (7) of this section, must be distributed at such times as distributions are made under RCW 82.44.150. The distributions must be made as follows:

(a) Unless reduced by this subsection, thirty percent of the moneys must be distributed ratably based on population as last determined by the office of financial management to those cities eligible under subsection (2) of this section that have a crime rate determined under subsection (2)(a) of this section which is greater than one hundred seventy-five percent of the statewide average crime rate. No city may receive more than fifty percent of any moneys distributed under this subsection (a) but, if a city distribution is reduced as a result of exceeding the fifty percent limitation, the amount not distributed must be distributed under (b) of this subsection.

(b) The remainder of the moneys, including any moneys not distributed in subsection (2)(a) of this section, must be distributed to all cities eligible under subsection (2) of this section ratably based on population as last determined by the office of financial management.

(4) No city may receive more than thirty percent of all moneys distributed under subsection (3) of this section.

(5) Notwithstanding other provisions of this section, the distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), must be made to the county in which the city is located.

(6) Moneys distributed under this section must be expended exclusively for criminal justice purposes and may not be used to replace or supplant existing funding. Criminal justice purposes

are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice system occurs, and which includes domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020, and publications and public educational efforts designed to provide information and assistance to parents in dealing with runaway or at-risk youth. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.

(7) Not more than five percent of the funds deposited to the municipal criminal justice assistance account may be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements may not supplant existing funds from the state general fund.

(8) During the 2011-2013 fiscal biennium, the amount that would otherwise be transferred into the municipal criminal justice assistance account from the general fund under subsection (1) of this section must be reduced by 3.4 percent."

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

On page 4, line 11 of the title amendment, after "46.68.030" strike "and 43.43.380" and insert ", 43.43.380, 43.43.050, 82.14.310, and 82.14.320"

Senator Benton spoke in favor of adoption of the amendment to the striking amendment.

Senators King and Roach spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 747 by Senator Benton to the striking amendment.

The motion by Senator Benton did not carry and the amendment was not adopted by voice vote.

The President declared the question before the Senate to be the adoption of the striking amendment no. 741 by Senators King and Hobbs to Engrossed Second Substitute House Bill No. 2872.

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

MOTION

On motion of Senator King, the rules were suspended, Engrossed Second Substitute House Bill No. 2872, as amended by the Senate, was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

MOTION

On motion of Senator Fain, and without objection, Senator Dansel was excused.

Senators King, Roach, Lias, Angel, Sheldon, Benton and Baumgartner spoke in favor of passage of the bill.

Senator Padden spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute House Bill No. 2872, as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute House Bill No. 2872, as amended by the Senate, and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hargrove, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Lias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes, Schoesler, Sheldon, Takko and Warnick

Voting nay: Senator Padden

Excused: Senator Dansel

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2872, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2524, by Representatives Clibborn, Orcutt, Fey and McBride

Making 2015-2017 supplemental transportation appropriations.

The measure was read the second time.

MOTION

Senator King moved that the following striking amendment no. 739 by Senator King be adopted:

Strike everything after the enacting clause and insert the following:

**"2015-2017 FISCAL BIENNIUM  
GENERAL GOVERNMENT AGENCIES—  
OPERATING**

**Sec. 101.** 2015 1st sp.s. c 10 s 101 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ARCHAEOLOGY AND  
HISTORIC PRESERVATION**

Motor Vehicle Account—State Appropriation..... ((~~\$476,000~~))  
\$488,000

**Sec. 102.** 2015 1st sp.s. c 10 s 102 (uncodified) is amended to read as follows:

**FOR THE UTILITIES AND TRANSPORTATION  
COMMISSION**

Grade Crossing Protective Account—State  
Appropriation ..... ((~~\$504,000~~))  
\$1,604,000

**Sec. 103.** 2015 1st sp.s. c 10 s 103 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Motor Vehicle Account—State Appropriation..... ((~~\$2,268,000~~))  
\$2,296,000

Puget Sound Ferry Operations Account—State

Appropriation.....	<del>(\$110,000)</del>
	\$115,000
State Patrol Highway Account—State Appropriation....	\$150,000
TOTAL APPROPRIATION .....	<del>\$2,378,000</del>
	\$2,561,000

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

~~((2))~~ (1) \$835,000 of the motor vehicle account—state appropriation is provided solely for the office of financial management, from amounts set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to develop, implement, and report on transportation metrics associated with transportation system policy goals outlined in RCW 47.04.280. The Washington state association of counties, in cooperation with state agencies, must: Evaluate and implement opportunities to streamline reporting of county transportation financial data; expand reporting and collection of short-span bridge and culvert data; evaluate and report on the impact of increased freight and rail traffic on county roads; and to evaluate, implement, and report on the opportunities for improved capital project management and delivery.

~~((3))~~ (2) \$100,000 of the motor vehicle account—state appropriation is provided solely for the office of financial management, from funds set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to work with the department of fish and wildlife to develop voluntary programmatic agreements for the maintenance, preservation, rehabilitation, and replacement of water crossing structures. A report must be presented to the legislature by December 31, 2016, on the implementation of developed voluntary programmatic agreements.

(3) \$150,000 of the state patrol highway account—state appropriation is provided solely f an organizational assessment of the Washington state patrol.

(4) The office of financial management, in conjunction with the office of the chief information officer, shall provide oversight and review of the department of transportation's development of the request for proposal for a new tolling customer service toll collection system and development of a project management plan as required in section 209(8) of this act.

**Sec. 104.** 2015 1st sp.s. c 10 s 105 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF AGRICULTURE**

Motor Vehicle Account—State Appropriation ..... ~~(\$1,212,000)~~  
\$1,240,000

**Sec. 105.** 2015 1st sp.s. c 10 s 106 (uncodified) is amended to read as follows:

**FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

Motor Vehicle Account—State Appropriation ..... ~~(\$563,000)~~  
\$582,000

**Sec. 106.** 2015 1st sp.s. c 10 s 107 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Motor Vehicle Account—State Appropriation ..... \$300,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The department must work with the Washington state association of counties to develop voluntary programmatic agreements for the maintenance, preservation, rehabilitation, and replacement of water crossing structures. Such programmatic agreements when agreed to by the department and participating counties are binding agreements for permitting, design, and

mitigation of county water crossing structures.

(2) \$300,000 of the motor vehicle account—state appropriation is provided solely for the department to implement activities of the fish passage barrier removal board created in RCW 77.95.160. The department must coordinate with cities and counties to inventory and undertake predesign and scoping activities associated with fish passage barrier corrections on city streets and county roads. The department must work with the department of ecology to provide a combined report to the transportation committees of the legislature on the board's activities and accomplishments and the activities funded in section 108 of this act by June 30, 2017. \$170,000 is provided from the cities' statewide fuel tax distributions under RCW 46.68.110(2) and \$130,000 is provided from the counties' statewide fuel tax distributions under RCW 46.68.120(3).

NEW SECTION. Sec. 107. A new section is added to 2015 1st sp.s. c 10 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

The department must provide a detailed accounting of the revenues and expenditures of the self-insurance fund and a copy of the most recent annual actuarial review to the transportation committees of the legislature on December 31st and June 30th of each year.

NEW SECTION. Sec. 108. A new section is added to 2015 1st sp.s. c 10 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Motor Vehicle Account—State Appropriation..... \$131,000

The appropriation in this section is subject to the following conditions and limitations: \$131,000 of the motor vehicle account—state appropriation from cities' statewide fuel tax distributions under RCW 46.68.110(2) is provided solely for the department to develop a framework with the department of transportation and the department of fish and wildlife for correcting fish passage barriers on city streets as compensatory mitigation for environmental impacts of transportation projects, as required in RCW 77.95.185(2)(a). In addition, the department must develop and implement an umbrella statewide in lieu fee program or other formal means to provide a streamlined mechanism to undertake priority local fish passage barrier corrections, as required in RCW 77.95.185(2)(c). The department must work with the department of fish and wildlife to provide a combined report to the transportation committees of the legislature on the implementation of the program, the mechanism implemented to prioritize fish passage barrier corrections, and the activities funded in section 106(2) of this act by June 30, 2017.

NEW SECTION. Sec. 109. A new section is added to 2015 1st sp.s. c 10 (uncodified) to read as follows:

**FOR THE EVERGREEN STATE COLLEGE**

Motor Vehicle Account—State Appropriation..... \$100,000

The appropriation in this section is subject to the following conditions and limitations: \$100,000 of the motor vehicle account—state appropriation is provided solely to the Washington state institute for public policy for a cost-benefit analysis of the state's ferry vessel procurement practices as required in chapter 14, Laws of 2015 3rd sp. sess.

**TRANSPORTATION AGENCIES—OPERATING**

**Sec. 201.** 2015 1st sp.s. c 10 s 201 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION**

Highway Safety Account—State Appropriation ... ~~(\$3,154,000)~~  
\$3,183,000

Highway Safety Account—Federal  
Appropriation ..... ~~(\$27,383,000)~~

\$21,644,000

Highway Safety Account—Private/Local	
Appropriation .....	\$118,000
School Zone Safety Account—State Appropriation .....	\$850,000
<b>TOTAL APPROPRIATION .....</b>	<b><u>\$31,505,000</u></b>
	<b><u>\$25,795,000</u></b>

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

(1) The commission may continue to oversee pilot projects implementing the use of automated traffic safety cameras to detect speed violations within cities west of the Cascade mountains that have a population of more than one hundred ninety-five thousand and that are located in a county with a population of fewer than one million five hundred thousand. For the purposes of pilot projects in this subsection, no more than one automated traffic safety camera may be used to detect speed violations within any one jurisdiction.

(a) The commission shall comply with RCW 46.63.170 in administering the pilot projects.

(b) By January 1, 2017, any local authority that is operating an automated traffic safety camera to detect speed violations must provide a summary to the transportation committees of the legislature concerning the use of the cameras and data regarding infractions, revenues, and costs.

(2) \$99,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter (. . . (Substitute Senate Bill No. 5957))) 243, Laws of 2015 (pedestrian safety reviews). (If chapter . . . (Substitute Senate Bill No. 5957), Laws of 2015 is not enacted by June 30, 2015, the amount provided in this subsection lapses.)

(3) \$6,500,000 of the highway safety account—federal appropriation is provided solely for federal funds that may be obligated to the commission pursuant to 23 U.S.C. Sec. 164 during the 2015-2017 fiscal biennium.

(4) Within current resources, the commission must examine the declining revenue going to the school zone safety account with the goal of identifying factors contributing to the decline. By December 31, 2015, the commission must provide a report to the transportation committees of the legislature that summarizes its findings and provides recommendations designed to ensure that the account is receiving all amounts that should be deposited into the account.

**Sec. 202.** 2015 1st sp.s. c 10 s 202 (uncodified) is amended to read as follows:

**FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account—State Appropriation. ( <del>(\$969,000)</del> )	
	<u>\$1,000,000</u>
Motor Vehicle Account—State Appropriation .....	<del>(\$2,283,000)</del>
	<u>\$2,459,000</u>
County Arterial Preservation Account—State	
Appropriation .....	<del>(\$1,481,000)</del>
	<u>\$1,518,000</u>
<b>TOTAL APPROPRIATION .....</b>	<b><u>\$4,733,000</u></b>
	<b><u>\$4,977,000</u></b>

**Sec. 203.** 2015 1st sp.s. c 10 s 203 (uncodified) is amended to read as follows:

**FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Transportation Improvement Account—State	
Appropriation .....	<del>(\$3,915,000)</del>
	<u>\$4,063,000</u>

**Sec. 204.** 2015 1st sp.s. c 10 s 204 (uncodified) is amended to read as follows:

**FOR THE JOINT TRANSPORTATION COMMITTEE**

Motor Vehicle Account—State Appropriation .....	<del>(\$1,727,000)</del>
	<u>\$2,222,000</u>

The appropriation in this section is subject to the following

conditions and limitations:

(1)(a) \$250,000 of the motor vehicle account—state appropriation is for a consultant study of Washington state patrol recruitment and retention of troopers. The study must identify barriers to effective candidate recruitment, candidates' successful completion of training, and retention of trained troopers of various tenure. The study must provide:

- (i) An overview of current attrition rates;
- (ii) Options and strategies on reducing the average number of trooper positions that are vacant;
- (iii) Identification of best practices for recruitment and retention of law enforcement officers;
- (iv) Recommendations to improve existing recruitment and selection programs;
- (v) Recommendations for where salary and benefit adjustments should be targeted to most effectively address recruitment and retention challenges;
- (vi) Recommendations regarding changes to the training and education program; and
- (vii) Other recommendations for cost-effective personnel strategies.

(b) The joint transportation committee shall issue a report of its findings to the house and senate transportation committees by December 14, 2015. The Washington state patrol shall work with the consultant to identify costs for each recommendation.

(2)(a) \$125,000 of the motor vehicle account—state appropriation is for a study of Washington state weigh station planning, placement, and operations by the Washington state patrol and department of transportation as they relate to roadway safety and preservation. The study must:

- (i) Provide a high-level overview of commercial vehicle enforcement programs, with a focus on weigh stations, including both state and federal funding programs. This overview must include a description of how the Washington state patrol and department of transportation allocate these state and federal funds.
- (ii) Review Washington state patrol and department of transportation planning related to weigh station location and operation, and the extent to which their efforts complement, coordinate with, or overlap each other;
- (iii) Identify best practices in the funding, placement, and operation of weigh stations;
- (iv) Review plans by the department of transportation and Washington state patrol to reopen a Federal Way area southbound weigh station;

(v) Recommend changes in state statutes, policy, or agency practices and rules to improve the efficiency and effectiveness of weigh station funding, placement, and operation, including potential savings to be achieved by adopting the changes; and

(vi) Review whether it is cost-effective or more efficient to place future weigh stations in the median of a highway instead of placing two individual weigh stations on either side of a highway.

(b) The joint transportation committee must issue a report of its findings and recommendations to the house of representatives and senate transportation committees by December 14, 2015.

(3) \$250,000 of the motor vehicle account—state appropriation, from the cities' statewide fuel tax distributions under RCW 46.68.110(2), is for a study to be conducted in 2016 to identify prominent road-rail conflicts, recommend a corridor-based prioritization process for addressing the impacts of projected increases in rail traffic, and identify areas of state public policy interest, such as the critical role of freight movement to the Washington economy and the state's competitiveness in world trade. The study must consider the results of the updated marine cargo forecast due to be delivered to the joint transportation committee on December 1, 2015. In conducting the study, the



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joint transportation committee must consult with the department of transportation, the freight mobility strategic investment board, the utilities and transportation commission, local governments, and other relevant stakeholders. The joint transportation committee must issue a report of its recommendations and findings by ((December 1, 2016)) January 9, 2017.

(4) The legislature intends for the joint transportation committee to undertake a study during the 2017-2019 fiscal biennium of consolidating rail employee safety and regulatory functions in the utilities and transportation commission. The joint transportation committee should review the information provided by the utilities and transportation commission ((as required under section 102 of this act)) and should provide recommendations to the transportation committees of the legislature regarding such a consolidation of rail employee safety and regulatory functions.

(5) Within existing resources, during the interim periods between regular sessions of the legislature, the joint transportation committee shall include on its agendas work sessions on the Alaskan Way viaduct replacement project. These work sessions must include a report on current progress of the project, timelines for completion, outstanding claims, the financial status of the project, and any other information necessary for the legislature to maintain appropriate oversight of the project. The parties invited to present may include the department of transportation, the Seattle tunnel partners, and other appropriate stakeholders. The joint transportation committee shall have at least two such work sessions before December 31, 2015.

(6) \$450,000 of the motor vehicle account—state appropriation is for the design-build contracting review study established in chapter 18, Laws of 2015 3rd sp. sess. The department of transportation must provide technical assistance, as necessary.

(7) The joint transportation committee must study the issues surrounding minority and women-owned business contracting related to the transportation sector. The study should identify any best practices adopted in other states that encourage participation by minority and women-owned businesses. The joint transportation committee, with direction from the executive committee, may form a legislative task force at the conclusion of the study to help to inform the legislature of any best practices identified from other states that encourage minority and women-owned businesses' participation in the transportation sector.

Sec. 205. 2015 1st sp.s. c 10 s 205 (uncodified) is amended to read as follows:

**FOR THE TRANSPORTATION COMMISSION**

Motor Vehicle Account—State Appropriation .....	<del>(\$2,452,000)</del>
	<u>\$2,667,000</u>
<u>Motor Vehicle Account—Federal Appropriation .....</u>	<u>\$500,000</u>
Multimodal Transportation Account—State	
Appropriation .....	\$112,000
TOTAL APPROPRIATION .....	<del>\$2,564,000</del>
	<u>\$3,279,000</u>

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

(1) \$300,000 of the motor vehicle account—state appropriation is provided solely to continue evaluating a road usage charge as an alternative to the motor vehicle fuel tax to fund investments in transportation. The evaluation must include monitoring and reviewing work that is underway in other states and nationally. The commission may coordinate with the department of transportation to jointly pursue any federal or other funds that are or might become available and eligible for road usage charge pilot projects. The commission must reconvene the road usage charge steering committee, with the same membership

authorized in chapter 222, Laws of 2014, and report to the governor's office and the transportation committees of the house of representatives and the senate by December 15, 2015.

(2) \$150,000 of the motor vehicle account—state appropriation is provided solely for the commission to use an outside survey firm to conduct three transportation surveys during the 2015-2017 fiscal biennium. The commission must consult with the joint transportation committee when deciding on the survey topics and design to ensure the survey results will deliver the data, information, and analysis for future transportation policy and strategic planning decisions in a manner useful to the legislature.

(3)(a) The legislature finds that, while some travel times have improved through Interstate 405 between the junctions with Interstate 5 on the north end and NE 6th Street in the city of Bellevue on the south end, especially for transit trips, the implementation of the express toll lane system has made travel more difficult for a number of other drivers and trips. To provide some relief to drivers, the legislature encourages the commission to expedite consideration of the elimination of tolls during evening nonpeak hours, weekends, and holidays, to the extent that such a change will improve commuters' experience on this portion of Interstate 405. The legislature further finds that the commission, as the tolling authority of the state, should act swiftly, working in conjunction with the department of transportation's comprehensive effort to tackle obstacles adversely affecting commutes on this portion of Interstate 405, to drive improved results for the users of this critical corridor as soon as is practicable.

(b) In accordance with the rule-making authority provided under RCW 34.05.350(1)(a), the legislature deems it necessary, for preservation of the general welfare, that operational changes be made to improve the express toll lane program on Interstate 405 and that the tolling authority use its emergency rule-making authority to effect such changes in accordance with RCW 47.56.850 and 47.56.880. The legislature finds that the need for improvements to the commuter experience on the portion of Interstate 405 identified in (a) of this subsection necessitates that such action be taken in an expedited fashion. The tolling authority, with input from the department of transportation, shall evaluate the hours and days of operation for the express toll lanes and the minimum high occupancy vehicle passenger requirements for using the express toll lanes, taking into consideration the goals of: Reducing travel time on this portion of Interstate 405, including in the general purpose lanes; reducing the cost of traveling within the express toll lanes on this portion of Interstate 405; and maintaining sufficient revenue to pay for this portion of Interstate 405's express toll lane operating costs. This subsection (3) does not create a private right of action.

(4)(a) \$500,000 of the motor vehicle account—federal appropriation is provided solely to advance the work completed since 2011 in evaluating a road usage charge as an alternative to the motor vehicle fuel tax to fund future investments in transportation by completing the work necessary to launch a road usage charge pilot project, with all implementation details for a pilot project identified and incorporated into a pilot project implementation plan.

(i) Pilot project implementation preparation must include identification of all essential agency roles and responsibilities for the pilot project, a selection of the technologies and methodologies to be included, a target number of participants and participant characteristics, rigorous specific evaluation criteria by which the pilot project will be assessed, a communication plan for the pilot project that consists of a participant recruitment plan and a plan for communicating information about the launch and

ongoing progress of the pilot project, and pilot project expenditure and revenue estimates.

