

*Fifty-sixth
Washington
State Legislature*

*1999 Regular Session
1999 Special Session*

1999 FINAL LEGISLATIVE REPORT

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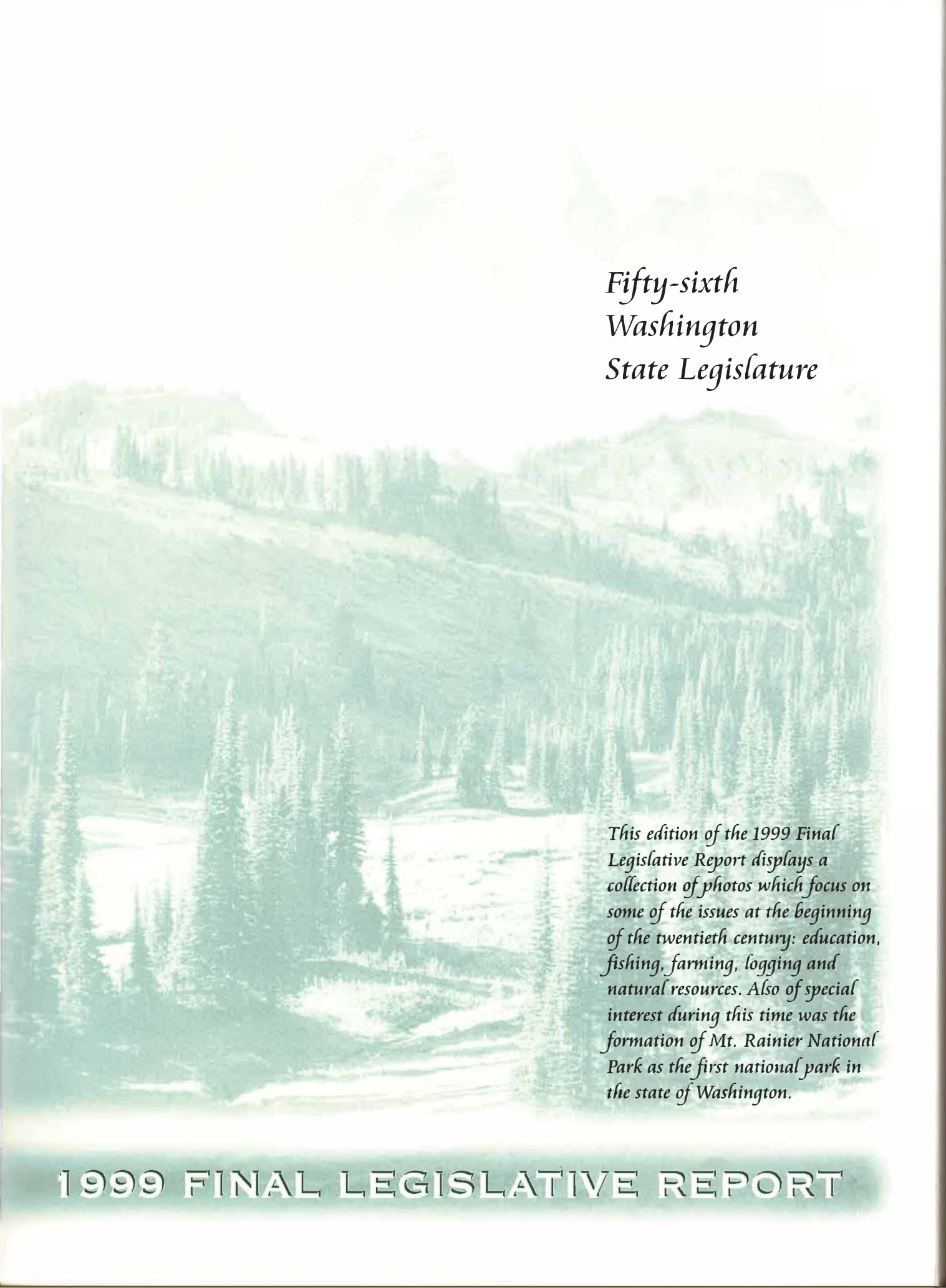
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The background of the page is a soft-focus photograph of a mountain valley. In the foreground, there is a calm lake reflecting the surrounding greenery. The middle ground is filled with dense evergreen forests covering the slopes of the mountains. In the background, more mountain peaks are visible, some with patches of snow or light-colored rock. The overall color palette is dominated by greens and blues, with a slightly hazy or ethereal quality.