(ii) In developing the road usage charge pilot project implementation plan, the commission shall consult and coordinate with the department of transportation, the department of licensing, the department of revenue, and the office of the state treasurer to establish participation and coordination parameters for the project.

(b) The commission shall coordinate with the department of transportation to jointly pursue any federal or other funds that are or might become available to fund a road usage charge pilot project. Where feasible, grant application content prepared by the commission must reflect the direction provided by the road usage charge steering committee on the preferred road usage charge pilot project approach. One or more grant applications may be developed as part of the road usage charge pilot project implementation plan development work, but the pilot project implementation plan must nevertheless include any details necessary for a full launch of the pilot project not required to be included in any grant application.

(c) The commission shall reconvene the road usage charge steering committee, with the same membership authorized in chapter 222, Laws of 2014, as well as the addition of a representative from the Puget Sound regional council, and may obtain guidance from the steering committee when it reaches key pilot project implementation plan development milestones. The commission must provide a report on the road usage charge pilot project implementation plan that includes all implementation details for a road usage charge pilot project to the governor's office and the transportation committees of the house of representatives and the senate by November 1, 2016.

(5) \$150,000 of the motor vehicle account—state appropriation is provided solely for supporting the disadvantaged business enterprise advisory committee established in chapter . . . (Senate Bill No. 6180), Laws of 2016. If chapter . . . (Senate Bill No. 6180), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

**Sec. 206.** 2015 1st sp.s. c 10 s 206 (uncodified) is amended to read as follows:

**FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Motor Vehicle Account—State Appropriation .....((~~\$979,000~~))  
\$1,024,000

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the motor vehicle account—state appropriation is provided solely to conduct a study of freight infrastructure needs, including an update of the long-term marine cargo forecast. The board must work with the Washington public ports association to evaluate: (1) Forecasted cargo movement by commodity, type, and mode of land transport; and (2) current and projected freight infrastructure capacity needs. A report on the study must be delivered to the joint transportation committee by December 1, 2015.

**Sec. 207.** 2015 1st sp.s. c 10 s 207 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE PATROL**

State Patrol Highway Account—State  
 Appropriation .....((~~\$407,771,000~~))  
\$415,364,000

State Patrol Highway Account—Federal  
 Appropriation .....((~~\$12,779,000~~))  
\$13,291,000

State Patrol Highway Account—Private/Local  
 Appropriation .....((~~\$3,631,000~~))  
\$3,823,000

Highway Safety Account—State Appropriation....((~~\$1,323,000~~))

\$1,494,000

Multimodal Transportation Account—State  
 Appropriation ..... \$276,000  
 TOTAL APPROPRIATION ....~~\$425,780,000~~  
\$434,248,000

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

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol must be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.

(2) \$510,000 of the highway safety account—state appropriation is provided solely for the ignition interlock program at the Washington state patrol to provide funding for two staff to work and provide support for the program in working with manufacturers, service centers, technicians, and participants in the program.

(3) \$23,000 of the state patrol highway account—state appropriation is provided solely for the implementation of chapter ((. . . (Engrossed Second Substitute House Bill No. 1276))) 3, Laws of 2015 2nd sp. sess. (impaired driving). ((If chapter . . . (Engrossed Second Substitute House Bill No. 1276), Laws of 2015 is not enacted by June 30, 2015, the amount provided in this subsection lapses.))

(4) \$5,000,000 of the state patrol highway account—state appropriation is provided solely for compensation increases for Washington state patrol troopers, sergeants, lieutenants, and captains. This increase is not subject to interest arbitration and is for salary and benefits that are in addition to the current interest arbitration award. It is the intent of the legislature that chapter . . . (Engrossed Second Substitute House Bill No. 2872), Laws of 2016 provide the revenue to support the ongoing costs associated with the compensation increases identified in this subsection in order to provide the means necessary to recruit and retain state patrol officers in subsequent biennia.

(5)(a) The department and the Washington state patrol must work collaboratively to develop a comprehensive plan for weigh station construction and preservation for the entire state. The plan must be submitted to the transportation committees of the legislature by January 1, 2017.

(b) As part of the 2017-2019 biennial budget submittal, the department and the Washington state patrol must jointly submit a prioritized list of weigh station projects for legislative approval.

**Sec. 208.** 2015 1st sp.s. c 10 s 208 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

Marine Fuel Tax Refund Account—State  
 Appropriation ..... \$34,000

License Plate Technology Account—State  
 Appropriation ..... \$3,200,000

Motorcycle Safety Education Account—State  
 Appropriation ..... ((~~\$4,442,000~~))  
\$4,488,000

State Wildlife Account—State Appropriation ..... ((~~\$949,000~~))  
\$1,001,000

Highway Safety Account—State Appropriation ((~~\$183,610,000~~))  
\$201,666,000

Highway Safety Account—Federal Appropriation .... \$3,573,000

Motor Vehicle Account—State Appropriation.... ((~~\$86,014,000~~))  
\$92,044,000

Motor Vehicle Account—Federal Appropriation..... \$362,000

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Motor Vehicle Account—Private/Local	
Appropriation .....	\$1,544,000
Ignition Interlock Device Revolving Account—State	
Appropriation.....	<del>(\$5,133,000)</del>
	<u>\$5,142,000</u>
Department of Licensing Services Account—State	
Appropriation.....	<del>(\$6,575,000)</del>
	<u>\$6,672,000</u>
TOTAL APPROPRIATION ...	<del>\$295,436,000</del>
	<u>\$319,726,000</u>

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

(1) (~~(\$24,212,000)~~) \$30,954,000 of the highway safety account—state appropriation and \$3,200,000 of the license plate technology account—state appropriation are provided solely for business and technology modernization. The department and the state chief information officer or his or her designee must provide a joint project status report to the transportation committees of the legislature on at least a calendar quarter basis. The report must include, but is not limited to: Detailed information about the planned and actual scope, schedule, and budget; status of key vendor and other project deliverables; and a description of significant changes to planned deliverables or system functions over the life of the project. Project staff will periodically brief the committees or the committees' staff on system security and data protection measures.

(2) \$5,059,000 of the motor vehicle account—state appropriation is provided solely for replacing prorated and fuel tax computer systems used to administer interstate licensing and the collection of fuel tax revenues.

(3) \$3,714,000 of the highway safety account—state appropriation is provided solely for the implementation of an updated central issuance system.

(4) \$3,082,000 of the highway safety account—state appropriation is provided solely for exam and licensing activities, including the workload associated with providing driver record abstracts, and is subject to the following additional conditions and limitations:

(a) The department may furnish driving record abstracts only to those persons or entities expressly authorized to receive the abstracts under Title 46 RCW;

(b) The department may furnish driving record abstracts only for an amount that does not exceed the specified fee amounts in RCW 46.52.130 (2)(e)(v) and (4); and

(c) The department may not enter into a contract, or otherwise participate in any arrangement, with a third party or other state agency for any service that results in an additional cost, in excess of the fee amounts specified in RCW 46.52.130 (2)(e)(v) and (4), to statutorily authorized persons or entities purchasing a driving record abstract.

(5) The department when modernizing its computer systems must place personal and company data elements in separate data fields to allow the department to select discrete data elements when providing information or data to persons or entities outside the department. This requirement must be included as part of the systems design in the department's business and technology modernization. A person's photo, social security number, or medical information must not be made available through public disclosure or data being provided under RCW 46.12.630 or 46.12.635.

(6) Within existing resources and in consultation with the traffic safety commission, the Washington state patrol, and a representative of the insurance industry and the professional driving school association, the department must review options and make recommendations on strategies for addressing young

and high-risk drivers. The recommendations must consider the findings of Washington state's strategic highway safety plan, Target Zero, and must include an analysis of expanding traffic safety education to eighteen to twenty-four year olds that have not taken a traffic safety course and drivers that have been convicted of high-risk behavior, such as driving under the influence of drugs and alcohol and reckless driving. An overview of the work conducted and the recommendations are due to the transportation committees of the legislature and the governor by December 31, 2015.

(7) \$57,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ((. . . (Substitute House Bill No. 1157))) 1, Laws of 2015 ((or chapter . . . (Substitute Senate Bill No. 5025), Laws of 2015)) 2nd sp. sess. (quick title service fees). ((If both chapter . . . (Substitute House Bill No. 1157), Laws of 2015 and chapter . . . (Substitute Senate Bill No. 5025), Laws of 2015 are not enacted by June 30, 2015, the amount provided in this subsection lapses.))

(8) \$283,000 of the highway safety account—state appropriation and \$33,000 of the ignition interlock device revolving account—state appropriation are provided solely for the implementation of chapter ((. . . (Engrossed Second Substitute House Bill No. 1276))) 3, Laws of 2015 2nd sp. sess. (impaired driving). ((If chapter . . . (Engrossed Second Substitute House Bill No. 1276), Laws of 2015 is not enacted by June 30, 2015, the amount provided in this subsection lapses.

(9) \$63,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute Senate Bill No. 5656), Laws of 2015 (distracted driving). If chapter . . . (Engrossed Substitute Senate Bill No. 5656), Laws of 2015 is not enacted by June 30, 2015, the amount provided in this subsection lapses.))

(9) \$4,000,000 of the motor vehicle account—state appropriation is provided solely for implementation of chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue).

(10) \$335,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 2942), Laws of 2016 or chapter . . . (Senate Bill No. 6591), Laws of 2016 (nondomiciled commercial drivers' licenses). If both chapter . . . (Substitute House Bill No. 2942), Laws of 2016 and chapter . . . (Senate Bill No. 6591), Laws of 2016 are not enacted by June 30, 2016, the amount provided in this subsection lapses.

(11) \$2,421,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that average wait times have increased by more than two minutes based on wait time and volume data provided by the department compared to average wait times and volume during the month of December 2015. The department and the office of financial management shall evaluate the use of these funds on a monthly basis and periodically report to the transportation committees of the legislature on average wait times and volume data for enhanced drivers' licenses and enhanced identicards.

(12) \$43,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 6200), Laws of 2016 (Washington's fish collection license plate). If chapter . . . (Senate Bill No. 6200), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

(13) \$388,000 of the highway safety account—state

appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 2700), Laws of 2016 (impaired driving). If chapter . . . (Engrossed Substitute House Bill No. 2700), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

(14) \$29,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6254), Laws of 2016 (Purple Heart license plate). If chapter . . . (Substitute Senate Bill No. 6254), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

(15) \$20,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 2778), Laws of 2016 (alternative fuel vehicles). If chapter . . . (Engrossed Substitute House Bill No. 2778), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

Sec. 209. 2015 1st sp.s. c 10 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
TOLL OPERATIONS AND MAINTENANCE—  
PROGRAM B**

High Occupancy Toll Lanes Operations Account—State	
Appropriation .....	<del>(\$2,688,000)</del>
	<u>\$3,185,000</u>
Motor Vehicle Account—State Appropriation .....	<del>(\$503,000)</del>
	<u>\$510,000</u>
State Route Number 520 Corridor Account—State	
Appropriation .....	<del>(\$39,543,000)</del>
	<u>\$39,029,000</u>
State Route Number 520 Civil Penalties Account—State	
Appropriation .....	<del>(\$6,703,000)</del>
	<u>\$6,008,000</u>
Tacoma Narrows Toll Bridge Account—State	
Appropriation .....	<del>(\$25,660,000)</del>
	<u>\$26,636,000</u>
Interstate 405 Express Toll Lanes Operations	
Account—State Appropriation .....	<del>(\$9,931,000)</del>
	<u>\$15,552,000</u>
TOTAL APPROPRIATION .....	<del>\$85,028,000</del>
	<u>\$90,920,000</u>

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

(1) \$1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and \$8,157,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this section, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that all other funds designated for operations and maintenance purposes have been exhausted.

(2) \$4,778,000 of the state route number 520 civil penalties account—state appropriation and \$2,065,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for expenditures related to the toll adjudication process. The department shall report on the civil penalty process to the office of financial management and the house of representatives and senate transportation committees by the end of each calendar quarter. The reports must include a summary table for each toll facility that includes: The number of notices of civil penalty issued; the number of recipients who pay before the notice becomes a penalty; the number of recipients who request a hearing and the number who do not respond; workload costs

related to hearings; the cost and effectiveness of debt collection activities; and revenues generated from notices of civil penalty.

(3) The department shall make detailed quarterly expenditure reports available to the transportation commission and to the public on the department's web site using current department resources. The reports must include a summary of toll revenue by facility on all operating toll facilities and high occupancy toll lane systems, and an itemized depiction of the use of that revenue.

(4) \$3,100,000 of the Interstate 405 express toll lanes operations account—state appropriation, \$1,498,000 of the state route number 520 corridor account—state appropriation, and ~~(\$1,291,000)~~ \$1,802,000 of the high occupancy toll lanes operations account—state appropriation are provided solely for the operation and maintenance of roadside toll collection systems.

(5) ~~(\$6,831,000)~~ \$12,202,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for operational costs related to the express toll lane facility, including the customer service center vendor, transponders, credit card fees, printing and postage, rent, office supplies, telephone and communications equipment, computers, and vehicle operations. Within the amount provided in this subsection, the department must, to the greatest extent possible, without adding additional tolling gantries, continue to expand the length of the access and exit points to the express toll lanes, clarify signage and striping to eliminate confusion, and make other operational and customer service improvements to enhance the public's use of the toll facility. The office of financial management shall place \$5,371,000 of the amount provided in this subsection in unallotted status. The office of financial management may release funds to the department on a monthly basis beginning July 1, 2016; however, the amount to be released monthly must be calculated to address the department's projected expenditure need based on the previous month's actual expenditures, financial statement, actual toll transaction experience, and actual revenue collections for the Interstate 405 express toll lanes facility. Prior to releasing any funding from unallotted status, the office of financial management shall notify the joint transportation committee of the amount to be released and provide the documentation used in determining the amount.

(6) \$250,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the identification and prioritization of projects that will help reduce congestion and provide added capacity on the Interstate 405 tolling corridor between state route number 522 and Interstate 5.

(7) The department must provide quarterly reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak periods in the express toll lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips;

(b) A month-to-month comparison of travel times and travel time reliability for the entire corridor and commonly made trips in the corridor as specified in (a) of this subsection since implementation of the express toll lanes and, to the extent available, a comparison to the travel times and travel time reliability prior to implementation of the express toll lanes;

(c) Total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane

(i) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, on this segment of Interstate 405 prior to implementation of the express toll lanes and (ii) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, from month to month since implementation of the express toll lanes; and

(d) Underlying congestion measurements, that is, speeds, that are being used to generate the summary graphs provided, to be made available in a digital file format.

(8) \$56,000 of the high occupancy toll lanes operations account—state appropriation, \$1,124,000 of the state route number 520 corridor account—state appropriation, and \$596,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for the department to develop a request for proposal((s)) for a new tolling customer service center.

(a) The department must address the replacement of the Wave2Go ferry ticketing system that is reaching the end of its useful life by developing functional and technical requirements that integrate Washington state ferries ticketing into the new tolling division customer service center toll collection system. The department shall continue to report quarterly to the governor, legislature, and state auditor on: (((a))) (i) The department's effort to mitigate risk to the state, (((b))) (ii) the development of a request for proposal((s)), and (((c))) (iii) the overall progress towards procuring a new tolling customer service center.

(b) The department shall release a request for proposal for a new tolling customer service toll collection system by December 1, 2016.

(i) During the request for proposal development process and prior to its release, the office of financial management shall review the request for proposal for a new tolling customer service toll collection system to ensure the request for proposal:

- (A) Provides for the business needs of the state; and
(B) Mitigates risk to the state.

(ii) During development of the request for proposal and prior to its release, the office of the chief information officer shall review the request for proposal for a new tolling customer service toll collection system to ensure the request for proposal:

- (A) Contains requirements that meet the security standards and policies of the office of the chief information officer; and
(B) Is flexible and adaptable to advances in technology.

(c)(i) Prior to commencement of the new tolling customer service toll collection system implementation, the department shall submit a draft project management plan to the office of financial management and the office of the chief information officer that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation;

(ii) The office of financial management and the office of the chief information officer shall review the draft project management plan to ensure that it contains adequate contract management and quality assurance measures.

(iii) The department shall submit the project management plan to the transportation committees of the legislature prior to the commencement of system implementation.

(((7))) (9) The department shall make detailed quarterly reports to the governor and the transportation committees of the legislature on the following:

(a) The use of consultants in the tolling program, including the name of the contractor, the scope of work, the type of contract, timelines, deliverables, any new task orders, and any extensions

to existing consultant contracts;

(b) The nonvendor costs of administering toll operations, including the costs of staffing the division, consultants and other personal service contracts required for technical oversight and management assistance, insurance, payments related to credit card processing, transponder purchases and inventory management, facility operations and maintenance, and other miscellaneous nonvendor costs; and

(c) The vendor-related costs of operating tolled facilities, including the costs of the customer service center, cash collections on the Tacoma Narrows bridge, electronic payment processing, and toll collection equipment maintenance, renewal, and replacement.

(((8))) (10) \$5,000 of the motor vehicle account—state appropriation is provided solely for membership dues for the alliance for toll interoperability.

(((9) \$1,925,000)) (11) \$1,230,000 of the state route number 520 civil penalties account—state appropriation ((is)) and \$695,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely to implement chapter ((. . . (Substitute Senate Bill No. 5481))) 292, Laws of 2015 (tolling customer service reform) to improve integration between the Good to Go! electronic tolling system with the pay-by-mail system through increased communication with customers and improvements to the Good to Go! web site allowing customers to manage all of their toll accounts regardless of method of payment. Within the amounts provided, the department must include in the request for proposals for a new customer service center the requirement that the new tolling customer service center link to the vehicle records system of the department of licensing to enable vehicle record updates that relate to tolling customer accounts to occur between the two systems seamlessly. The department must work with the department of licensing to develop the appropriate specifications to include in the request for proposals to allow the new tolling customer service center to link to the vehicle records system without cost to the department of licensing and report to the transportation committees of the legislature when the appropriate specifications have been completed. By June 30, 2017, the department shall report how many people with Good to Go! accounts were issued civil penalties for each toll facility and whether the number was reduced each fiscal year in the biennium. The department shall also report on the number of customer contacts that occur, number of civil penalties reduced or waived, the amount of the total civil penalties that are waived, and the number of customers that are referred to the administrative law judge process during the biennium.

Sec. 210. 2015 1st sp.s. c 10 s 210 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—
INFORMATION TECHNOLOGY—PROGRAM C

Table with 2 columns: Account Name and Amount. Rows include Transportation Partnership Account—State, Multimodal Transportation Account—State, and Puget Sound Ferry Operations Account—State, with a TOTAL APPROPRIATION of \$75,357,000.

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

(1) \$1,460,000 of the transportation partnership account—state appropriation and \$1,460,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for maintaining the department's project management reporting system.

(2) \$250,000 of the motor vehicle account—state appropriation is provided solely for the development of a timeline and funding plan for the labor system replacement project. As part of its 2017-2019 biennial budget submittal, and in coordination with the office of financial management and the office of the chief information officer, the department shall submit a timeline and funding plan for the labor system replacement project. The plan must identify a timeline and all one-time and ongoing costs for the integration of all headquarters, regional, and marine employees into the new labor system.

Sec. 211. 2015 1st sp.s. c 10 s 211 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
FACILITY MAINTENANCE, OPERATIONS, AND  
CONSTRUCTION—PROGRAM D—OPERATING**

Motor Vehicle Account—State Appropriation ....	<del>(\$27,098,000)</del>
	<u>\$27,609,000</u>
State Route Number 520 Corridor Account—State Appropriation .....	\$34,000
TOTAL APPROPRIATION .....	<u>\$27,132,000</u>
	<u>\$27,643,000</u>

Sec. 212. 2015 3rd sp.s. c 43 s 606 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
AVIATION—PROGRAM F**

Aeronautics Account—State Appropriation .....	<del>(\$8,143,000)</del>
	<u>\$8,628,000</u>
Aeronautics Account—Federal Appropriation .....	\$4,100,000
Aeronautics Account—Private/Local Appropriation .....	\$60,000
TOTAL APPROPRIATION .....	<u>\$12,303,000</u>
	<u>\$12,788,000</u>

The appropriations in this section are subject to the following conditions and limitations: (((\$4,137,000)) \$4,557,000 of the aeronautics account—state appropriation is provided solely for airport investment studies and the airport aid grant program, which provides competitive grants to public airports for pavement, safety, maintenance, planning, and security. ((Of this amount, \$637,000 lapses if chapter . . . (Substitute Senate Bill No. 5324), Laws of 2015 3rd sp. sess. (aircraft excise taxes) is not enacted by July 31, 2015, chapter . . . (Substitute Senate Bill No. 6057) Laws of 2015 3rd sp. sess. (relating to revenue) is not enacted by July 31, 2015, and an expenditure to the aeronautics account is not provided in the 2015-2017 omnibus appropriations act by July 31, 2015.))

Sec. 213. 2015 1st sp.s. c 10 s 213 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
PROGRAM DELIVERY MANAGEMENT AND  
SUPPORT—PROGRAM H**

Motor Vehicle Account—State Appropriation ....	<del>(\$52,070,000)</del>
	<u>\$53,911,000</u>
Motor Vehicle Account—Federal Appropriation .....	\$500,000
Multimodal Transportation Account—State Appropriation .....	\$250,000
TOTAL APPROPRIATION .....	<u>\$52,820,000</u>
	<u>\$54,661,000</u>

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

(1) The real estate services division of the department must recover the cost of its efforts from sale proceeds and fund additional future sales from those proceeds.

(2) The legislature recognizes that the trail known as the Rocky Reach Trail, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on state route number 2 and the coincident section of state route number 97. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring portions of WSDOT Inventory Control (IC) No. 2-09-04686 containing the trail and associated buffer areas to the Washington state parks and recreation commission is consistent with the public interest. The legislature directs the department to transfer the property to the Washington state parks and recreation commission.

(a) The department must be paid fair market value for any portions of the transferred real property that is later abandoned, vacated, or ceases to be publicly maintained for trail purposes.

(b) Prior to completing the transfer in this subsection (2), the department must ensure that provisions are made to accommodate private and public utilities and any facilities that predate the department's acquisition of the property, at no cost to those entities. Prior to completing the transfer, the department shall also ensure that provisions, by fair market assessment, are made to accommodate other private and public utilities and any facilities that have been legally allowed by permit or other instrument.

(c) The department may sell any adjoining property that is not necessary to support the Rocky Reach Trail and adjacent buffer areas only after the transfer of trail-related property to the Washington state parks and recreation commission is complete. Adjoining property owners must be given the first opportunity to acquire such property that abuts their property, and applicable boundary line or other adjustments must be made to the legal descriptions for recording purposes.

(3) \$250,000 of the motor vehicle account—state appropriation is provided solely for training intended to retain a knowledgeable and competent core technical staff in the changing environment of highway project design and construction and to provide for the efficient and effective delivery and oversight of projects. The training must focus on the following areas:

(a) Training appropriate staff in regard to coordinating and administrating projects with private sector designers and builders for projects delivered by the design-build construction process;

(b) Training on community engagement to provide project managers with the skills necessary to develop personal relations with the leaders of the affected community to blend project needs with the needs of the community, while providing fair treatment and involvement of community groups and individuals regarding elements of a project subject to environmental regulations, laws, and policies;

(c) Training for partnering and team building skills to avoid conflict and reduce construction claims that arise in contract administration; and

(d) Technical design training required in the fields of hydraulics, hydrology, and storm water abatement, and other fields in support of projects dealing with the fish passage program and highway runoff treatment.

Sec. 214. 2015 1st sp.s. c 10 s 214 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
ECONOMIC PARTNERSHIPS—PROGRAM K**

Motor Vehicle Account—State Appropriation .....	<del>(\$582,000)</del>
	<u>\$600,000</u>
<u>Electric Vehicle Charging Infrastructure Account—State Appropriation .....</u>	<u>\$1,000,000</u>
TOTAL APPROPRIATION .....	<u>\$1,600,000</u>

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

(1) The economic partnerships program must continue to

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explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

(2)(a) Within the amounts provided in this section, the economic partnership program shall consult with the department's tolling division and participate in the division's ongoing efforts to reduce the costs associated with the Tacoma Narrows bridge. This participation must include examining opportunities for the state to contract with one or more private sector partners to collect tolls and provide services to drivers crossing the bridge.

(b) The economic partnership program shall provide a report to the transportation committees of the legislature by January 1, 2017, containing the results of its work with the department's tolling division. The report must include information on additional opportunities that have been examined by the economic partnership program and the department's tolling division for the state to contract with one or more private sector partners to collect tolls and provide services to drivers crossing the Tacoma Narrows bridge. The report must provide information on the feasibility of each type of private sector partnering opportunity examined, including the potential benefits and drawbacks of each, as well as any legal, operational, and other potential barriers that have been identified. The department must address its evaluation of leasing the Tacoma Narrows bridge toll facility and land to concessionaires. The economic partnership program should include a recommendation on which, if any, of the examined opportunities shows sufficient promise to warrant further investigation based on criteria for evaluation recommended by the economic partnership program and the department's tolling division that have been clearly identified in the report.

(3) \$1,000,000 of the electric vehicle charging infrastructure account—state appropriation is provided solely for the purpose of capitalizing the Washington electric vehicle infrastructure bank as provided in chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue).

Sec. 215. 2015 1st sp.s. c 10 s 215 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
HIGHWAY MAINTENANCE—PROGRAM M**

Motor Vehicle Account—State Appropriation...	<del>(\$397,329,000))</del>
	<u>\$418,524,000</u>
Motor Vehicle Account—Federal Appropriation .....	\$7,000,000
Tacoma Narrows Toll Bridge Account—State Appropriation .....	<del>(\$1,768,000))</del>
	<u>\$1,235,000</u>
State Route Number 520 Corridor Account—State Appropriation .....	\$4,448,000
<b>TOTAL APPROPRIATION ...</b>	<b>\$410,545,000</b>
	<u>\$431,207,000</u>

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

(1) ~~(\$2,605,000))~~ \$6,091,000 of the motor vehicle account—state appropriation is provided solely for utility fees assessed by local governments as authorized under RCW 90.03.525 for the mitigation of storm water runoff from state highways.

(2) \$4,448,000 of the state route number 520 corridor account—state appropriation is provided solely to maintain the state route number 520 floating bridge. These funds must be used in accordance with RCW 47.56.830(3).

(3) ~~(\$1,768,000))~~ \$1,235,000 of the Tacoma Narrows toll bridge account—state appropriation is provided solely to maintain the new Tacoma Narrows bridge. These funds must be used in accordance with RCW 47.56.830(3).

(4) When regional transit authority construction activities are visible from a state highway, the department shall allow the

regional transit authority to place safe and appropriate signage informing the public of the purpose of the construction activity.

(5) The department must make signage for low-height bridges a high priority.

(6) \$25,000 of the motor vehicle account—state appropriation is provided solely for the Northwest avalanche center for an additional forecaster. However, the amount in this subsection is contingent on the state parks and recreation commission receiving funding for its portion of the Northwest avalanche center forecaster in the omnibus appropriations act. If this funding is not provided by June 30, 2016, the appropriation provided in this subsection lapses.

(7) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for safety improvements and operations relating to homeless encampments along Interstate 5 between milepost 162 and milepost 165. The department shall coordinate the timing of the safety improvements with the city of Seattle and King county to ensure that a collaborative and comprehensive approach is taken to address emergency conditions in support of the city's transitional services.

(8) \$100,000 of the motor vehicle account—state appropriation is provided solely for the department to submit a request for proposals as part of a pilot project that explores the use of rotary auger ditch cleaning and reshaping service technology in maintaining roadside ditches for state highways. The pilot project must consist of at least one technology test on each side of the Cascade mountain range.

Sec. 216. 2015 1st sp.s. c 10 s 216 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
TRAFFIC OPERATIONS—PROGRAM Q—OPERATING**

<u>Connecting Washington Account—State Appropriation. \$30,000</u>	
Motor Vehicle Account—State Appropriation....	<del>(\$51,572,000))</del>
	<u>\$57,622,000</u>
Motor Vehicle Account—Federal Appropriation.....	\$2,050,000
Motor Vehicle Account—Private/Local Appropriation	\$250,000
<b>TOTAL APPROPRIATION.....</b>	<b>\$53,872,000</b>
	<u>\$59,952,000</u>

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

(1) \$6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis. By September 1st of each even-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects prioritized on a statewide rather than regional basis completed in the prior year.

(2) During the 2015-2017 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle:

- (a) Auto transportation company vehicles regulated under chapter 81.68 RCW;
- (b) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules;
- (c) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and
- (d) private employer transportation service vehicles. For purposes of

this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

(3) The legislature recognizes that congestion is increasing on southbound Interstate 5 in Lynnwood, between the Lynnwood transit center and the Mountlake Terrace freeway station, and that allowing transit buses to operate on the shoulder would provide congestion relief and more reliable travel times. Therefore, the department shall, within existing resources, implement a transit bus shoulder operations pilot project on southbound Interstate 5 in Lynnwood, between the Lynnwood transit center and the Mountlake Terrace freeway station. The department shall make all necessary changes to handle the increased traffic and provide a ten-foot shoulder for the transit bypass.

(4) \$30,000 of the connecting Washington account—state appropriation is provided solely for the department to create and install motorist information sign panels for the Jerry Taylor Veterans Plaza in Sunnyside along the state-owned right-of-way near exits 63, 67, and 69 on Interstate 182 and on state route number 241 near the junction with Yakima Valley highway and to install supplemental directional signs as permitted by the affected local government and in accordance with the "Manual on Uniform Traffic Control Devices" and chapter 47.36 RCW.

(5) The department shall implement Senate Joint Memorial No. 8019 within existing resources if Senate Joint Memorial No. 8019 is enacted by the legislature by June 30, 2016, and the Washington state transportation commission takes action to name the facility per Senate Joint Memorial No. 8019 by June 30, 2017.

**Sec. 217.** 2015 1st sp.s. c 10 s 217 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
TRANSPORTATION MANAGEMENT AND SUPPORT—  
PROGRAM S**

Motor Vehicle Account—State Appropriation ....	(\$27,842,000)
	<u>\$29,625,000</u>
Motor Vehicle Account—Federal Appropriation .....	(\$280,000)
	<u>\$1,205,000</u>
Multimodal Transportation Account—State Appropriation .....	\$1,131,000
<b>TOTAL APPROPRIATION .....</b>	<b>\$29,253,000</b>
	<u>\$31,961,000</u>

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

(1) \$288,000 of the motor vehicle account—state appropriation is provided solely for enhanced disadvantaged business enterprise outreach to increase the pool of disadvantaged businesses available for department contracts and to collaborate with the department of labor and industries to recruit women and persons of color to participate in existing transportation apprenticeship programs. The department must submit a status report on disadvantaged business enterprise outreach and apprenticeship recruitment to the transportation committees of the legislature by November 15, 2015.

(2) \$3,000,000 of the motor vehicle account—state appropriation is provided solely for the headquarters communications office. Within the amount provided in this subsection, the department shall complete the web content management system and upgrade the department's web site.

(3) \$750,000 of the motor vehicle account—state appropriation is provided solely for a grant program that makes awards for the following: (a) Support for nonproject agencies, churches, and other entities to help provide outreach to

populations underrepresented in the current apprenticeship programs; (b) preapprenticeship training; and (c) child care, transportation, and other supports that are needed to help women and minorities enter and succeed in apprenticeship. The department must report on grants that have been awarded and the amount of funds disbursed by December 1, 2016, and annually thereafter.

(4)(a) During the 2015-2017 fiscal biennium, the department may proceed with the pilot project selling commercial advertising, including product placement, on department web sites and social media. In addition, the department may sell a version of its mobile application(s) to users who desire to have access to application(s) without advertising.

(b) The department shall deposit all moneys received from the sale of advertisements on web site and mobile applications into the motor vehicle fund created in RCW 46.68.070.

(c) The department shall adopt standards for advertising, product placement, and other forms of commercial recognition that require the department to define and prohibit, at a minimum, the content containing any of the following characteristics, which is not permitted: (i) Obscene, indecent, or discriminatory content; (ii) political or public issue advocacy content; (iii) products, services, or other materials that are offensive, insulting, disparaging, or degrading; or (iv) products, services, or messages that are contrary to the public interest, including any advertisements that encourage or depict unsafe behaviors or encourage unsafe or prohibited driving activities. Alcohol, tobacco, and cannabis are included among the products prohibited.

**Sec. 218.** 2015 1st sp.s. c 10 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
TRANSPORTATION PLANNING, DATA, AND  
RESEARCH—PROGRAM T**

Motor Vehicle Account—State Appropriation....	(\$21,374,000)
	<u>\$22,717,000</u>
Motor Vehicle Account—Federal Appropriation ((	(\$24,885,000))
	<u>\$26,342,000</u>
Multimodal Transportation Account—State Appropriation .....	\$662,000
Multimodal Transportation Account—Federal Appropriation .....	\$2,809,000
Multimodal Transportation Account—Private/Local Appropriation .....	\$100,000
<b>TOTAL APPROPRIATION.....</b>	<b>\$49,830,000</b>
	<u>\$52,630,000</u>

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

(1) \$368,000 of the motor vehicle account—state appropriation is provided solely for the purchase of an economic impact model. The department shall work with appropriate local jurisdictions to improve consistency between existing and planned transportation demand models. The department shall report back to the transportation committees of the legislature and the office of financial management by December 31, 2015, with any recommendations requiring legislative action.

(2) \$1,000,000 of the motor vehicle account—federal appropriation is provided solely for the corridor sketch program. Priority must be given to the state route number 522 corridor between Maltby and the Snohomish river bridge. Initial corridors must also include state route number 195, Interstate 5 between Bellingham and the vicinity of Mount Vernon, state route number 160 in the vicinity of Port Orchard, and state route number 28 in the vicinity of East Wenatchee.

(3) Within existing resources, the department shall conduct a traffic and access study of the intersection of the Interurban trail



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and state route number 104. Options to improve safety at this location must include consideration of a pedestrian and bike overcrossing.

(4)(a) The department must update the state freight mobility plan to comply with the requirements in section 70202 of the federal fixing America's surface transportation act. In updating the state freight mobility plan, the department must involve key freight stakeholders, such as representatives of public ports, the trucking industry, railroads, the marine industry, local governments and planning organizations, the Washington state freight advisory committee, and other freight stakeholders. The updated plan must delete any obsolete project references from the prioritized freight project list.

(b) The department, in conjunction with the stakeholder group, must provide a list of prioritized projects for consideration for funding in the 2017-2019 fiscal biennium. The prioritized list must have approval from all impacted stakeholders. The prioritized list must be submitted to the office of financial management and the transportation committees of the legislature by November 1, 2016.

(5) Within existing resources, the department must evaluate how light pollution from state highways and facilities can be minimized while still meeting appropriate safety standards. Additionally, the department must evaluate how budget savings can be achieved through different types of lighting. To the extent practicable, the department must conduct this work in conjunction with other ongoing study and corridor planning efforts.

(6) Within existing resources, the transportation planning program, with assistance from the rail program and other programs as needed, shall prepare a report that outlines the state's options for addressing the removal of the Eastside Freight railroad line, which runs from the city of Snohomish to the city of Woodinville, authorized under the rail banking provisions of federal law. This report must evaluate options by which the state may facilitate the preservation and maintenance of the Eastside Freight railroad line, in consideration of what is currently permitted under federal law. The report must address, but is not limited to: What, if any, legal authority the state has to affect projects currently underway in or planned for the Eastside Freight railroad line; whether state acquisition of specific property rights on the Eastside Freight railroad line is permitted under federal law and, if so, whether it could be beneficial to or would be necessary for the preservation and maintenance of the Eastside Freight railroad line; and the extent to which the state may otherwise encourage the preservation of the Eastside Freight railroad line. The report must include sufficient details on each option presented to support its evaluation, as well as the potential benefits and estimated costs associated with options presented that are permissible under federal law. The evaluation of potential benefits must be conducted in the context of current state rail policy, including RCW 47.76.240. The department must submit the report to the transportation committees of the legislature by December 1, 2016.

(7) \$150,000 of the motor vehicle account—state appropriation is provided solely for a safety study of state route number 169 from Jones Road to Cedar Grove. The department must consider collision data and work with local stakeholders to make recommendations for safety improvements in the corridor. A report on the study is due to the transportation committees of the legislature by December 31, 2016.

Sec. 219. 2015 1st sp.s. c 10 s 219 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
CHARGES FROM OTHER AGENCIES—PROGRAM U**  
Motor Vehicle Account—State Appropriation ....(~~(\$75,700,000)~~)

Motor Vehicle Account—Federal Appropriation.....	\$500,000
Multimodal Transportation Account—State	
Appropriation .....	<del>(\$3,243,000)</del>
	<u>\$3,115,000</u>
TOTAL APPROPRIATION.....	<u>\$79,443,000</u>
	<u>\$78,281,000</u>

~~((The appropriations in this section are subject to the following conditions and limitations: The department of enterprise services must provide a detailed accounting of the revenues and expenditures of the self insurance fund to the transportation committees of the legislature on December 31st and June 30th of each year.))~~

Sec. 220. 2015 1st sp.s. c 10 s 220 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
PUBLIC TRANSPORTATION—PROGRAM V**

State Vehicle Parking Account—State Appropriation ..	\$754,000
Regional Mobility Grant Program Account—State	
Appropriation .....	<del>(\$60,000,000)</del>
	<u>\$74,976,000</u>
Rural Mobility Grant Program Account—State	
Appropriation .....	<del>(\$17,000,000)</del>
	<u>\$20,438,000</u>
Multimodal Transportation Account—State	
Appropriation .....	<del>(\$50,546,000)</del>
	<u>\$72,930,000</u>
Multimodal Transportation Account—Federal	
Appropriation .....	<del>(\$3,242,000)</del>
	<u>\$3,588,000</u>
TOTAL APPROPRIATION.....	<u>\$131,542,000</u>
	<u>\$172,686,000</u>

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

(1) (~~(\$35,000,000)~~) \$41,250,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation. Of this amount:

(a) (~~(\$7,500,000)~~) \$8,750,000 of the multimodal transportation account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) (~~(\$27,500,000)~~) \$32,500,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2013 as reported in the "Summary of Public Transportation - 2013" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) (~~(\$17,000,000)~~) \$20,438,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100.

(3)(a) (~~(\$6,000,000)~~) \$6,969,000 of the multimodal transportation account—state appropriation is provided solely for

a vanpool grant program for: (i) Public transit agencies to add vanpools or replace vans; and (ii) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.

(b) At least \$1,600,000 of the amount provided in this subsection must be used for vanpool grants in congested corridors.

(c) \$400,000 of the amount provided in this subsection is provided solely for the purchase of additional vans for use by vanpools serving or traveling through the Joint Base Lewis-McChord I-5 corridor between mile post 116 and 127.

(4) ((\$10,000,000)) \$18,726,000 of the regional mobility grant program account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((2015-2)) 2016-2 ALL PROJECTS as developed ((May 26, 2015)) March 7, 2016, Program - Public Transportation Program (V).