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This edition of the 1999 Final Legislative Report displays a collection of photos which focus on some of the issues at the beginning of the twentieth century: education, fishing, farming, logging and natural resources. Also of special interest during this time was the formation of Mt. Rainier National Park as the first national park in the state of Washington.

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John R. Rogers (D) served as Washington State's third governor from 1897-1901. The legislature at that time served in the capitol building pictured above, where Rogers was credited with creating the "barefoot schoolboy law" which established free public education for every student in the state of Washington. Photos courtesy of Washington State Library.

Statistical Summary

1999 Regular Session of the 56th Legislature

1999 First Special Session of the 56th Legislature

Bills Before Legislature	Introduced	Passed Legislature	Vetoed	Partially Vetoed	Enacted
<i>1999 Regular Session (January 11 – April 25)</i>					
House	1,294	221	4	10	217
Senate	1,108	185	2	10	183
TOTALS	2,402	406	6	20	400

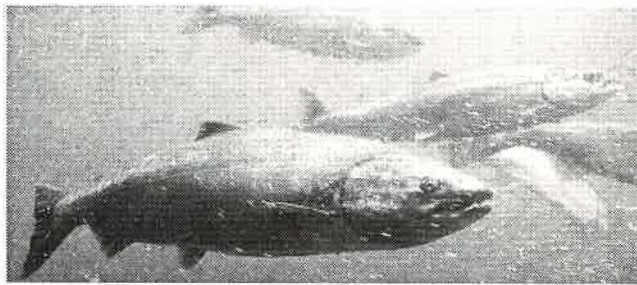
Bills Before Legislature	Introduced	Passed Legislature	Vetoed	Partially Vetoed	Enacted
<i>1999 First Special Session (May 17 – May 19)</i>					
House	15	10	0	2	10
Senate	7	2	0	1	2
TOTALS	22	12	0	3	12

Initiatives, Joint Memorials, Joint Resolutions and Concurrent Resolutions Before Legislature	Introduced	Filed with the Secretary of State
<i>1999 First Special Session (May 17 – May 19)</i>		
House	36	10
Senate	34	4
TOTALS	70	14
Initiatives	3	3

Gubernatorial Appointments	Referred	Confirmed
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<i>1999 First Special Session (May 17 – May 19)</i>	1	0

SECTION I

Legislation Passed



The early commercial fishing industry is pictured below at Yelm Jim's Fish Tray on the Puyallup Indian Reservation, 1885. Photo courtesy of Washington State Library. Salmon photo courtesy of Dick Milligan.



Numerical List

Initiatives

House Bill Reports and Veto Messages

House Memorials and Resolutions

Senate Bill Reports and Veto Messages

Senate Memorials and Resolutions

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I 200

C 3 L 99

Prohibiting government entities from discriminating or granting preferential treatment based on race, sex, color, ethnicity, or natural origin.

By People of the State of Washington.

Background: Initiative 200 to the people was approved by the people of the state on November 3, 1998.

Summary: Government is prohibited from discriminating or granting preferential treatment based on race, sex, color, ethnic or national origin in public employment, education and contracting. The initiative is codified into the Washington statutes.

Effective: December 3, 1998

I 688

C 1 L 99

State minimum wage.

By People of the State of Washington.