(5)(a) ((\$50,000,000)) \$56,250,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((2015-2)) 2016-2 ALL PROJECTS as developed ((May 26, 2015)) March 7, 2016, Program - Public Transportation Program (V). The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2015, and December 15, 2016, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule. A grantee may not receive more than twenty-five percent of the amount appropriated in this subsection. The department shall not approve any increases or changes to the scope of a project for the purpose of a grantee expending remaining funds on an awarded grant.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2015-2017 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(6) Funds provided for the commute trip reduction (CTR) program may also be used for the growth and transportation efficiency center program.

(7) \$5,670,000 of the multimodal transportation account—state appropriation and \$754,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities.

(8) \$200,000 of the multimodal transportation account—state appropriation is contingent on the timely development of an annual report summarizing the status of public transportation systems as identified under RCW 35.58.2796.

(9)(a) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for the Everett connector service for Island and Skagit transit agencies. The amount provided in this subsection is contingent on Island Transit charging fares that achieve a farebox recovery ratio similar to comparable transit systems.

(b) The amount provided in (a) of this subsection must be held in unallotted status until the office of financial management determines that fares have been both adopted and implemented by Island Transit that achieve a farebox recovery ratio similar to comparable transit systems. Island Transit must notify the office of financial management when it has met the requirements of this subsection.

(10)(a) \$13,890,000 of the multimodal transportation account—state appropriation is provided solely for projects identified in LEAP Transportation Document 2016-3 as developed March 7, 2016. Except as provided otherwise in this subsection, funds must first be used for projects that are identified as priority one projects. As additional funds become available or if a priority one project is delayed, funding must be provided to priority two projects. If a higher priority project is bypassed, it must be funded when the project is ready. The department must submit a report annually with its budget submittal that, at a minimum, includes information about the listed transit projects that have been funded and projects that have been bypassed, including an estimated time frame for when the bypassed project will be funded.

(b) \$831,000 of the amount provided in (a) of this subsection is provided solely for Skagit transit system enhancements for expenditure in 2015-2017.

(c) \$2,300,000 of the amount provided in (a) of this subsection is provided solely for Island transit's tri-county connector service for expenditure in 2015-2017.

(d) It is the intent of the legislature to provide \$6,000,000 in the 2017-2019 fiscal biennium and \$6,000,000 in the 2019-2021 fiscal biennium for the Spokane Central city line, in addition to the 2015-2017 fiscal biennium funding provided in the LEAP transportation document identified in (a) of this subsection. It is further the intent of the legislature to provide a total of \$10,000,000 over the 2017-2019 and 2019-2021 fiscal biennia for the Northgate transit center pedestrian bridge.

(e) Within existing resources, the public transportation program must develop recommendations regarding potential modifications to the process by which funding is provided to the projects listed in the LEAP transportation document identified in (a) of this subsection. These modifications should include, but are not limited to, options for accelerating the delivery of the listed projects and options for further prioritizing the listed projects. The department must submit a report regarding its recommendations to the transportation committees of the legislature by November 15, 2016.

(11) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for transit coordination grants.

(12) Within the amounts provided in this section, the public transportation program must conduct a study of public transportation agencies in Washington that provide regional public transportation service outside the boundaries of the

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agency. The study must consider: (a) The cost to provide these existing regional services, the current source of funds for these services, and the applicable ridership data from these existing regional services; (b) the number of trips removed from the state highway system as a result of these regional services; (c) areas of the state highway system that do not have such regional service available; and (d) potential funding sources at the state level to support a portion of current and potential regional services. The public transportation program must provide a report on its findings and recommendations to the transportation committees of the legislature by November 15, 2016.

Sec. 221. 2015 1st sp.s. c 10 s 221 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X**

Puget Sound Ferry Operations Account—State	
Appropriation .....	<del>(\$483,637,000)</del>
	<u>\$478,319,000</u>
<u>Puget Sound Ferry Operations Account—Federal</u>	
Appropriation .....	<u>\$5,908,000</u>
Puget Sound Ferry Operations Account—Private/Local	
Appropriation .....	\$121,000
TOTAL APPROPRIATION ...	<u><del>\$483,758,000</del></u>
	<u>\$484,348,000</u>

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

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2015-2017 supplemental and 2017-2019 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs.

(2) Until a reservation system is operational on the San Juan islands inter-island route, the department shall provide the same priority loading benefits on the San Juan islands inter-island route to home health care workers as are currently provided to patients traveling for purposes of receiving medical treatment.

(3) For the 2015-2017 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee.

(4) (~~\$87,036,000~~) \$78,306,000 of the Puget Sound ferry operations account—state appropriation is provided solely for auto ferry vessel operating fuel in the 2015-2017 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 701 ((of this act)), c 10, Laws of 2015 1st sp. sess. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge.

(5) When purchasing uniforms that are required by collective bargaining agreements, the department shall contract with the lowest cost provider.

(6) During the 2015-2017 fiscal biennium, the department shall not operate a winter sailing schedule for a time period longer than twelve weeks.

(7) \$496,000 of the Puget Sound ferry operations account—state appropriation is provided solely for ferry terminal traffic control at the Fauntleroy ferry terminal. The department shall utilize existing contracts to provide a uniformed officer to assist with ferry terminal traffic control at the Fauntleroy ferry terminal.

(8) (~~\$1,151,000~~) \$1,551,000 of the Puget Sound ferry operations account—state appropriation is provided solely for improvements to the reservation system. The department shall

actively encourage ferry reservation customers to use the online option for making and changing reservations and shall not use these funds for call center staff.

(9) \$30,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the marine division assistant secretary's designee to the board of pilotage commissioners, who serves as the board chair. As the agency chairing the board, the department shall direct the board chair, in his or her capacity as chair, to require that the report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) be filed by September 1, 2015, and annually thereafter, and that the report include the establishment of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

(10) \$5,908,000 of the Puget Sound ferry operations account—federal appropriation is provided solely for vessel maintenance.

(11) \$48,000 of the Puget Sound ferry operations account—state appropriation is provided solely for staff sufficient to allow passenger accessibility aboard the M/V Tokitae to the sun deck during daylight hours on Saturdays and Sundays of the summer sailing season.

Sec. 222. 2015 1st sp.s. c 10 s 222 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING**

Multimodal Transportation Account—State	
Appropriation .....	<del>(\$58,744,000)</del>
	<u>\$59,473,000</u>
Multimodal Transportation Account—Private/Local	
Appropriation .....	\$45,000
TOTAL APPROPRIATION .....	<u><del>\$58,789,000</del></u>
	<u>\$59,518,000</u>

Sec. 223. 2015 1st sp.s. c 10 s 223 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING**

Motor Vehicle Account—State Appropriation.....	<del>(\$8,986,000)</del>
	<u>\$9,324,000</u>
Motor Vehicle Account—Federal Appropriation.....	\$2,567,000
Multiuse Roadway Safety Account—State	
Appropriation .....	\$131,000
TOTAL APPROPRIATION .....	<u><del>\$11,684,000</del></u>
	<u>\$12,022,000</u>

**TRANSPORTATION AGENCIES—CAPITAL**

Sec. 301. 2015 1st sp.s. c 10 s 301 (uncodified) is amended to read as follows:

**FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Freight Mobility Investment Account—State	
Appropriation .....	<del>(\$8,852,000)</del>
	<u>\$13,217,000</u>
Freight Mobility Multimodal Account—State	
Appropriation .....	<del>(\$9,937,000)</del>
	<u>\$11,859,000</u>
Freight Mobility Multimodal Account—Private/Local	
Appropriation .....	\$1,320,000
Highway Safety Account—State Appropriation ...	<del>(\$2,250,000)</del>
	<u>\$2,765,000</u>
Motor Vehicle Account—State Appropriation .....	\$83,000
Motor Vehicle Account—Federal Appropriation.....	\$3,250,000
TOTAL APPROPRIATION .....	<u><del>\$25,692,000</del></u>
	<u>\$32,494,000</u>

**Sec. 302.** 2015 1st sp.s. c 10 s 302 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE PATROL**

State Patrol Highway Account—State  
 Appropriation .....((~~\$5,310,000~~))  
\$5,895,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$250,000 of the state patrol highway account—state appropriation is provided solely for unforeseen emergency repairs on facilities.

(2) \$560,000 of the state patrol highway account—state appropriation is provided solely for the replacement of the roofs of the Shelton academy multipurpose building, Tacoma district office building, Kennewick detachment building, and Ridgefield and Plymouth weigh station buildings.

(3) \$150,000 of the state patrol highway account—state appropriation is provided solely for upgrades to scales at Goldendale required to meet current certification requirements.

(4) \$2,350,000 of the state patrol highway account—state appropriation is provided solely for funding to repair and replace the academy asphalt emergency vehicle operation course.

(5) \$500,000 of the state patrol highway account—state appropriation is provided solely for replacement of generators at Marysville, Baw Faw, Gardner, Pilot Rock, and Ridpath.

(6) \$150,000 of the state patrol highway account—state appropriation is provided solely for painting and caulking in several locations.

(7) \$350,000 of the state patrol highway account—state appropriation is provided solely for pavement preservation at the Wenatchee district office and the Spokane district office.

(8) \$700,000 of the state patrol highway account—state appropriation is provided solely for energy upgrades at two district offices and two detachments.

(9) \$300,000 of the state patrol highway account—state appropriation is provided solely for repair of the academy training tank.

(10) \$130,000 of the state patrol highway account—state appropriation is provided solely for communication site roof repair to reroof equipment shelters at radio communication sites statewide.

(11) \$275,000 of the state patrol highway account—state appropriation is provided solely for the replacement of the broadcast tower at the Steptoe Butte radio communications site.

(12) \$100,000 of the state patrol highway account—state appropriation is provided solely for the dry-pipe fire suppression system rebuild at the Marysville district office.

(13) \$80,000 of the state patrol highway account—state appropriation is provided solely for the construction of a weatherproof enclosure of the generator at the Whiskey Ridge radio communications site. The enclosure's total cost must not exceed \$80,000, and no other Washington state patrol appropriations may be utilized for this project except for the funds provided in this subsection.

**Sec. 303.** 2015 1st sp.s. c 10 s 303 (uncodified) is amended to read as follows:

**FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account—State  
 Appropriation .....((~~\$46,000,000~~))  
\$56,094,000  
 Motor Vehicle Account—State Appropriation ..... \$10,706,000  
 County Arterial Preservation Account—State  
 Appropriation .....((~~\$31,250,000~~))  
\$32,344,000  
 TOTAL APPROPRIATION .....~~\$87,956,000~~  
\$99,144,000

**Sec. 304.** 2015 1st sp.s. c 10 s 304 (uncodified) is amended to read as follows:

**FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Small City Pavement and Sidewalk Account—State  
 Appropriation .....((~~\$3,931,000~~))  
\$4,301,000  
 Highway Safety Account—State Appropriation ..... \$10,000,000  
 Transportation Improvement Account—State  
 Appropriation .....((~~\$179,452,000~~))  
\$249,988,000  
Multimodal Transportation Account—State  
Appropriation ..... \$3,313,000  
 TOTAL APPROPRIATION .....~~\$193,383,000~~  
\$267,602,000

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

(1) The highway safety account—state appropriation is provided solely for:

((1)) (a) The arterial preservation program to help low tax-based, medium-sized cities preserve arterial pavements;

((2)) (b) The small city pavement program to help cities meet urgent preservation needs; and

((3)) (c) The small city low-energy street light retrofit demonstration program.

(2) \$3,313,000 of the multimodal transportation account—state appropriation is provided solely for the complete streets program.

**Sec. 305.** 2015 1st sp.s. c 10 s 305 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL**

Transportation Partnership Account—State  
 Appropriation .....((~~\$211,000~~))  
\$1,043,000  
 Motor Vehicle Account—State Appropriation .....((~~\$4,270,000~~))  
\$7,276,000  
Connecting Washington Account—State  
Appropriation ..... \$14,000,000  
 TOTAL APPROPRIATION ..... \$4,481,000  
\$22,319,000

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

((211,000)) (1) \$1,043,000 of the transportation partnership account—state appropriation is provided solely for completion of a new traffic management center in Shoreline, Washington. By September 30, 2015, the department shall report to the transportation committees of the legislature and the office of financial management on the resulting vacancy rate of the existing regional headquarters building in Shoreline, plans to consolidate department staff into the building, and the schedule for terminating the current lease of the Goldsmith building in Seattle, and provide an update on future plans to consolidate agency staff within the region.

(2) \$4,000,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue. The property purchase was approved by the 2005 legislature for the site of the new Olympic region and the land was acquired by the department in August 2005. The department must work with the office of financial management's facilities oversight program to develop a revised predesign for a new Olympic region facility, with an estimated total cost of no more than forty million dollars. Priority must be given to

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accommodating the maintenance and operations functions of the Olympic region. The department must provide a copy of the revised predesign to the transportation committees of the legislature by December 2015.

(3) \$10,000,000 of the connecting Washington account—state appropriation is provided solely for a new administration facility on Euclid Avenue in Wenatchee, Washington.

**Sec. 306.** 2015 1st sp.s. c 10 s 306 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I**

Multimodal Transportation Account—State	
Appropriation .....	<u>(\$21,388,000)</u>
	<u>\$19,181,000</u>
Transportation Partnership Account—State	
Appropriation .....	<u>(\$1,075,309,000)</u>
	<u>\$1,065,758,000</u>
Motor Vehicle Account—State Appropriation .....	<u>(\$64,991,000)</u>
	<u>\$71,841,000</u>
Motor Vehicle Account—Federal	
Appropriation .....	<u>(\$251,313,000)</u>
	<u>\$315,447,000</u>
Motor Vehicle Account—Private/Local	
Appropriation .....	<u>(\$167,259,000)</u>
	<u>\$177,022,000</u>
Transportation 2003 Account (Nickel Account)—State	
Appropriation .....	<u>(\$104,366,000)</u>
	<u>\$79,064,000</u>
State Route Number 520 Corridor Account—State	
Appropriation .....	<u>(\$367,792,000)</u>
	<u>\$368,121,000</u>
State Route Number 520 Corridor Account—Federal	
Appropriation .....	<u>\$104,801,000</u>
State Route Number 520 Civil Penalties Account—	
State Appropriation .....	<u>(\$15,000,000)</u>
	<u>\$14,000,000</u>
<del>(Alaskan Way Viaduct Replacement Project Account—</del>	
<del>State Appropriation .....</del>	<del>\$50,110,000)</del>
Special Category C Account—State Appropriation .....	<u>\$6,000,000</u>
Connecting Washington Account—State	
Appropriation .....	<u>\$229,425,000</u>
	<u>\$2,228,329,000</u>
	<u>\$2,450,660,000</u>

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((2015-1)) 2016-1 as developed ((May 26, 2015)) March 7, 2016, Program - Highway Improvements Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ((2015-2)) 2016-2 ALL PROJECTS as developed ((May 26, 2015)) March 7, 2016, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and

bridge preservation activities. However, no additional federal funds may be allocated to the I-5/Columbia River Crossing project (400506A).

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act.

(4) The transportation 2003 account (nickel account)—state appropriation includes up to (((\$104,366,000)) \$79,064,000 in proceeds from the sale of bonds authorized by RCW 47.10.861.

(5) The transportation partnership account—state appropriation includes up to (((\$508,793,000)) \$546,857,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(6) (((\$3,700,000)) \$4,359,000 of the motor vehicle account—state appropriation is provided solely for the I-5/JBLM Early Corridor Design project (300596S) to complete an environmental impact statement for a project that creates additional general purpose lanes on Interstate 5 in the Joint Base Lewis-McChord corridor. The design of this project must be high occupancy vehicle lane ready for a future connection to the Interstate 5 high occupancy vehicle lane system that currently terminates in Tacoma.

(7) (((\$346,263,000)) \$267,071,000 of the transportation partnership account—state appropriation, (((\$15,300,000)) \$55,389,000 of the motor vehicle account—federal appropriation, (((\$154,263,000)) \$156,423,000 of the motor vehicle account—private/local appropriation, (((\$69,479,000)) \$45,400,000 of the transportation 2003 account (nickel account)—state appropriation, (((\$50,110,000 of the Alaskan Way viaduct replacement project account—state appropriation,)) and (((\$4,346,000)) \$2,139,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(8) \$17,000,000 of the multimodal transportation account—state appropriation ((is)) and \$1,676,000 of the transportation partnership account—state appropriation are provided solely for transit mitigation for the SR 99/Viaduct Project - Construction Mitigation project (809940B). The transportation partnership account—state appropriation must be placed in unallotted status and may only be released by the office of financial management for unpaid invoices from the 2013-2015 fiscal biennium.

(9) Within existing resources, during the regular sessions of the legislature, the department of transportation shall participate in work sessions, before the transportation committees of the house of representatives and senate, on the Alaskan Way viaduct replacement project. These work sessions must include a report on current progress of the project, timelines for completion, outstanding claims, the financial status of the project, and any other information necessary for the legislature to maintain appropriate oversight of the project. The parties invited to present may include the department of transportation, the Seattle tunnel partners, and other appropriate stakeholders.

(10) (((\$13,881,000)) \$22,191,000 of the transportation partnership account—state appropriation, (((\$9,753,000)) \$5,576,000 of the transportation 2003 account (nickel account)—state appropriation, \$42,000 of the multimodal transportation account—state appropriation, \$6,000,000 of the special category C account—state appropriation, \$368,000 of the motor vehicle account—state appropriation, \$13,000 of the motor vehicle account—private/local appropriation, and (((\$6,348,000)) \$12,976,000 of the motor vehicle account—federal appropriation are provided solely for the US 395/North Spokane Corridor project (600010A). Any future savings on the project must stay on the US 395/Interstate 90 corridor and be made available to the current phase of the North Spokane corridor project or any future

phase of the project in 2015-2017.

(11) ((\$46,894,000)) \$34,732,000 of the transportation partnership account—state appropriation, ((\$10,317,000)) \$7,329,000 of the transportation 2003 account (nickel account)—state appropriation, and ((\$1,000)) \$56,000 of the motor vehicle account—private/local appropriation are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8BI1002). This project must be completed as soon as practicable as a design-build project. Any future savings on this project or other Interstate 405 corridor projects must stay on the Interstate 405 corridor and be made available to either the I-405/SR 167 Interchange - Direct Connector project (140504C) or the I-405 Renton to Bellevue project in the 2015-2017 fiscal biennium.

(12)(a) The SR 520 Bridge Replacement and HOV project (8BI1003) is supported over time from multiple sources, including a \$300,000,000 TIFIA loan, \$923,000,000 in Garvee bonds, toll revenues, state bonds, interest earnings, and other miscellaneous sources.

(b) The state route number 520 corridor account—state appropriation includes up to ((\$343,505,000)) \$343,834,000 in proceeds from the sale of bonds authorized in RCW 47.10.879 and 47.10.886.

(c) The state route number 520 corridor account—federal appropriation includes up to \$104,801,000 in proceeds from the sale of bonds authorized in RCW 47.10.879 and 47.10.886.

(d) ((\$82,195,000)) \$126,937,000 of the transportation partnership account—state appropriation, \$104,801,000 of the state route number 520 corridor account—federal appropriation, and ((\$367,792,000)) \$368,121,000 of the state route number 520 corridor account—state appropriation are provided solely for the SR 520 Bridge Replacement and HOV project (8BI1003). Of the amounts appropriated in this subsection (12)(d), ((\$232,598,000)) \$233,085,000 of the state route number 520 corridor account—state appropriation must be put into unallotted status and is subject to review by the office of financial management. The director of the office of financial management shall consult with the joint transportation committee prior to making a decision to allot these funds.

(e) When developing the financial plan for the project, the department shall assume that all maintenance and operation costs for the new facility are to be covered by tolls collected on the toll facility and not by the motor vehicle account.

(13) ((\$15,000,000)) \$14,000,000 of the state route number 520 civil penalties account—state appropriation is provided solely for the department to continue to work with the Seattle department of transportation in their joint planning, design, right-of-way acquisition, outreach, and operation of the remaining west side elements including, but not limited to, the Montlake lid, the bicycle/pedestrian path, the effective network of transit connections, and the Portage Bay bridge of the SR 520 Bridge Replacement and HOV project.

(14) ((\$548,000)) \$1,056,000 of the motor vehicle account—federal appropriation and ((\$19,000)) \$38,000 of the motor vehicle account—state appropriation are provided solely for the 31st Ave SW Overpass Widening and Improvement project (L1100048).

(15) The legislature finds that there are sixteen companies involved in wood preserving in the state that employ four hundred workers and have an annual payroll of fifteen million dollars. Prior to the department's switch to steel guardrails, ninety percent of the twenty-five hundred mile guardrail system was constructed of preserved wood and one hundred ten thousand wood guardrail posts were produced annually for state use. Moreover, the policy of using steel posts requires the state to use imported steel. Given these findings, where practicable, and until June 30, 2017, the department shall include the design option to use wood guardrail

posts, in addition to steel posts, in new guardrail installations. The selection of posts must be consistent with the agency design manual policy that existed before December 2009.

(16) For urban corridors that are all or partially within a metropolitan planning organization boundary, for which the department has not initiated environmental review, and that require an environmental impact statement, at least one alternative must be consistent with the goals set out in RCW 47.01.440.

(17) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's 2016 budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(18) ((\$59,438,000)) \$52,869,000 of the motor vehicle account—federal appropriation, ((\$572,000)) \$4,439,000 of the motor vehicle account—state appropriation, and ((\$388,000)) \$1,085,000 of the motor vehicle account—private/local appropriation are provided solely for fish passage barrier and chronic deficiency improvements (0BI4001).

(19) Any new advisory group that the department convenes during the 2015-2017 fiscal biennium must consider the interests of the entire state of Washington.

(20) (Practical design offers targeted benefits to a state transportation system within available fiscal resources. This delivers value not just for individual projects, but for the entire system. Applying practical design standards will also preserve and enhance safety and mobility. The department shall implement a practical design strategy for transportation design standards. By June 30, 2016, the department shall report to the governor and the house of representatives and senate transportation committees on where practical design has been applied or is intended to be applied in the department and the cost savings resulting from the use of practical design. This subsection takes effect if chapter . . . (Substitute House Bill No. 2012), Laws of 2015 is not enacted by June 30, 2015.) Except as provided otherwise in this section, the entire connecting Washington account appropriation is provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2016-1 as developed March 7, 2016, Program - Highway Improvements Program (I).

(21) It is the intent of the legislature that for the I-5 JBLM Corridor Improvements project (M00100R), the department shall actively pursue \$50,000,000 in federal funds to pay for this project to supplant state funds in the future. \$50,000,000 in connecting Washington account funding must be held in unallotted status during the 2021-2023 fiscal biennium. These funds may only be used after the department has provided notice to the office of financial management that it has exhausted all efforts to secure federal funds from the federal highway administration and the department of defense.

(22) Of the amounts allocated to the Puget Sound Gateway project (M00600R) in LEAP Transportation Document 2016-1 as developed March 7, 2016, \$4,000,000 must be used to complete the bridge connection at 28th/24th Street over state route number 509 in the city of SeaTac. The bridge connection must be completed prior to other construction on the state route number 509 segment of the project.

(23) In making budget allocations to the Puget Sound Gateway project, the department shall implement the project's construction as a single corridor investment. The department shall develop a coordinated corridor construction and implementation plan for state route number 167 and state route number 509 in collaboration with affected stakeholders. Specific funding allocations must be based on where and when specific project segments are ready for construction to move forward and

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investments can be best optimized for timely project completion. Emphasis must be placed on avoiding gaps in fund expenditures for either project.

(24) It is the intent of the legislature that, for the I-5/North Lewis County Interchange project (L2000204), the department develop and design the project with the objective of significantly improving access to the industrially zoned properties in north Lewis county. The design must consider the county's process of investigating alternatives to improve such access from Interstate 5 that began in March 2015.

(25) \$1,500,000 of the motor vehicle account—state appropriation is provided solely for the department to complete an interchange justification report (IJR) for the U.S. 2 trestle, covering the state route number 204 and 20th Street interchanges at the end of the westbound structure.

(a) The department shall develop the IJR in close collaboration with affected local jurisdictions, including Snohomish county and the cities of Everett, Lake Stevens, Marysville, Snohomish, and Monroe.

(b) Within the amount provided for the IJR, the department must address public outreach and the overall operational approval of the IJR.

(c) The department shall complete the IJR and submit the final report to the governor and the transportation committees of the legislature by July 1, 2018.

(26)(a) The department must conduct outreach to local transit agencies during the planning process for highway construction projects led by the department.

(b) The department must develop process recommendations for best practices in minimizing impacts to transit and freight during project construction. A report on best practices must be submitted to the transportation committees of the legislature by December 1, 2016.

(27) The legislature finds that project efficiencies and savings may be gained by combining the I-5 Marine Drive project (I5OTC1A1) and the SR 529/I-5 Interchange project (N52900R). The department must deliver them as one project, the I-5 Peak Hour Use Lanes and Interchange Improvements project (L2000229), using a design-build approach.

(28) The legislature recognizes that the city of Mercer Island has unique access issues that require the use of Interstate 90 to leave the island and that this access may be impeded by the I-90/Two Way Transit and HOV Improvements project. The department must continue to work with the city of Mercer Island to address potential access solutions as the project nears completion.

**Sec. 307.** 2015 1st sp.s. c 10 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
PRESERVATION—PROGRAM P**

Transportation Partnership Account—State	
Appropriation .....	(\$12,057,000)
	<u>\$6,489,000</u>
Motor Vehicle Account—State Appropriation .....	(\$56,024,000)
	<u>\$70,908,000</u>
Motor Vehicle Account—Federal	
Appropriation .....	(\$391,681,000)
	<u>\$475,025,000</u>
Motor Vehicle Account—Private/Local	
Appropriation .....	(\$8,104,000)
	<u>\$8,647,000</u>
Transportation 2003 Account (Nickel Account)—State	
Appropriation .....	(\$40,457,000)
	<u>\$28,032,000</u>
Tacoma Narrows Toll Bridge Account—State	

Appropriation .....	\$4,564,000
Recreational Vehicle Account—State	
Appropriation .....	(\$1,509,000)
	<u>\$2,194,000</u>
High Occupancy Toll Lanes Operations Account—State	
Appropriation .....	(\$800,000)
	<u>\$1,000,000</u>
State Route Number 520 Corridor Account—State	
Appropriation .....	(\$720,000)
	<u>\$1,730,000</u>
<u>Connecting Washington Account—State</u>	
<u>Appropriation .....</u>	<u>\$79,963,000</u>
TOTAL APPROPRIATION .....	<u>\$515,916,000</u>
	<u>\$678,552,000</u>

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((2015-1)) 2016-1 as developed ((May 26, 2015)) March 7, 2016, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ((2015-2)) 2016-2 ALL PROJECTS as developed ((May 26, 2015)) March 7, 2016, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities. However, no additional federal funds may be allocated to the I-5/Columbia River Crossing project (400506A).

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act.

(4) The transportation 2003 account (nickel account)—state appropriation includes up to (((\$38,492,000)) \$28,032,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(5) The department shall examine the use of electric arc furnace slag for use as an aggregate for new roads and paving projects in high traffic areas and report back to the legislature by December 1, 2015, on its current use in other areas of the country and any characteristics that can provide greater wear resistance and skid resistance in new pavement construction.

(6) (((\$39,000,000)) \$38,142,000 of the motor vehicle account—federal appropriation ((is)) and \$858,000 of the motor vehicle account—state appropriation are provided solely for the preservation of structurally deficient bridges or bridges that are at risk of becoming structurally deficient. These funds must be used widely around the state of Washington. The department shall provide a report that identifies the scope, cost, and benefit of each project funded in this subsection as part of its 2016 agency budget request.

(7) Except as provided otherwise in this section, the entire connecting Washington account appropriation in this section is provided solely for the projects and activities as listed in LEAP Transportation Document 2016-1 as developed March 7, 2016,

Program – Highway Preservation Program (P).

(8) It is the intent of the legislature that, with respect to the amounts provided for highway preservation from the connecting Washington account, the department consider the preservation and rehabilitation of concrete roadway on Interstate 5 from the Canadian border to the Oregon border to be a priority within the preservation program.

(9) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund. The amount provided in this subsection must be held in unallotted status until the department submits a request to the office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted. No funds provided in this subsection may be expended on any legal fees related to the SR99/Alaskan Way viaduct replacement project.

(10)(a) The department and the Washington state patrol must work collaboratively to develop a comprehensive plan for weigh station construction and preservation for the entire state. The plan must be submitted to the transportation committees of the legislature by January 1, 2017.

(b) As part of the 2017-2019 biennial budget submittal, the department and the Washington state patrol must jointly submit a prioritized list of weigh station projects for legislative approval.

(11) The department must consult with the Washington state patrol during the design phase of a department-led improvement or preservation project that could impact weigh station operations. The department must ensure that the designs of the projects do not prevent or interfere with weigh station operations.

**Sec. 308.** 2015 1st sp.s. c 10 s 308 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL**

Motor Vehicle Account—State Appropriation .....	<del>(\$5,898,000)</del>
	<u>\$7,190,000</u>
Motor Vehicle Account—Federal Appropriation ..	<del>(\$6,132,000)</del>
	<u>\$7,567,000</u>
Motor Vehicle Account—Private/Local Appropriation.	\$200,000
TOTAL APPROPRIATION .....	<u>\$12,230,000</u>
	<u>\$14,957,000</u>

The appropriations in this section are subject to the following conditions and limitations: (((\$791,000 of the motor vehicle account—state appropriation is provided solely for project 000005Q as state matching funds for federally selected competitive grants or congressional earmark projects. These moneys must be placed into reserve status until such time as federal funds are secured that require a state match.)) The department shall set aside a sufficient portion of the motor vehicle account—state appropriation for federally selected competitive grants or congressional earmark projects that require matching state funds. State funds set aside as matching funds for federal projects must be accounted for in project 000005Q and remain in unallotted status until needed for those federal projects.

**Sec. 309.** 2015 1st sp.s. c 10 s 309 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
WASHINGTON STATE FERRIES CONSTRUCTION—  
PROGRAM W**

Puget Sound Capital Construction Account—State	
Appropriation .....	<del>(\$40,347,000)</del>
	<u>\$57,764,000</u>
Puget Sound Capital Construction Account—Federal	

Appropriation .....	<del>(\$126,515,000)</del>
	<u>\$153,647,000</u>
Puget Sound Capital Construction Account—Private/Local	
Appropriation .....	<del>(\$10,331,000)</del>
	<u>\$3,730,000</u>
<del>((Multimodal Transportation Account—State</del>	
<del>Appropriation .....</del>	<del>\$2,734,000)</del>
Transportation 2003 Account (Nickel Account)—State	
Appropriation .....	<del>(\$81,583,000)</del>
	<u>\$122,089,000</u>
<u>Connecting Washington Account—State</u>	
<u>Appropriation .....</u>	<u>\$68,805,000</u>
TOTAL APPROPRIATION...	<u>\$261,510,000</u>
	<u>\$406,035,000</u>

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document ((2015-2)) 2016-2 ALL PROJECTS as developed ((May 26, 2015)) March 7, 2016, Program - Washington State Ferries Capital Program (W).

(2) (((\$73,000,000)) \$90,545,000 of the transportation 2003 account (nickel account)—state appropriation is provided solely for the acquisition of a 144-car vessel (L1000063). The department shall use as much already procured equipment as practicable on the 144-car vessels.

(3) (((\$40,617,000)) \$46,989,000 of the Puget Sound capital construction account—federal appropriation, \$2,000,000 of the connecting Washington account—state appropriation, \$562,000 of the transportation 2003 account (nickel account)—state appropriation, and (((\$608,000)) \$490,000 of the Puget Sound capital construction account—state appropriation are provided solely for the Mukilteo ferry terminal (952515P). It is the intent of the legislature, over the sixteen-year investment program, to provide \$155,000,000 to complete the Mukilteo Terminal Replacement project (952515P). These funds are identified in the LEAP transportation document referenced in subsection (1) of this section. To the greatest extent practicable and within available resources, the department shall design the new terminal to be a net zero energy building. To achieve this goal, the department shall evaluate using highly energy efficient equipment and systems, and the most appropriate renewable energy systems for the needs and location of the terminal.

(4) (((\$4,000,000)) \$7,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(5) Consistent with RCW 47.60.662, which requires the Washington state ferry system to collaborate with passenger-only ferry and transit providers to provide service at existing terminals, the department shall ensure that multimodal access, including for passenger-only ferries and transit service providers, is not precluded by any future terminal modifications.

(6) If the department pursues a conversion of the existing diesel powered Issaquah class fleet to a different fuel source or engine technology or the construction of a new vessel powered by a fuel source or engine technology that is not diesel powered, the department must use a design-build procurement process.

(7) Funding is included in the future biennial of the LEAP transportation document referenced in subsection (1) of this section for future vessel purchases. Given that the recent purchase of new vessels varies from the current long range plan, the department shall include in its updated long range plan revised estimates for new vessel costs, size, and purchase time frames. Additionally, the long range plan must include a vessel retirement



schedule and associated reserve vessel policy recommendations.

(8) \$325,000 of the Puget Sound capital construction account—state appropriation is provided solely for the ferry system to participate in the development of one account-based system for customers of both the ferry system and tolling system. The current Wave2Go ferry ticketing system is reaching the end of its useful life and the department is expected to develop a replacement account-based system as part of the new tolling division customer service center toll collection system.

(9) Within existing resources, the department must evaluate the feasibility of utilizing the federal EB-5 immigrant investor program for financing the construction of a safety of life at sea (SOLAS) certificated vessel for the Anacortes-Sidney ferry route. The department must establish a group that includes, but is not limited to, the department of commerce and entities or individuals experienced with vessel engineering and EB-5 financing for assistance in evaluating the applicability of the EB-5 immigrant investor program. The department must deliver a report containing the results of the evaluation to the transportation committees of the legislature and the office of financial management by December 1, 2015.

(10) It is the intent of the legislature, over the sixteen-year investment program, to provide \$316,000,000 to complete the Seattle Terminal Replacement project (900010L), including: (a) Design work and selection of a preferred plan, (b) replacing timber pilings with pilings sufficient to support a selected terminal design, (c) replacing the timber portion of the dock with a new and reconfigured steel and concrete dock, and (d) other staging and construction work as the amount allows. These funds are identified in the LEAP transportation document referenced in subsection (1) of this section.

(11) It is the intent of the legislature, over the sixteen-year new investment program, to provide \$122,000,000 in state funds to complete the acquisition of a fourth 144-car vessel (L2000109). These funds are identified in the LEAP transportation document referenced in subsection (1) of this section.

(12) \$300,000 of the Puget Sound capital construction account—state appropriation is provided solely to issue a request for proposals and purchase pilot program customer counting equipment. By June 30, 2017, the department must report to the governor and the transportation committees of the legislature on the most effective way to count ferry passengers.

(13) \$1,430,000 of the Puget Sound capital construction account—federal appropriation and \$1,366,000 of the Puget Sound capital construction—state appropriation are provided solely for installation of security access control and video monitoring systems, and for enhancing wireless network capacity to handle higher security usage, increase connectivity between vessels and land-based facilities, and isolate the security portion of the network from regular business (project 998925A).

(14) The transportation 2003 account (nickel account)—state appropriation includes up to \$4,131,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

**Sec. 310.** 2015 1st sp.s. c 10 s 310 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL**

Essential Rail Assistance Account—State	
Appropriation .....	<del>(\$820,000)</del>
	<u>\$1,459,000</u>
Transportation Infrastructure Account—State	
Appropriation .....	<del>(\$7,033,000)</del>
	<u>\$7,154,000</u>
Multimodal Transportation Account—State	
Appropriation .....	<del>(\$12,759,000)</del>

Multimodal Transportation Account—Federal	
Appropriation .....	<del>(\$363,318,000)</del>
	<u>\$492,217,000</u>
TOTAL APPROPRIATION .....	<u>\$383,930,000</u>
	<u>\$538,035,000</u>

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ((2015-2)) 2016-2 ALL PROJECTS as developed ((May 26, 2015)) March 7, 2016, Program - Rail Program (Y).

(2) \$5,000,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than ten years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. For the 2015-2017 fiscal biennium, the department shall first award loans to 2015-2017 FRIB loan applicants in priority order, and then offer loans to 2015-2017 unsuccessful freight rail assistance program grant applicants, if eligible. If any funds remain in the FRIB program, the department may reopen the loan program and shall evaluate new applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued.

(3)(a) ((\$4,514,000)) \$5,484,000 of the multimodal transportation account—state appropriation, \$270,000 of the essential rail assistance account—state appropriation, and \$455,000 of the transportation infrastructure account—state appropriation are provided solely for new statewide emergent freight rail assistance projects identified in the LEAP transportation document referenced in subsection (1) of this section.

(b) Of the amounts provided in this subsection, \$367,000 of the transportation infrastructure account—state appropriation and \$1,100,000 of the multimodal transportation account—state appropriation are provided solely to reimburse Highline Grain, LLC for approved work completed on Palouse River and Coulee City (PCC) railroad track in Spokane county between the BNSF Railway Interchange at Cheney and Geiger Junction and must be administered in a manner consistent with freight rail assistance program projects. The value of the public benefit of this project is expected to meet or exceed the cost of this project in: Shipper savings on transportation costs; jobs saved in rail-dependent industries; and/or reduced future costs to repair wear and tear on state and local highways due to fewer annual truck trips (reduced vehicle miles traveled). The amounts provided in this subsection are not a commitment for future legislatures, but it is the legislature's intent that future legislatures will work to approve biennial appropriations until the full \$7,337,000 cost of this project is reimbursed.

(4) ((\$363,191,000)) \$487,297,000 of the multimodal transportation account—federal appropriation and ((\$5,740,000)) \$13,679,000 of the multimodal transportation account—state appropriation are provided solely for expenditures related to passenger high-speed rail grants. Except for the Mount Vernon project (P01101A), the multimodal transportation account—state funds reflect no more than one and one-half percent of the total project funds, and are provided solely for expenditures that are

not eligible for federal reimbursement.

(5)(a) ((\$550,000)) \$1,114,000 of the essential rail assistance account—state appropriation ((and \$305,000)), \$766,000 of the multimodal transportation account—state appropriation, and \$68,000 of the transportation infrastructure account—state appropriation are provided solely for the purpose of the rehabilitation and maintenance of the Palouse river and Coulee City railroad line (F01111B).

(b) Expenditures from the essential rail assistance account—state in this subsection may not exceed the combined total of:

(i) Revenues deposited into the essential rail assistance account from leases and sale of property pursuant to RCW 47.76.290; and

(ii) Revenues transferred from the miscellaneous program account to the essential rail assistance account, pursuant to RCW 47.76.360, for the purpose of sustaining the grain train program by maintaining the Palouse river and Coulee City railroad.

(6) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2016, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

**Sec. 311.** 2015 1st sp.s. c 10 s 311 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
LOCAL PROGRAMS—PROGRAM Z—CAPITAL**

Highway Infrastructure Account—State	Appropriation .....	<del>(\$782,000)</del>
		<u>\$790,000</u>
Highway Infrastructure Account—Federal	Appropriation .....	<del>(\$202,000)</del>
		<u>\$503,000</u>
Transportation Partnership Account—State	Appropriation .....	<del>(\$1,507,000)</del>
		<u>\$4,054,000</u>
Highway Safety Account—State Appropriation....	<del>(\$9,965,000)</del>	<u>\$11,647,000</u>
Motor Vehicle Account—State Appropriation .....	<del>(\$500,000)</del>	<u>\$1,271,000</u>
Motor Vehicle Account—Federal Appropriation	<del>(\$17,829,000)</del>	<u>\$28,043,000</u>
Multimodal Transportation Account—State	Appropriation .....	<del>(\$15,331,000)</del>
		<u>\$34,031,000</u>
<u>Connecting Washington Account—State</u>	<u>Appropriation .....</u>	<u>\$47,669,000</u>
	<b>TOTAL APPROPRIATION .....</b>	<del><b>\$46,116,000</b></del>
		<u><b>\$128,008,000</b></u>

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ((2015-2)) 2016-2 ALL PROJECTS as developed ((May 26, 2015)) March 7, 2016, Program - Local Programs Program (Z).