Background: The state minimum wage for those 18 and older is \$4.90 per hour. The federal minimum wage is \$5.15 per hour.

The state minimum wage law is supplementary to any federal and local minimum wage laws. A federal or local minimum wage that is more favorable than the state minimum wage remains in effect.

Summary: The state minimum wage for those 18 and older is increased to \$5.70 per hour for 1999 and \$6.50 per hour for 2000. Each year thereafter, the state minimum wage is adjusted for inflation by the Department of Labor and Industries.

Effective: December 3, 1998

I 692

C 2 L 99

Medical use of marijuana.

By People of the State of Washington.

Background: State and federal law prohibit the manufacture, delivery, or possession of marijuana and limit its use for research. Marijuana is classified as a Schedule I controlled substance. Schedule I substances are characterized as having a high potential for abuse, no currently accepted medical use, and no accepted safe means for using the drug under medical supervision. Schedule I substances may not be prescribed by a physician.

Some physicians have recommended the therapeutic use of marijuana for patients suffering from certain illnesses. While there is disagreement, there is research that appears to show that marijuana, although unable to cure underlying medical conditions, is useful for the treatment of certain symptoms. Some patients have reported the beneficial use of marijuana to treat chemotherapy-induced nausea and vomiting, AIDS-related weight loss, glaucoma, muscle spasms associated with epilepsy and multiple sclerosis, and some forms of intractable pain.

Summary: Findings are made concerning the use of marijuana for medical purposes.

The use of marijuana for medical purposes is a defense to the violation of a state law pertaining to marijuana for any qualifying patient or for a designated primary caregiver assisting a qualifying patient in the use of marijuana. Qualifying patients who are over 18 years of age may (1) present valid documentation to any law enforcement official who questions their medical use of marijuana, and (2) possess enough marijuana for their own personal medical use, but not to exceed a 60-day supply. Qualifying patients who are under 18 may also present valid documentation to law enforcement officials; however, any possession, production, acquisition, or decision as to dosage is to be made by their parent or legal guardian.

Licensed physicians are exempt from criminal liability or other penalties for either advising qualifying patients about the risks and benefits of using marijuana or for providing documentation to a qualifying patient stating that the possible benefits of using marijuana outweigh the health risks.

Medical conditions for which marijuana may be used are specified. Upon petition by a physician or patient, the Medical Quality Assurance Commission, or other entity designated by the Governor, may add other conditions after having held a public hearing.

It is a crime to display medical marijuana in view of the public or to fraudulently produce or tamper with valid documentation. The affirmative defense does not apply to those using the substance and operating a motorized vehicle in a way that endangers others.

Effective: December 3, 1998

ESHB 1004

C 6 L 99 E 1

Requiring transient sex offenders to report regularly to the county sheriff.

By House Committee on Appropriations (originally sponsored by Representatives Ballasiotes, O'Brien, Benson, Radcliff, Mitchell, Quall, Dickerson, Cairnes, Morris, Hurst, Campbell, Koster, Bush, Mulliken, Kastama, Miloscia, Conway, Esser, Scott, McIntire, Kessler, Keiser, Mielke, Carrell, McDonald, Dunn, Kenney, Ogden, Schoesler, Rockefeller and Wood).

House Committee on Criminal Justice & Corrections
House Committee on Appropriations

Background: Sex offenders released from the Department of Corrections, the Juvenile Rehabilitation Administration, and the Indeterminate Sentence Review Board are classified into one of three risk levels: I (low risk), II (moderate risk), or III (high risk).

Although state law does not specify where a sex or kidnapping offender may live upon being released to the community, every adult and juvenile who has been adjudicated or convicted of a sex or kidnapping offense, or who has been found not guilty by reason of insanity of a sex or kidnapping offense, is required to register with the county sheriff for the county of the person's residence. When registering, he or she must provide the following information: name, address, date and place of birth, place of employment, crime for which convicted, date and place of conviction, aliases used, Social Security number, photograph, and fingerprints. If a person who is required to register changes his or her residence, the person must notify the county sheriff of the change of address. If the person moves to a new county, the person must, before moving, notify the sheriff in the new county, and the sheriff of the county with whom the person last registered. The person is also required to register with the sheriff of the new county within 24 hours of moving into the county.