(2) The amounts identified in the LEAP transportation document referenced under subsection (1) of this section for pedestrian safety/safe routes to school are as follows:

(a) ((\$13,820,000)) \$20,653,000 of the multimodal transportation account—state appropriation and ((\$1,507,000)) \$3,579,000 of the transportation partnership account—state appropriation are provided solely for pedestrian and bicycle safety program projects (project L2000188).

(b) ((\$6,100,000)) \$11,400,000 of the motor vehicle account—federal appropriation, \$1,750,000 of the multimodal transportation account—state appropriation, and \$6,750,000 of the highway safety account—state appropriation are provided solely for newly selected safe routes to school projects. ((\$6,794,000)) \$8,782,000 of the motor vehicle account—federal appropriation, ((\$1,133,000)) \$124,000 of the multimodal transportation account—state appropriation, and ((\$3,215,000)) \$4,897,000 of the highway safety account—state appropriation are reappropriated for safe routes to school projects selected in the previous biennia (project L2000189). The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.

(3) The department shall submit a report to the transportation committees of the legislature by December 1, 2015, and December 1, 2016, on the status of projects funded as part of the pedestrian safety/safe routes to school grant program ((OLP600P)). The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(4) \$500,000 of the motor vehicle account—state appropriation is provided solely for the Edmonds waterfront at-grade train crossings alternatives analysis project (L2000135). The department shall work with the city of Edmonds and provide a preliminary report of key findings to the transportation committees of the legislature and the office of financial management by December 1, 2015.

(5)(a) \$9,900,000 of the multimodal transportation account—state appropriation is provided solely for bicycle and pedestrian projects listed in LEAP Transportation Document 2016-4 as developed March 7, 2016. Funds must first be used for projects that are identified as priority one projects. As additional funds become available or if a priority one project is delayed, funding must be provided to priority two projects and then to priority three projects. If a higher priority project is bypassed, it must be funded in the first round after the project is ready. If funds become available as a result of projects being removed from this list or completed under budget, the department may submit additional bicycle and pedestrian safety projects for consideration by the legislature. The department must submit a report annually with its budget submittal that, at a minimum, includes information about the listed bicycle and pedestrian projects that have been funded and projects that have been bypassed, including an estimated time frame for when the project will be funded.

(b) Within existing resources, the local programs division must develop recommendations regarding potential modifications to the process by which funding is provided to the projects listed in the LEAP transportation document identified in (a) of this subsection. These modifications should include, but are not limited to, options for accelerating delivery of the listed projects and options for further prioritizing the listed projects. The department must submit a report regarding its recommendations to the transportation committees of the legislature by November 15, 2016.

**TRANSFERS AND DISTRIBUTIONS**

**Sec. 401.** 2015 1st sp.s. c 10 s 401 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY**

FIFTY EIGHTH DAY, MARCH 8, 2016

2016 REGULAR SESSION

**MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE**

Transportation Partnership Account—State	
Appropriation.....	(\$2,559,000)
	<u>\$3,610,000</u>
Highway Bond Retirement Account—State	
Appropriation.....	(\$1,169,927,000)
	<u>\$1,176,906,000</u>
Ferry Bond Retirement Account—State	
Appropriation .....	\$29,230,000
Transportation Improvement Board Bond Retirement	
Account—State Appropriation.....	\$16,129,000
<u>State Route Number 520 Corridor Account—State</u>	
<u>Appropriation</u> .....	<u>\$559,000</u>
Nondebt-Limit Reimbursable Bond Retirement Account—	
State Appropriation.....	\$25,837,000
Toll Facility Bond Retirement Account—State	
Appropriation.....	(\$62,885,000)
	<u>\$72,880,000</u>
<u>Motor Vehicle Account—State Appropriation</u> .....	<u>\$2,500,000</u>
Transportation 2003 Account (Nickel Account)—State	
Appropriation.....	(\$719,000)
	<u>\$477,000</u>
<b>TOTAL APPROPRIATION</b>	<b>\$1,307,286,000</b>
	<b>\$1,328,128,000</b>

The appropriations in this section are subject to the following conditions and limitations: \$2,500,000 of the motor vehicle account—state appropriation is provided solely for debt service payment and withholding for the Tacoma Narrows bridge, with the intent of forestalling the need for the Washington state transportation commission to raise toll rates for the Tacoma Narrows bridge for fiscal year 2017.

**Sec. 402.** 2015 1st sp.s. c 10 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES**

Transportation Partnership Account—State	
Appropriation.....	(\$512,000)
	<u>\$697,000</u>
Transportation 2003 Account (Nickel Account)—State	
Appropriation.....	(\$143,000)
	<u>\$87,000</u>
<b>TOTAL APPROPRIATION</b> .....	<b>\$655,000</b>
	<u>\$784,000</u>

**Sec. 403.** 2015 1st sp.s. c 10 s 403 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE**

Toll Facility Bond Retirement Account—Federal	
Appropriation.....	(\$200,637,000)
	<u>\$200,215,000</u>
Toll Facility Bond Retirement Account—State	
Appropriation.....	(\$12,455,000)
	<u>\$12,009,000</u>
<b>TOTAL APPROPRIATION</b> ...	<b>\$213,092,000</b>
	<u>\$212,224,000</u>

**Sec. 404.** 2015 1st sp.s. c 10 s 404 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—STATE REVENUES**

**FOR DISTRIBUTION**

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax distributions to cities and counties.....	(\$489,359,000)
	<u>\$497,071,000</u>

**NEW SECTION. Sec. 405.** A new section is added to 2015 1st sp.s. c 10 (uncodified) to read as follows:**FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION**

Multimodal Transportation Account—State Appropriation: For distributions to cities and counties .....	\$12,500,000
Motor Vehicle Account—State Appropriation: For distributions to cities and counties .....	\$10,938,000
<b>TOTAL APPROPRIATION</b> .....	<b>\$23,438,000</b>

**Sec. 406.** 2015 1st sp.s. c 10 s 405 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—TRANSFERS**

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and statutory transfers .....	(\$1,269,319,000)
	<u>\$1,831,879,000</u>

**Sec. 407.** 2015 1st sp.s. c 10 s 406 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING—TRANSFERS**

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and transfers .....	(\$143,664,000)
	<u>\$182,730,000</u>

**Sec. 408.** 2015 1st sp.s. c 10 s 407 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS**

- (1) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State .....
- \$10,000,000
- (2) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State .....
- \$12,000,000
- (3) State Route Number 520 Civil Penalties Account—State Appropriation: For transfer to the State Route Number 520 Corridor Account—State ..
- (\$916,000)
- \$1,631,000
- (4) Highway Safety Account—State Appropriation: For transfer to the State Patrol Highway Account—State .....
- \$20,000,000
- (5) Highway Safety Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State.....
- \$10,000,000
- (6) Tacoma Narrows Toll Bridge Account—State Appropriation: For transfer to the Motor Vehicle Account—State .....
- \$950,000
- (7) Motor Vehicle Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State .....
- (\$12,000,000)
- \$18,000,000
- (8) Rural Mobility Grant Program Account—State Appropriation: For transfer to the Multimodal Transportation Account—State .....
- \$3,000,000,
- (9) Motor Vehicle Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State .....
- \$10,000,000
- (10) State Patrol Highway Account—State

Appropriation:  
For transfer to the Connecting Washington Account—

State.....	\$9,690,000
<u>(11) Transportation Partnership Account—State</u>	
<u>Appropriation: For transfer to the Connecting Washington</u>	
<u>Account—State.....</u>	<u>\$4,998,000</u>
<u>(12) Motor Vehicle Account—State Appropriation:</u>	
<u>For transfer to the Connecting Washington Account—</u>	
<u>State.....</u>	<u>\$25,781,000</u>
<u>(13) Puget Sound Ferry Operations Account—State</u>	
<u>Appropriation: For transfer to the Connecting Washington</u>	
<u>Account—State.....</u>	<u>\$596,000</u>
<u>(14) Transportation 2003 Account (Nickel Account)—</u>	
<u>State</u>	
<u>Appropriation: For transfer to the Connecting Washington</u>	
<u>Account—State.....</u>	<u>\$2,270,000</u>
<u>(15) Highway Safety Account—State Appropriation:</u>	
<u>For transfer to the Multimodal Transportation</u>	
<u>Account—State.....</u>	<u>\$5,000,000</u>
<u>(16) Motor Vehicle Account—State Appropriation:</u>	
<u>For transfer to the Freight Mobility Investment</u>	
<u>Account—State.....</u>	<u>\$1,922,000</u>
<u>(17) Motor Vehicle Account—State Appropriation:</u>	
<u>For transfer to the Transportation Improvement</u>	
<u>Account—State.....</u>	<u>\$2,188,000</u>
<u>(18) Motor Vehicle Account—State Appropriation:</u>	
<u>For transfer to the Rural Arterial Trust Account—</u>	
<u>State.....</u>	<u>\$1,094,000</u>
<u>(19) Motor Vehicle Account—State Appropriation:</u>	
<u>For transfer to the County Arterial Preservation</u>	
<u>Account—State.....</u>	<u>\$1,094,000</u>
<u>(20) Multimodal Transportation Account—State</u>	
<u>Appropriation: For transfer to the Freight Mobility</u>	
<u>Multimodal Account—State.....</u>	<u>\$1,922,000</u>
<u>(21) Multimodal Transportation Account—State</u>	
<u>Appropriation: For transfer to the Regional Mobility</u>	
<u>Grant Program Account—State.....</u>	<u>\$6,250,000</u>
<u>(22) Multimodal Transportation Account—State</u>	
<u>Appropriation: For transfer to the Rural Mobility</u>	
<u>Grant Program Account—State.....</u>	<u>\$3,438,000</u>
<u>(23) Multimodal Transportation Account—State</u>	
<u>Appropriation: For transfer to the Electric Vehicle</u>	
<u>Charging Infrastructure Account—State.....</u>	<u>\$1,000,000</u>
<u>(24) Capital Vessel Replacement Account—State</u>	
<u>Appropriation: For transfer to the Connecting</u>	
<u>Washington Account—State.....</u>	<u>\$59,000,000</u>
<u>(25) Multimodal Transportation Account—State</u>	
<u>Appropriation: For transfer to the Connecting</u>	
<u>Washington Account—State.....</u>	<u>\$8,000,000</u>
<u>(26) Multimodal Transportation Account—State</u>	
<u>Appropriation: For transfer to the Aeronautics</u>	
<u>Account—State.....</u>	<u>\$250,000</u>

**COMPENSATION**

Sec. 501. 2015 3rd sp.s. c 4 s 728 (uncodified) is amended to read as follows:

**TRANSPORTATION—WASHINGTON FEDERATION OF STATE EMPLOYEES**

<del>(Motor Vehicle Account—State Appropriation.....</del>	<del>\$13,990,000</del>
State Patrol Highway Account—State Appropriation.....	\$1,093,000
State Patrol Highway Account—Federal Appropriation.....	\$23,000
Puget Sound Ferry Operations Account—State	
Appropriation.....	\$55,000
Highway Safety Account—State Appropriation.....	\$2,273,000
Motoreycle Safety Education Account—State	
Appropriation.....	\$41,000
State Wildlife Account—State Appropriation.....	\$34,000
Ignition Interlock Device Revolving Account—State	
Appropriation.....	\$9,000

Department of Licensing Services Account—State	
Appropriation.....	\$74,000
Aeronautics Account—State Appropriation.....	\$11,000
High Occupancy Toll Lanes Operations Account—State	
Appropriation.....	\$8,000
State Route Number 520 Corridor Account—State	
Appropriation.....	\$86,000
Multimodal Transportation Account—State	
Appropriation.....	\$26,000
Tacoma Narrows Toll Bridge Account—State	
Appropriation.....	\$42,000
<b>TOTAL APPROPRIATION.....</b>	<b>\$17,765,000</b>

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

(1) An agreement has been reached between the governor and the Washington federation of state employees general government under the provisions of chapter 41.80 RCW for the 2015-2017 fiscal biennium. Funding is provided for employees funded in the 2015-2017 omnibus transportation appropriations act, a three percent general wage increase effective July 1, 2015, and a one and eight-tenths percent general wage increase or a one percent general wage increase plus twenty dollars per month, whichever is greater, effective (~~January~~) July 1, 2016. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, assignment pay for targeted job classifications, hazard pay for designated night crews, and geographic pay for designated areas. Appropriations for state agencies are increased by the amounts specified in (~~LEAP Transportation Document 713—2015T~~) chapter . . . Laws of 2016 (this act) to fund the provisions of this agreement.

(2) This section represents the results of the 2015-2017 collective bargaining process required under chapter 41.80 RCW. Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in (~~LEAP Transportation Document 713—2015T~~) chapter . . . Laws of 2016 (this act) to fund the provisions of this agreement.

Sec. 502. 2015 3rd sp.s. c 4 s 729 (uncodified) is amended to read as follows:

**TRANSPORTATION—GENERAL WAGE INCREASE—STATE EMPLOYEES**

<del>(Motor Vehicle Account—State Appropriation.....</del>	<del>\$5,854,000</del>
State Patrol Highway Account—State Appropriation ..	\$819,000
State Patrol Highway Account—Federal Appropriation .	\$22,000
State Patrol Highway Account—Private/Local	
Appropriation.....	\$5,000
Puget Sound Ferry Operations Account—State	
Appropriation.....	\$488,000
Highway Safety Account—State Appropriation.....	\$696,000
Highway Safety Account—Federal Appropriation .....	\$128,000
Motoreycle Safety Education Account—State	
Appropriation.....	\$8,000
State Wildlife Account—State Appropriation.....	\$21,000
Department of Licensing Services Account—State	
Appropriation.....	\$13,000
Aeronautics Account—State Appropriation.....	\$48,000
High Occupancy Toll Lanes Operations Account—State	
Appropriation.....	\$15,000
State Route Number 520 Corridor Account—State	

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Appropriation .....	\$13,000
<del>Multimodal Transportation Account—State</del>	
<del>Appropriation .....</del>	<del>\$237,000</del>
<del>Tacoma Narrows Toll Bridge Account—State</del>	
<del>Appropriation .....</del>	<del>\$42,000</del>
<del>Rural Arterial Trust Account—State</del>	
<del>County Arterial Preservation Account—State</del>	
<del>Appropriation .....</del>	<del>\$32,000</del>
<del>Transportation Improvement Account—State</del>	
<del>Appropriation .....</del>	<del>\$38,000</del>
<del>Appropriation .....</del>	<del>\$87,000</del>
<b>TOTAL APPROPRIATION .....</b>	<b>\$8,566,000</b>

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

(1) Funding provided for state agency employee compensation for employees funded in the 2015-2017 omnibus transportation appropriations act who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475 is sufficient for general wage increases.

(2) Funding is provided for a three percent general wage increase effective July 1, 2015, for all classified employees, as specified in subsection (1) of this section. Also included are employees in the Washington management service and exempt employees under the jurisdiction of the director of the office of financial management. The appropriations are also sufficient to fund a three percent salary increase effective July 1, 2015, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) Funding is provided for a general wage increase of one and eight-tenths percent or a one percent general wage increase plus twenty dollars per month, whichever is greater, effective July 1, 2016, for all classified employees, as specified in subsection (1) of this section. Also included are employees in the Washington management service and exempt employees under the jurisdiction of the director of the office of financial management. The appropriations are also sufficient to fund a one and eight-tenths percent salary increase effective July 1, 2016, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials. Appropriations for state agencies are increased by the amounts specified in ((LEAP Transportation Document 713 - 2015T)) chapter . . . , Laws of 2016 (this act) to fund the provisions of this section.

Sec. 503. 2015 3rd sp.s. c 4 s 730 (uncodified) is amended to read as follows:

**TRANSPORTATION—WPEA GENERAL GOVERNMENT**

<del>(Motor Vehicle Account—State</del>	<del>Appropriation .....</del>	<del>\$64,000</del>
<del>State Patrol Highway Account—State</del>	<del>Appropriation .....</del>	<del>\$867,000</del>
<del>State Patrol Highway Account—Federal</del>	<del>Appropriation .....</del>	<del>\$103,000</del>
<b>TOTAL APPROPRIATION .....</b>	<b>\$1,034,000</b>	

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

(1) An agreement has been reached between the governor and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2015-2017 fiscal biennium and funded in the 2015-2017 omnibus transportation appropriations act. Funding is provided for employees funded in the 2015-2017 omnibus transportation appropriations act, a three percent general wage increase effective July 1, 2015, and a one and eight-tenths percent general wage increase or a one percent general wage increase plus twenty dollars per month, whichever is greater, effective ((January)) July 1, 2016. Appropriations for state agencies are increased by the amounts specified in ((LEAP

~~Transportation Document 713—2015T)) chapter . . . , Laws of 2016 (this act) to fund the provisions of this agreement.~~

(2) This section represents the results of the 2015-2017 collective bargaining process required under chapter 41.80 RCW. Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in ((LEAP Transportation Document 713—2015T)) chapter . . . , Laws of 2016 (this act) to fund the provisions of this agreement.

Sec. 504. 2015 3rd sp.s. c 4 s 731 (uncodified) is amended to read as follows:

**TRANSPORTATION—THE COALITION OF UNIONS AGREEMENT**

~~((State Patrol Highway Account—State~~

~~Appropriation .....~~ \$181,000  
The appropriation in this section is subject to the following conditions and limitations:)) Appropriations for state agencies are increased by the amounts specified in ((LEAP Transportation Document 713—2015T)) chapter . . . , Laws of 2016 (this act) to fund the provisions of this agreement.

Sec. 505. 2015 3rd sp.s. c 4 s 732 (uncodified) is amended to read as follows:

**TRANSPORTATION—TARGETED COMPENSATION INCREASES—NONREPRESENTED JOB CLASS SPECIFIC**

<del>(Motor Vehicle Account—State</del>	<del>Appropriation .....</del>	<del>\$36,000</del>
<del>State Patrol Highway Account—State</del>	<del>Appropriation .....</del>	<del>\$26,000</del>
<del>State Patrol Highway Account—Federal</del>	<del>Appropriation .....</del>	<del>\$14,000</del>
<del>Puget Sound Ferry Operations Account—State</del>	<del>Appropriation .....</del>	<del>\$12,000</del>
<del>Highway Safety Account—Federal</del>	<del>Appropriation .....</del>	<del>\$4,000</del>
<del>Aeronautics Account—State</del>	<del>Appropriation .....</del>	<del>\$4,000</del>
<del>Tacoma Narrows Toll Bridge Account—State</del>	<del>Appropriation .....</del>	<del>\$8,000</del>
<del>Transportation Improvement Account—State</del>	<del>Appropriation .....</del>	<del>\$4,000</del>
<b>TOTAL APPROPRIATION .....</b>	<b>\$108,000</b>	

The appropriations in this section are subject to the following conditions and limitations:)) Funding is provided for salary adjustments for targeted job classifications for employees funded in the 2015-2017 omnibus transportation appropriations act, as specified by the office of financial management, of classified state employees, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. Appropriations for state agencies are increased by the amounts specified in ((LEAP Transportation Document 713—2015T)) chapter . . . , Laws of 2016 (this act) to fund the provisions of this agreement.

Sec. 506. 2015 3rd sp.s. c 4 s 733 (uncodified) is amended to read as follows:

**TRANSPORTATION—COLLECTIVE BARGAINING AGREEMENTS—PTE LOCAL 17**

<del>(State Patrol Highway Account—State</del>	<del>Appropriation .....</del>	<del>\$3,973,000</del>
<del>State Patrol Highway Account—Federal</del>	<del>Appropriation .....</del>	<del>\$361,000</del>
<del>State Patrol Highway Account—Private/Local</del>	<del>Appropriation .....</del>	<del>\$192,000</del>
<del>Motor Vehicle Account—State</del>	<del>Appropriation .....</del>	<del>\$1,567,000</del>
<del>Highway Safety Account—State</del>	<del>Appropriation .....</del>	<del>\$1,019,000</del>

Aeronautics Account—State Appropriation .....	\$7,000
Puget Sound Ferry Operations Account—State Appropriation .....	\$42,000
State Route Number 520 Corridor Account—State Appropriation .....	\$5,000
Multimodal Transportation Account—State Appropriation .....	\$97,000
Tacoma Narrows Toll Bridge Account—State Appropriation .....	\$16,000
<b>TOTAL APPROPRIATION .....</b>	<b>\$7,279,000</b>

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

(1) An agreement has been reached between the governor and the professional and technical employees local seventeen under chapter 41.80 RCW for the 2015-2017 fiscal biennium. Funding is provided for the negotiated three percent general wage increase effective July 1, 2015, and a one and eight-tenths percent general wage increase or a one percent general wage increase plus a flat twenty dollars per month, whichever is greater, effective July 1, 2016. The agreement also includes targeted job classification specific increases.

(2) This section represents the results of the 2015-2017 collective bargaining process required under chapter 41.80 RCW. Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in ((LEAP Transportation Document 713 - 2015T)) chapter . . . , Laws of 2016 (this act) to fund the provisions of this agreement.

**Sec. 507.** 2015 3rd sp.s. c 4 s 734 (uncodified) is amended to read as follows:

**TRANSPORTATION—COMPENSATION—  
REPRESENTED EMPLOYEES—INSURANCE  
BENEFITS**

((Motor Vehicle Account—State Appropriation.....	(\$771,000)
State Patrol Highway Account—State Appropriation.	(\$481,000)
State Patrol Highway Account—Federal Appropriation .....	(\$11,000)
State Patrol Highway Account—Private/Local Appropriation .....	(\$5,000)
Motorecycle Safety Education Account—State Appropriation .....	(\$3,000)
High Occupancy Toll Lanes Operations Account—State Appropriation .....	(\$1,000)
State Wildlife Account—State Appropriation .....	(\$3,000)
Highway Safety Account—State Appropriation.....	(\$263,000)
Puget Sound Ferry Operations Account—State Appropriation .....	(\$471,000)
State Route Number 520 Corridor Account—State Appropriation .....	(\$4,000)
Department of Licensing Services Account—State Appropriation .....	(\$3,000)
Multimodal Transportation Account—State Appropriation .....	(\$6,000)
Tacoma Narrows Toll Bridge Account—State Appropriation .....	(\$3,000)
<b>TOTAL APPROPRIATION ...</b>	<b>(\$2,025,000)</b>

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

Collective bargaining agreements were reached for the 2015-

2017 fiscal biennium between the governor and the employee representatives under the provisions of chapters 41.80 and 41.56 RCW. Appropriations in this act for state agencies are sufficient to implement the provisions of the 2015-2017 collective bargaining agreements and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan must not exceed \$840 per eligible employee for fiscal year 2016. For fiscal year 2017, the monthly employer funding rate must not exceed \$894 per eligible employee.

(b) Except as provided by the parties' health care agreement, in order to achieve the level of funding provided for health benefits, the public employees' benefits board must require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(c) The health care authority must deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts must not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, must provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2016 and 2017, the subsidy must be up to \$150.00 per month. Appropriations for state agencies are increased by the amounts specified in ((LEAP Transportation Document 713—2015T)) chapter . . . , Laws of 2016 (this act) to fund the provisions of this agreement.

(3) All savings resulting from reduced claim costs or other factors identified after June 1, 2015, must be reserved for funding employee health benefits in the 2017-2019 fiscal biennium.

**Sec. 508.** 2015 3rd sp.s. c 4 s 735 (uncodified) is amended to read as follows:

**TRANSPORTATION—COMPENSATION—  
NONREPRESENTED EMPLOYEES—INSURANCE  
BENEFITS**

((Aeronautics Account—State Appropriation .....	(\$3,000)
Motor Vehicle Account—State Appropriation.....	(\$241,000)
State Patrol Highway Account—State Appropriation ...	(\$55,000)
High Occupancy Toll Lanes Operations Account—State Appropriation .....	(\$1,000)
Rural Arterial Trust Account—State Appropriation.....	(\$1,000)
Highway Safety Account—State Appropriation .....	(\$29,000)
Highway Safety Account—Federal Appropriation .....	(\$7,000)
Puget Sound Ferry Operations Account—State Appropriation .....	(\$18,000)
Transportation Improvement Account—State Appropriation .....	(\$3,000)
State Route Number 520 Corridor Account—State	

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Appropriation .....	(\$1,000)
County Arterial Preservation Account—State	
Appropriation .....	(\$1,000)
Department of Licensing Services Account—State	
Appropriation .....	(\$1,000)
Multimodal Transportation Account—State	
Appropriation .....	(\$8,000)
Tacoma Narrows Toll Bridge Account—State	
Appropriation .....	(\$1,000)
<b>TOTAL APPROPRIATION .....</b>	<b>(\$370,000)</b>

The appropriations in this section are subject to the following conditions and limitations: Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan must not exceed \$840 per eligible employee for fiscal year 2016. For fiscal year 2017, the monthly employer funding rate must not exceed \$894 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board must require any of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(c) The health care authority must deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts must not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, must provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2016 and 2017, the subsidy must be up to \$150.00 per month. Appropriations for state agencies are increased by the amounts specified in ((LEAP Transportation Document 713 - 2015T)) chapter . . . , Laws of 2016 (this act) to fund the provisions of this agreement.

(3) All savings resulting from reduced claim costs or other factors identified after June 1, 2015, must be reserved for funding employee health benefits in the 2017-2019 fiscal biennium.

**IMPLEMENTING PROVISIONS**

**Sec. 601.** 2015 1st sp.s. c 10 s 601 (uncodified) is amended to read as follows:

**FUND TRANSFERS**

(1) The transportation 2003 projects or improvements and the 2005 transportation partnership projects or improvements are listed in the LEAP list titled ((2015-1)) 2016-1 as developed ((May 26, 2015)) March 7, 2016, which consists of a list of

specific projects by fund source and amount over a ((ten-year)) sixteen-year period. Current fiscal biennium funding for each project is a line-item appropriation, while the outer year funding allocations represent a ((ten-year)) sixteen-year plan. The department is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and transportation 2003 account (nickel account) projects on the LEAP transportation documents referenced in this act. However, this section does not apply to the I-5/Columbia River Crossing project (400506A). For the 2015-2017 project appropriations, unless otherwise provided in this act, the director of financial management may authorize a transfer of appropriation authority between projects funded with transportation 2003 account (nickel account) appropriations, or transportation partnership account appropriations, in order to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(c) Each transfer between projects may only occur if the director of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature. Until the legislature reconvenes to consider the 2016 supplemental omnibus transportation appropriations act, any unexpended 2013-2015 appropriation balance as approved by the office of financial management, in consultation with the legislative staff of the house of representatives and senate transportation committees, may be considered when transferring funds between projects;

(d) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed to complete the project;

(e) Transfers may not occur for projects not identified on the applicable project list;

(f) Transfers may not be made while the legislature is in session; and

(g) Transfers between projects may be made, without the approval of the director of the office of financial management, by the department of transportation until the transfer amount by project exceeds two hundred fifty thousand dollars, or ten percent of the total project, whichever is less. These transfers must be reported quarterly to the director of financial management and the chairs of the house of representatives and senate transportation committees.

(2) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(3) The office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner.

(4) The office of financial management shall document approved transfers and schedule changes in the transportation executive information system, compare changes to the legislative baseline funding and schedules identified by project identification number identified in the LEAP transportation documents referenced in this act, and transmit revised project lists to chairs of the transportation committees of the legislature on a quarterly basis.

**Sec. 602.** 2015 3rd sp.s. c 43 s 502 (uncodified) is amended to read as follows:

(1) By November 15, 2015, and annually thereafter, the department of transportation must report on amounts expended to benefit transit, bicycle, or pedestrian elements within all connecting Washington projects in programs I, P, and Z identified in LEAP Transportation Document ((2015 NL 4)) 2016-2 ALL PROJECTS as developed ((June 28, 2015)) March 7, 2016. The report must address each modal category separately and identify if eighteenth amendment protected funds have been used and, if not, the source of funding.

(2) To facilitate the report in subsection (1) of this section, the department of transportation must require that all bids on connecting Washington projects include an estimate on the cost to implement any transit, bicycle, or pedestrian project elements.

**NEW SECTION. Sec. 603.** A new section is added to 2015 1st sp.s. c 10 (uncodified) to read as follows:

#### **BELATED CLAIMS**

The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

#### **MISCELLANEOUS 2015-2017 FISCAL BIENNIUM**

**Sec. 701.** RCW 81.53.281 and 2014 c 222 s 702 are each amended to read as follows:

There is hereby created in the state treasury a "grade crossing protective fund" to carry out the provisions of RCW 81.53.261, 81.53.271, 81.53.281, 81.53.291, and 81.53.295; for grants and/or subsidies to public, private, and nonprofit entities for rail safety projects authorized or ordered by the commission; and for personnel and associated costs related to supervising and administering rail safety grants and/or subsidies. During the 2013-2015 fiscal biennium, funds in this account may also be used to conduct the study required under section 102, chapter 222, Laws of 2014. The commission shall transfer from the public service revolving fund's miscellaneous fees and penalties accounts moneys appropriated for these purposes as needed. At the time the commission makes each allocation of cost to said grade crossing protective fund, it shall certify that such cost shall be payable out of said fund. When federal-aid highway funds are involved, the department of transportation shall, upon entry of an order by the commission requiring the installation or upgrading of a grade crossing protective device, submit to the commission an estimate for the cost of the proposed installation and related work. Upon receipt of the estimate the commission shall pay to the department of transportation the percentage of the estimate specified in RCW 81.53.295, as now or hereafter amended, to be used as the grade crossing protective fund portion of the cost of the installation and related work.

The commission may adopt rules for the allocation of money from the grade crossing protective fund. During the 2015-2017 fiscal biennium, the commission may waive rules regarding local matching fund requirements, maximum awards for individual projects, and other application requirements as necessary to expedite the allocation of money from the grade crossing protective fund to address under-protected grade crossings as identified by the commission.

**NEW SECTION. Sec. 702.** The following acts or parts of acts are each repealed:

- (1)2015 3rd sp.s. c 43 s 201 (uncodified);
- (2)2015 3rd sp.s. c 43 s 202 (uncodified);
- (3)2015 3rd sp.s. c 43 s 203 (uncodified);
- (4)2015 3rd sp.s. c 43 s 204 (uncodified);
- (5)2015 3rd sp.s. c 43 s 205 (uncodified);
- (6)2015 3rd sp.s. c 43 s 206 (uncodified);
- (7)2015 3rd sp.s. c 43 s 207 (uncodified);
- (8)2015 3rd sp.s. c 43 s 301 (uncodified);
- (9)2015 3rd sp.s. c 43 s 302 (uncodified);

- (10)2015 3rd sp.s. c 43 s 303 (uncodified);
- (11)2015 3rd sp.s. c 43 s 304 (uncodified);
- (12)2015 3rd sp.s. c 43 s 305 (uncodified);
- (13)2015 3rd sp.s. c 43 s 306 (uncodified);
- (14)2015 3rd sp.s. c 43 s 307 (uncodified);
- (15)2015 3rd sp.s. c 43 s 308 (uncodified);
- (16)2015 3rd sp.s. c 43 s 309 (uncodified); and
- (17)2015 3rd sp.s. c 43 s 401 (uncodified).

#### **MISCELLANEOUS**

**NEW SECTION. Sec. 801.** 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. 802.** 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."

On page 1, line 1 of the title, after "appropriations;" strike the remainder of the title and insert "amending RCW 81.53.281; amending 2015 1st sp.s. c 10 ss 101, 102, 103, 105, 106, 107, 201-211, 213-223, 301-311, 401-407, and 601 (uncodified); amending 2015 3rd sp.s. c 43 ss 502 and 606 (uncodified); amending 2015 3rd sp.s. c 4 ss 728-735 (uncodified); adding new sections to 2015 1st sp.s. c 10 (uncodified); repealing 2015 3rd sp.s. c 43 ss 201-207, 301-309, and 401 (uncodified); making appropriations and authorizing expenditures for capital improvements; and declaring an emergency."

#### **WITHDRAWAL OF AMENDMENT**

On motion of Senator Benton, and without objection, the following amendment no. 743 by Senator Benton to the striking amendment to Engrossed Substitute House Bill No. 2524 was withdrawn:

0.  
On page 14, line 33 of the amendment, strike "\$201,666,000" and insert "\$201,331,000"

On page 15, line 8 of the amendment, strike "\$319,726,000" and insert "\$319,391,000"

On page 17, beginning on line 18 of the amendment, strike all of subsection (10)

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

#### **MOTION**

Senator Miloscia moved that the following amendment no. 742 by Senator Miloscia to the striking amendment be adopted:

On page 30, line 5 of the amendment, after "services." insert "As part of the safety improvements, the department shall contract with the Washington state patrol to send two patrols a week, cite unauthorized persons for trespass, and provide an annual report regarding arrests and disposition."

Senator Miloscia spoke in favor of adoption of the amendment to the striking amendment.

Senators Hobbs and King spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 742 by Senator Miloscia to the striking amendment to Engrossed Substitute House Bill No. 2524.

The motion by Senator Miloscia did not carry and amendment no. 742 was not adopted by voice vote.

#### **MOTION**



Senator Hasegawa moved that the following amendment no. 744 by Senators Hasegawa and Benton to the striking amendment be adopted:

On page 36, line 30 of the amendment, strike "\$72,930,000", and insert "\$73,130,000"

On page 36, line 35 of the amendment, strike "\$172,686,000" and insert "\$172,886,000"

On page 41, after line 3 of the amendment, insert the following:

"(13) \$200,000 of the multimodal transportation account—state appropriation is provided solely for the city of Seattle to cover the costs of administering restricted parking zones in the vicinity of existing regional transit authority facilities in Seattle. The city shall provide restricted parking zone permits at no cost to residents of existing restricted parking zones in the vicinity of regional transit authority facilities in Seattle."

On page 84, after line 7 of the amendment, insert the following:

"Sec. 702. RCW 82.08.809 and 2015 3rd sp.s. c 44 s 408 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, the tax levied by RCW 82.08.020 does not apply to sales of new passenger cars, light duty trucks, and medium duty passenger vehicles, which

(a) are exclusively powered by a clean alternative fuel or (b) use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling at least thirty miles using only battery power.

(2) The seller must keep records necessary for the department to verify eligibility under this section.

(3) As used in this section, "clean alternative fuel" means natural gas, propane, hydrogen, or electricity, when used as a fuel in a motor vehicle that meets the California motor vehicle emission standards in Title 13 of the California code of regulations, effective January 1, 2005, and the rules of the Washington state department of ecology.

(4)(a) A sale, other than a lease, is not exempt from sales tax as described under subsection (1) of this section if the selling price of the vehicle plus trade-in property of like kind exceeds thirty-five thousand dollars.

(b) For leased vehicles for which the lease agreement is signed on or after July 15, 2015, lease payments are not exempt from sales tax as described under subsection (1) of this section if the fair market value of the vehicle being leased exceeds thirty-five thousand dollars at the inception of the lease. For the purposes of this subsection (4)(b), "fair market value" has the same meaning as "value of the article used" in RCW 82.12.010.

(c) For leased vehicles for which the lease agreement was signed before July 15, 2015, lease payments are exempt from sales tax as described under subsection (1) of this section regardless of the vehicle's fair market value at the inception of the lease.

(5) On the last day of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, must transfer from the multimodal transportation account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section, except during the 2015-17 fiscal biennium the first two hundred thousand dollars must be held in the multimodal transportation account and be appropriated solely for the purposes identified in section 220 (13) of this act. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates

of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns. For purposes of this section, the first transfer for the calendar quarter after July 15, 2015, must be calculated assuming only those revenues that should have been deposited into the general fund beginning July 1, 2015.

(6) Lease payments due on or after July 1, 2019, are subject to the taxes imposed under this chapter.

(7) This section expires July 1, 2019."

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

On page 85, line 2 of the title amendment, after "81.53.281", insert "and 82.08.809"

Senator Hasegawa spoke in favor of adoption of the amendment to the striking amendment.

Senators King, Hobbs and Fain spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 744 by Senators Hasegawa and Benton to the striking amendment to Engrossed Substitute House Bill No. 2524.

The motion by Senator Hasegawa did not carry and amendment no. 744 was not adopted by voice vote.

MOTION

Senator Pearson moved that the following amendment no. 738 by Senators Pearson and McAuliffe to the striking amendment be adopted:

On page 48, line 15 of the amendment, strike "\$229,425,000" and insert "\$229,725,000"

On page 48, line 17 of the amendment, strike "\$2,450,660,000" and insert "\$2,450,960,000"

On page 54, after line 35 of the amendment, insert the following:

"(29) \$300,000 of the connecting Washington account—state appropriation is provided solely for practical design of the SR 522/Paradise Lake Rd Interchange (Design/Engineering) (NPARADI) project, including widening from two to four lanes from Snohomish river to Paradise Lake Road as well as an interchange at Paradise Lake Road. It is the intent of the legislature that state funding in the connecting Washington account for the project in this subsection be reduced by \$300,000 in the 2025-2027 fiscal biennium."

Senator Pearson spoke in favor of adoption of the amendment to the striking amendment.

Senators Hobbs and King spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 738 by Senators Pearson and McAuliffe to the striking amendment to Engrossed Substitute House Bill No. 2524.

The motion by Senator Pearson did not carry and amendment no. 738 was not adopted by voice vote.

MOTION

Senator Benton moved that the following amendment no. 748 by Senators Benton, Chase and Hasegawa to the striking amendment be adopted:

On page 54, after line 35 of the amendment, insert the following:

"(29) The legislature finds that birds congregating on lighting

structures over or near storm water drains creates challenges for storm water systems and pollution prevention and mitigation efforts. Until June 30, 2017, and whenever practicable, the department shall use bird deterrent designs or devices when installing a new lighting structure, as part of a state highway construction project, over a storm water drain or near enough to a drain to significantly impact the level of pollutants traveling into that drain."

Senator Benton spoke in favor of adoption of the amendment to the striking amendment.

#### POINT OF INQUIRY

Senator Rolfes: "Would this also help keep our cars cleaner?"

Senator Benton: "Only if you're parked on the side of the freeway. Because these are state highways that we're talking about. Normally, I think it's illegal to park on the side of the state highways, so your car wouldn't be there for very long before the folks in our previous bill came along and towed it away. So, probably not, I don't think it would help your car very much in this instance because it would be very isolated incidents where they would be applied."

Senators King, Hobbs and Liias spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 748 by Senators Benton, Chase and Hasegawa to the striking amendment to Engrossed Substitute House Bill No. 2524.

The motion by Senator Benton did not carry and amendment no. 748 was not adopted by voice vote.