Each year the county sheriff must attempt to verify the offender's registered address by mailing a verification form to the last registered address. The offender must sign the verification form, state on the form whether he or she still resides at the last registered address, and return the form to the county sheriff within 10 days after receipt of the form.

A person convicted of a felony sex or kidnapping offense who knowingly fails to register or who moves without notifying the county sheriff is guilty of a class C felony.

In May 1999, the Court of Appeals held in *State v. Pickett* that a homeless offender could not be convicted of failure to register because the registration statute does not provide a way of registering for individuals who have no permanent place of residence.

Summary: A sex or kidnapping offender who is required to register but who does not have a fixed residence must report in person to the county sheriff and, instead of an address, provide information about where he or she plans to stay. Those sex and kidnapping offenders classified as risk level I must report monthly to the county sheriff. Risk level II and III sex and kidnapping offenders must report weekly.

A sex or kidnapping offender who ceases to have a fixed residence must also notify the sheriff of the county where he or she last registered within 14 days after ceasing to have a fixed residence and provide all of the otherwise required information except a photograph and fingerprints (unless the sheriff, for reasonable cause, requires the photograph and fingerprints). If the person intends to reside in another county, the sheriff must forward the information to the sheriff of the new county. An offender, who lacks a fixed residence, leaves the county in which he or she is registered, and enters and remains in a new county for 24 hours must, within those 24 hours, register with the new county sheriff and provide all of the required information.

The lack of a fixed residence is a factor that may be considered in determining a sex offender's risk level.

Votes on Final Passage:

First Special Session

House	96	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

Effective: June 7, 1999

E2SHB 1006

PARTIAL VETO

C 197 L 99

Revising sentencing options for drug and alcohol offenders.

By House Committee on Criminal Justice & Corrections (originally sponsored by Representatives Ballasiotes, O'Brien, Benson, Radcliff, Quall, Mitchell, Dickerson, Cairnes, Hurst, Alexander and Lambert).

House Committee on Criminal Justice & Corrections
House Committee on Appropriations
Senate Committee on Judiciary
Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means

Background: The Department of Corrections reports that 80 percent of offenders that are sentenced are arrested for a drug offense or a crime that is a result of a chemical dependency. These offenders are usually sentenced to a term of confinement in jail, prison, the Drug Offender Sentencing Alternative, or the Work Ethic Camp. Most offenders, however, cannot be forced to participate in

chemical dependency rehabilitation programs as part of their sentence.

Community Supervision. “Community supervision” is a technical term in the Sentencing Reform Act that includes up to one year in the county jail and one year of supervision in the community. The courts may often subject an offender to limited crime-related prohibitions. Violations of community supervision conditions may result in up to 60 days in jail. Courts usually do not impose affirmative conditions (such as drug treatment) on an offender sentenced to community supervision.

Affirmative Conditions. Sentencing conditions known as crime-related prohibitions are commonly imposed by courts on offenders who are placed on community supervision, community placement, partial confinement, or the sex offender sentencing alternative. These conditions prohibit conduct that directly relates to the circumstances of the crime for which the offender was convicted, such as requiring a drug offender to not unlawfully possess or use controlled substances.

However, crime-related prohibitions ordered by the court cannot direct an offender to affirmatively participate in rehabilitative programs, otherwise known as performing affirmative conditions. An exemption is made for trial courts that are authorized to impose affirmative acts as conditions in specified circumstances, such as for sex offenders, who can be ordered to participate in crime-related treatment or counseling.

Pre-sentence Reports. Before imposing a sentence upon an offender the courts usually conduct a pre-sentence hearing. At that time, courts may order the Department of Corrections (DOC) to complete a pre-sentence report to assist the trial court in sentencing an offender after he or she has been convicted. A pre-sentence report usually includes an offender’s prior convictions, prior arrests, employment history, education history, and family and social background.

Drug Offender Sentencing Alternative. The Drug Offender Sentencing Alternative (DOSA) allows a court to waive imposition of a drug offender’s sentence within the standard sentencing range. As an alternative the court imposes a sentence that includes confinement in a state facility for one-half of the midpoint of the standard sentencing range. While in confinement, the offender must complete a substance abuse assessment and receive substance abuse treatment and counseling.

In addition, the court must also impose one year of concurrent community custody and community supervision, which must include outpatient substance treatment and crime-related prohibitions. Courts usually do not impose other conditions, such as affirmative conditions, as part of the offender’s sentence.

A first-time offender convicted of a drug offense may be eligible for the DOSA program if the current offense only involved a small quantity of drugs as determined by the court. An offender is prohibited from participating in

this program if the offender has any prior convictions for a sex or violent felony offense.

If an offender violates any of the DOSA sentencing conditions, the DOC may impose sanctions administratively and any violation hearings and subsequent sanctions must be held by the court.

An offender with a deportation order or detainer is eligible for the DOSA program.

Work Ethic Camp. The Work Ethic Camp (WEC) is an alternative sentencing program that consists of at least 120 days and no more than 180 days of confinement, including a two-week period of transition training. This program allows a successful offender completing the program to convert the period of the WEC confinement at the rate of one day of the WEC confinement to three days of total standard confinement.

Although drug offenders, after special review of their circumstances, are eligible for the WEC, an offender with prior convictions for any sex offenses or violent offenses is not eligible to participate in this particular program. An offender participating in a WEC must be referred by the court and have received a sentencing term of total confinement ranging from a minimum of 16 months to a maximum of 36 months.

Some offenders are eligible for both the DOSA program and the WEC. Alien offenders may also participate in WEC.

County Supervised Community Option. Alternatives to total confinement are available for offenders with sentences of one year or less. One day of partial confinement may be substituted for one day of total confinement. In addition, for offenders convicted of nonviolent offenses only, eight hours of community service may be substituted for one day of total confinement, with a maximum conversion limit of 240 hours or 30 days. Community service hours must be completed within the period of community supervision or a time period specified by the court, which shall not exceed 24 months, pursuant to a schedule determined by the department.

Drug Courts. Drug courts are federally-funded programs that remove drug offenders from standard criminal procedures and required them to participate in treatment. There are currently drug courts in several counties including King, Pierce, Spokane, and Thurston counties.

Drug courts diverge from traditional courts by diverting non-violent drug criminals into court-ordered treatment programs rather than prison. The program allows people arrested for drug possession to choose an intensive, heavily supervised rehabilitation program in lieu of incarceration. In drug court, defendants agree to the facts of their arrest, then are required to participate in drug treatment, counseling, find work, meet with parole officers, attend weekly visits with a judge, and meet conditions set by a judge.

If a defendant completes the program, the charges may be dropped. If a defendant fails, he or she may ultimately be sentenced at the top of the sentencing range and be

jailed, but the courts typically give drug defendants more than one chance to reform.

With the incentive of keeping an offender's record clear of drug charges, the court pushes people with substance abuse problems into a year-long program of frequent drug tests and counseling.

The aim of the court is to encourage drug offenders into a productive, drug-free lifestyle.

Summary: The eligibility for chemical dependency rehabilitative programs operated by the courts, local jurisdictions, and the Department of Corrections is expanded to allow the placement of more drug offenders into treatment. In addition, the Sentencing Guidelines Commission, in conjunction with the Washington State Institute for Public Policy, is directed to conduct a five year study on the effect of the changes of the drug sentencing laws.