#### MOTION

Senator Roach moved that the following amendment no. 749 by Senator Roach to the striking amendment be adopted:

On page 64, line 16 of the amendment, strike "\$1,271,000" and insert "\$1,571,000"

On page 64, line 24 of the amendment, strike "\$128,008,000" and insert "\$128,308,000"

On page 66, after line 16 of the amendment, insert the following:

"(6) \$300,000 of the motor vehicle account—state appropriation is provided solely for the Traffic Avenue/SR 410 Interchange project (L1000165) and is added to the amount provided for this project in the LEAP transportation document identified in subsection (1) of this section."

Senator Roach spoke in favor of adoption of the amendment to the striking amendment.

Senators Hobbs and King spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 749 by Senator Roach to the striking amendment to Engrossed Substitute House Bill No. 2524.

The motion by Senator Roach did not carry and amendment no. 749 was not adopted by voice vote.

#### MOTION

Senator Benton moved that the following amendment no. 745 by Senator Benton to the striking amendment be adopted:

On page 84, after line 7 of the amendment, insert the following:

"NEW SECTION. Sec. 702. A new section is added to chapter 46.20 RCW to read as follows:

(1) Beginning August 1, 2016, any person obtaining or renewing his or her driver's license, driver's instruction permit, agricultural driving permit, identicard, or intermediate license must show proof of his or her United States citizenship or his or her lawful presence within the United States. An original or renewal application must not be granted to any person who does not provide verified proof of his or her United States citizenship or his or her lawful presence within the United States. A person who is a citizen or national of the United States, or who is a legal permanent resident alien, must not be required to provide proof under this subsection, so long as the department has a record of the person's status in compliance with subsection (4) of this section.

(2) A person may prove his or her citizenship by providing a valid, unexpired United States passport or passport card, a certified copy of a birth certificate, a consular report of birth abroad issued by the United States department of state, a certificate of naturalization issued by the department of homeland security, or a certificate of citizenship.

(3) A person may prove his or her lawful presence within the United States by providing documentation that he or she is an alien:

(a) Lawfully admitted for permanent or temporary residence in the United States;

(b) With conditional permanent resident status in the United States;

(c) Who has an approved application for asylum in the United States or has entered into the United States in refugee status;

(d) Who has a valid nonimmigrant status in the United States;

(e) Who has a pending application for asylum in the United States;

(f) Who has a pending or approved application for temporary protected status in the United States;

(g) Who has a pending application for lawful permanent residence or conditional permanent resident status; or

(h) Who has approved deferred action status from a deferred action program established before November 20, 2014. A person with approved deferred action status from a program established before November 1, 2014, that is based on any expansion of eligibility criteria to the deferred action program that occurred after November 20, 2014, is not an acceptable form of lawful presence under this subsection (3).

(4) The department must maintain records of an applicant's status as a United States citizen or as a noncitizen, including the type of document provided and the expiration of the applicant's authorization to lawfully be within the United States. The department must make such records available to the secretary of state and state and local criminal justice agencies.

(5) The department must verify the status of an applicant through either the systematic alien verification for entitlements program or through verification of the applicant's social security number with the United States social security administration.

(6) Any driver's license, driver's instruction permit, agricultural driving permit, identicard, or intermediate license issued to a person who has established lawful presence under subsection (3) of this section expires at the same time as the expiration date for the person's authorization to be in the United States, but under no circumstances may the expiration date of the license, identicard, or permit being issued by the department exceed the maximum term provided in statute for each license, identicard, or permit.

(7) The department may adopt rules to implement this section and to bring the state into compliance with the REAL ID act of 2005, 49 U.S.C. Sec. 30301, as it existed on January 1, 2015, or

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such subsequent date as may be provided by the department by rule, consistent with the purposes of this section.

NEW SECTION. Sec. 703. A new section is added to chapter 46.20 RCW to read as follows:

Any driver's license or other form of identification issued by a state that accepts as proof of lawful presence an approved deferred action status based on eligibility criteria that was established after November 20, 2014, must not be considered a valid form of identification in Washington state by the department. This restriction also applies to drivers' licenses or other forms of identification from states that accept as lawful presence an approved deferred action status from a deferred action program that was expanded after November 1, 2014.

NEW SECTION. Sec. 704. The following acts or parts of acts are each repealed:

(1)RCW 43.41.390 (Implementation of federal REAL ID Act of 2005) and 2007 c 85 s 1; and

(2)RCW 46.20.191 (Compliance with federal REAL ID Act of 2005 requirements) and 2007 c 85 s 2."

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

On page 85, line 6 of the title amendment, after "(uncodified);" strike all material through "(uncodified);" on line 7 and insert "adding new sections to chapter 46.20 RCW; adding new sections to 2015 1st sp.s. c 10 (uncodified); repealing RCW 43.41.390 and 46.20.191;"

Senator Benton spoke in favor of adoption of the amendment to the striking amendment.

Senator Hobbs spoke against adoption of the amendment to the striking amendment.

#### POINT OF ORDER

Senator Hobbs: "Mr. President, I object to this amendment as being outside the scope and object of the underlying bill. The underlying bill is the transportation budget and this amendment includes changes to the substantive law in violation of Senate rules. Mr. President, in your prior rulings you have given us factors to consider in order to determine whether the provisions is introduced substantive law into a budget including whether the amendment makes permanent change, whether it was the subject of another bill, whether there are rights or eligibility for services affected by the amendment and whether express policy found in another statute is being modified or repealed. This amendment requires a person that is getting his or her driver's license to show proof of citizenship or lawful presence and repeals statutes regarding the implementation of the federal Real ID Act. The provisions are similar to those of Senate Bill 6028. The provisions impact the right of Washingtonians to get their driver's licenses which they are entitled to under current law. And the amendment impacts existing statutes and even repeals some. I therefore request the President rule that this amendment is beyond the scope and object of the underlying bill."

#### REMARKS BY THE PRESIDENT

President Owen: "Senator Hobbs has raised the point of order that amendment no. 745 violates Senate Rules 25 and 66 and that includes substantive law in the budget. Senator Benton you have the opportunity for a brief response."

#### REMARKS BY SENATOR BENTON

Senator Benton: "Thank you, Mr. President. I trust your judgement on this matter. I have a backup amendment just in case it's in error."

#### PARLIAMENTARY INQUIRY

Senator Liias: "Thank you, Mr. President. We intend to bring the same objection to that subsequent amendment. Would it expedite your decision making process to know that now so you can analyze both of them at the same time?"

#### REPLY BY THE PRESIDENT

President Owen: "Senator Liias, it would expedite it. But we need one of two things. We need either to move adoption of the other amendment, or with the consent of the body, I can look at both of them at the same time. If there are no objections, because I'm going to look at it any way. With that, the President will take a look at both amendment no. 745 and no. 746."

Senator Benton offered the following amendment no. 746 by Senator Benton to the striking amendment:

On page 84, after line 7 of the amendment, insert the following:

"**NEW SECTION. Sec. 702.** A new section is added to chapter 46.20 RCW to read as follows:

(1) The department must implement a one-year pilot project testing the cost and workload impacts of implementing the application of the criteria required under the REAL ID Act of 2005 for persons applying for a driver's license, identicard, agricultural driving permit, and intermediate driver's license. Beginning July 1, 2016, any person obtaining or renewing his or her driver's license, driver's instruction permit, agricultural driving permit, identicard, or intermediate license must show proof of his or her United States citizenship or his or her lawful presence within the United States. An original or renewal application must not be granted to any person who does not provide verified proof of his or her United States citizenship or his or her lawful presence within the United States. A person who is a citizen or national of the United States, or who is a legal permanent resident alien, must not be required to provide proof under this subsection, so long as the department has a record of the person's status in compliance with subsection (4) of this section.

(2) A person may prove his or her citizenship by providing a valid, unexpired United States passport or passport card, a certified copy of a birth certificate, a consular report of birth abroad issued by the United States department of state, a certificate of naturalization issued by the department of homeland security, or a certificate of citizenship.

(3) A person may prove his or her lawful presence within the United States by providing documentation that he or she is an alien:

(a) Lawfully admitted for permanent or temporary residence in the United States;

(b) With conditional permanent resident status in the United States;

(c) Who has an approved application for asylum in the United States or has entered into the United States in refugee status;

(d) Who has a valid nonimmigrant status in the United States;

(e) Who has a pending application for asylum in the United States;

(f) Who has a pending or approved application for temporary protected status in the United States;

(g) Who has a pending application for lawful permanent residence or conditional permanent resident status; or

(h) Who has approved deferred action status from a deferred action program established before November 20, 2014. A person

with approved deferred action status from a program established before November 1, 2014, that is based on any expansion of eligibility criteria to the deferred action program that occurred after November 20, 2014, is not an acceptable form of lawful presence under this subsection (3).

(4) The department must maintain records of an applicant's status as a United States citizen or as a noncitizen, including the type of document provided and the expiration of the applicant's authorization to lawfully be within the United States. The department must make such records available to the secretary of state and state and local criminal justice agencies.

(5) The department must verify the status of an applicant through either the systematic alien verification for entitlements program or through verification of the applicant's social security number with the United States social security administration.

(6) Any driver's license, driver's instruction permit, agricultural driving permit, identicard, or intermediate license issued to a person who has established lawful presence under subsection (3) of this section expires at the same time as the expiration date for the person's authorization to be in the United States, but under no circumstances may the expiration date of the license, identicard, or permit being issued by the department exceed the maximum term provided in statute for each license, identicard, or permit.

(7) The department may adopt rules to implement the pilot project authorized in this section and to bring the state into compliance with the REAL ID act of 2005, 49 U.S.C. Sec. 30301, as it existed on January 1, 2015, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section.

(8) This section expires July 1, 2017.

**NEW SECTION. Sec. 703.** A new section is added to chapter 46.20 RCW to read as follows:

(1) During the pilot project authorized in section 702 of this act, any driver's license or other form of identification issued by a state that accepts as proof of lawful presence an approved deferred action status based on eligibility criteria that was established after November 20, 2014, must not be considered a valid form of identification in Washington state by the department. This restriction also applies to drivers' licenses or other forms of identification from states that accept as lawful presence an approved deferred action status from a deferred action program that was expanded after November 1, 2014.

(2) This section expires July 1, 2017.

**NEW SECTION. Sec. 704.** The following acts or parts of acts are each repealed:

(1) RCW 43.41.390 (Implementation of federal REAL ID Act of 2005) and 2007 c 85 s 1; and

(2) RCW 46.20.191 (Compliance with federal REAL ID Act of 2005 requirements) and 2007 c 85 s 2."

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

#### REMARKS BY SENATOR BENTON

Senator Benton: "Thank you, Mr. President. If that be the case, then I'll make a brief argument on no. 746. And that is 746 is designed to address the potential of a scope and object argument on the underlying permanent policy. Amendment no. 746 is designed only to be in effect during the budget period and is written to the allocation for driver's license monies. So it has a direct connection to the funding allocation of drivers' licenses and it will only run as a pilot project for the duration of the transportation budget. And as such, I believe it is fully within the scope and object of the bill under those circumstances. Thank you, Mr. President."

#### POINT OF ORDER

Senator Liias: "Thank you, Mr. President. Since you'll be reviewing amendment no. 746 could I present the argument on the other side of that?"

#### REPLY BY THE PRESIDENT

President Owen: "Briefly, yes."

#### POINT OF ORDER

Senator Liias: "Thank you, Mr. President. While Senator Benton is correct that the amendment no. 746 is only for the remainder of this fiscal biennium, your prior rulings do tell us that if it's introducing substantive law changes within the budget and the bill that the Senator referenced in his speech, as well as changes that it makes to the rights of Washington State citizens, make this a change in substantive law. So while it's only for the biennium, it is still a change in substantive law. I believe it's outside the scope and object of the bill."

#### RULING BY THE PRESIDENT

President Owen: "In ruling upon the point of order raised by Senators Hobbs and Liias asserting that amendments nos. 745 and 746 include substantive law in violation of Senate Rules 25 and 66, the President finds and rules as follows:

The proposed amendments offered by Senator Benton seek to include in the transportation budget provisions that would require the department of licensing to verify the lawful presence of applicants for various licenses. One amendment represents a permanent change to substantive law, and the other creates substantive provisions as part of a pilot project.

As the President recognized on this same issue in 2011, the President has long held that a budget bill – whether for the purposes of transportation, or the operation of state agencies – is not an appropriate forum for changing state substantive law. In determining whether substantive law is present, several alternative factors may be considered. Two of these are: first, whether the proposed language seeks to include a policy change that was the subject of a separate bill, and second, whether the inclusion of the language would redefine rights or eligibility for services.

Here, the offered amendments seek to include the licensing requirements found in a separate bill which did not pass. That bill, and these amendments, would reduce the number of persons currently eligible to obtain drivers licenses or similar permits. Both of these factors indicate that the amendments would affect state substantive law.

Today, Washington residents can apply for a drivers' license without proving legal residence; by September, they will not be able to do so if the amendments are adopted and made part of this bill. This alters current substantive law because the amendments create a new requirement for obtaining a drivers' license that does not exist without passage of the amendments.

The fact that amendment no. 746 purports to be a pilot project does not alter this analysis. A budget that suspended the operation of a substantive criminal statute for two years would clearly violate the rule against including policy changes in a budget. The licenses produced under the restrictions in this amendment will continue for several years after the expiration of this pilot project, so it is not entirely correct to view this amendment as one that only affects Washingtonians for the next year.

For these reasons, if adopted, Senator Benton's amendments

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would violate Rules 25 and 66, and Senators Hobbs's and Liias's points are well-taken.

The President declared the question before the Senate to be the adoption of the striking amendment no. 739 by Senator King to Engrossed Substitute House Bill No. 2524.

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

MOTION

On motion of Senator King, the rules were suspended, Engrossed Substitute House Bill No. 2524, as amended by the Senate, was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators King, Hobbs, Fraser, McAuliffe, Rolfes and Liias spoke in favor of passage of the bill.

The President Pro Tempore, Senator Roach, assumed the chair.

Senators Dansel and Baumgartner spoke against passage of the bill.

POINT OF INQUIRY

Senator McAuliffe: "Senator King will you yield to a question? Is there an opportunity for the public to participate in the Transportation Commission's rule making process regarding SR 405's toll setting described today?"

Senator King: "Senator McAuliffe, the answer is yes. The Transportation Commission must follow the Administrative Procedure Act as it adopts any rules regarding SR 405 tolls. The Administrative Procedure Act requires public hearings when adopting permanent rule changes which the Commission will be doing or pursuing alongside this proposed temporary, emergency rule. Thank you for the question."

MOTION

Senator Fain demanded that the previous question be put.

The President Pro Tempore declared that at least two additional senators joined the demand and the demand was sustained.

The President Pro Tempore declared the question before the Senate to be, "Shall the main question be now put?"

The motion by Senator Fain carried and the previous question was put by voice vote.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 2524, as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 2524, as amended by the Senate, and the bill passed the Senate by the following vote: Yeas, 44; Nays, 5; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Dammeier, Darneille, Ericksen, Fain, Fraser, Frockt, Habib, Hasegawa, Hewitt, Hill, Hobbs, Honeyford, Jayapal, Keiser, King, Liias, Litzow, McAuliffe, McCoy, Miloscia, Mullet, Nelson, O'Ban, Parlette, Pearson, Pedersen, Ranker, Rivers, Roach, Rolfes,

Schoesler, Sheldon, Takko and Warnick

Voting nay: Senators Baumgartner, Benton, Dansel, Hargrove and Padden

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2524, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator King: "Thank you, Madame President. Well first off, let me say thank you to the body for their support of this supplemental budget. It's like every budget, it isn't perfect. But I think it does move us forward and I want to thank you for that support. I also want to thank Senator Hobbs and Senator Fain and Senator Liias. No, I didn't forget your name, I just did it in the wrong order is all. For their efforts, for their ability to work across the aisle to do the good things for the state of Washington, and I think help all of us move our transportation system forward. And I would be greatly remiss if I didn't thank our staff, Jackson and Nick from the partisan staff. If you're here, I'd like you to step out and I know this is a challenge to get them to do it but as many hours as we have put in, I can tell you, Nick get out here, that these two gentlemen have put in just as many, if not many, many more. We then have our nonpartisan staff of Kelly and David and Kim and Hayley and Brian and Kelly and I don't know if any of them are here, but if they're not I know they're in their offices listening. They are an absolutely fabulous group of people. They work day and night. They craft all kinds of amendments that we can either vote for or vote down. They answer questions at the most ungodly hours of the day and night and over the weekends and I can't thank them enough for their efforts on behalf of the Senate, but also on behalf of the citizens of the state of Washington. And I want to make sure that they are recognized for all their efforts. Thank you, Madame President."

SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President Pro Tempore announced that the President had signed the following measures:

- ENGROSSED SUBSTITUTE SENATE BILL NO. 5029,
- SENATE BILL NO. 5605,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5635,
- SUBSTITUTE SENATE BILL NO. 5728,
- SENATE BILL NO. 5879,
- SUBSTITUTE SENATE BILL NO. 6120,
- SUBSTITUTE SENATE BILL NO. 6165,
- SUBSTITUTE SENATE BILL NO. 6179,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6203,
- SUBSTITUTE SENATE BILL NO. 6314,
- SUBSTITUTE SENATE BILL NO. 6338,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6427,
- SUBSTITUTE SENATE BILL NO. 6430,
- SUBSTITUTE SENATE BILL NO. 6445,
- SENATE BILL NO. 6459,
- SUBSTITUTE SENATE BILL NO. 6536,
- SUBSTITUTE SENATE BILL NO. 6558,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6605,
- SENATE BILL NO. 6614.

MOTION

On motion of Senator Fain, and without objection, the following measures, which had been on the calendars for consideration, were referred to the Committee on Rules and placed in the Committee's "X file" by voice vote: Engrossed Substitute House Bill No. 1067; Second Engrossed Substitute House Bill No. 1100; Engrossed Second Substitute House Bill No. 1390; Engrossed House Bill No. 1465; House Bill No. 1561; Substitute House Bill No. 1632; Second Substitute House Bill No. 1651; House Bill No. 1659; Second Substitute House Bill No. 1737; Engrossed Second Substitute House Bill No. 1745; Substitute House Bill No. 1867; Substitute House Bill No. 2287; House Bill No. 2321; House Bill No. 2331; Engrossed Substitute House Bill No. 2355; House Bill No. 2388; House Bill No. 2390; Substitute House Bill No. 2435; Substitute House Bill No. 2465; Substitute House Bill No. 2501; Substitute House Bill No. 2503; House Bill No. 2507; House Bill No. 2543; Engrossed Second Substitute House Bill No. 2573; Engrossed Substitute House Bill No. 2604; Substitute House Bill No. 2632; House Bill No. 2639; House Bill No. 2675; Substitute House Bill No. 2725; Substitute House Bill No. 2767; Engrossed Substitute House Bill No. 2825;

Engrossed Substitute House Bill No. 2834; House Bill No. 2845; Substitute House Bill No. 2851; Substitute House Bill No. 2895; and House Bill No. 2970.

Senator Nelson: "Thank you, Madame President. I'm not going to object. But I do want to note that the voting rights act is being sent to the X files, as well as legislation that would allow women to have contraception for twelve months which could really help young women and their families."

#### MOTION

At 6:49 p.m., on motion of Senator Fain, the Senate adjourned until 11:00 o'clock a.m., Wednesday, March 9, 2016.

BRAD OWEN, President of the Senate

HUNTER G. GOODMAN, Secretary of the Senate

1067-ES	Other Action.....	95	Other Action.....	95
1100-2ES	Other Action.....	95	2478-E	Messages.....
1390-E2S	Other Action.....	95	2501-S	Other Action.....
1465-E	Other Action.....	95	2503-S	Other Action.....
1561	Other Action.....	95	2507	Other Action.....
1632-S	Other Action.....	95	2524-E	Second Reading.....
1651-2S	Other Action.....	95	2524-ES	Other Action.....
1659	Other Action.....	95		Other Action.....
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