Community Supervision. The courts are authorized to order an offender, under a term of community supervision, to participate in drug or alcohol treatment if his or her crime is a result of a chemical dependency.

Affirmative Conditions. The courts are authorized, subject to available resources, to require an offender, found to have a chemical dependency which has contributed to his or her crime, to perform affirmative acts. The affirmative acts may include requiring the offender to participate in rehabilitative programs or take drug or polygraph tests as a condition of his or her sentence.

Pre-sentence Reports. Unless waived by the courts, the courts are required to order the Department of Corrections to perform a chemical dependency screening report before imposing a sentence upon a defendant who has been convicted of a controlled substance offense or where the court finds the offender has a chemical dependency which has contributed to his or her crime.

Drug Offender Sentencing Alternative. The Drug Offender Sentencing Alternative (DOSA) authorizes a judge to waive imposition of an offender's sentence within the standard range.

The offender must spend the remainder of the midpoint of the standard sentencing range in community custody (instead of both community custody and community supervision) following incarceration which must also include some type of alcohol and substance abuse treatment that has been approved by the Division of Alcohol and Substance Abuse. Courts may impose crime-related prohibitions, as well as affirmative conditions, as part of the offender's sentence.

An offender convicted of solicitation of a drug offense or a violation of the Uniform Controlled Substance Act may be eligible for the DOSA program if the current offense only involved a small quantity of drugs as determined by the court. An offender is prohibited from participating in this program if the offender has any prior or current convictions for sex or violent felony offenses.

The DOC is required to develop criteria for an offender's successful completion of the DOSA program by December 31, 1999. If the offender violates or fails to complete the DOSA sentencing conditions he or she will have a violation hearing held by the DOC. If the offender is found guilty then he or she will be sanctioned. Sanctions may include, but are not limited to, reclassifying the offender to serve the unexpired term of his or her sentence as ordered by the sentencing judge. If an offender is reclassified to serve the unexpired term of his or her sentence, the offender will be subject to all rules relating to earned early release time.

Alien offenders are ineligible for the DOSA program if they are subject to a deportation detainer or order.

Work Ethic Camp. Offenders convicted of solicitation of a drug offense or with a current violation of the Uniform Controlled Substance Act (a drug offense) are ineligible for the Work Ethic Camp (WEC). The 3:1 (three days of total confinement equals one day of the WEC) conversion is eliminated; however, the sentencing range is expanded to allow offenders to participate in the WEC if they have been referred by the court and have received a sentencing term of total confinement ranging from a minimum of 12 months and one day to a maximum of 36 months.

Offenders who are eligible for the DOSA program are ineligible for the WEC. The DOC is authorized to remove an offender if the offender has a deportation detainer or order; or if the offender has participated in the WEC in the past.

County Supervised Community Option. A local county-supervised option is created for community custody whereby jails may place nonviolent/nonsex offenders into alternative placements augmented by affirmative conditions.

Drug Courts. Counties are authorized to establish drug court programs to accept offenders that have been diverted by the courts from the normal course of prosecution for drug offenses. The term "drug court" is defined as a court that has special calendars or dockets designed to achieve a reduction in recidivism and substance abuse among nonviolent, substance abusing offenders by increasing their likelihood for successful rehabilitation through early, continuous, and intense judicially supervised treatment; mandatory periodic drug testing; and the use of appropriate sanctions and other rehabilitation services.

Counties are required to fully exhaust all available federal drug court funding from the Office of National Drug Control Policy before seeking state funds for its county operated drug court program. Counties are required to make a dollar-for-dollar match before seeking state funds for drug court programs.

Votes on Final Passage:

House 96 0
 Senate 43 3 (Senate amended)
 House (House refused to concur)
 Senate (Senate refused to recede)
 House 96 0 (House concurred)

Effective: July 25, 1999

Partial Veto Summary: A provision is vetoed that authorized district and superior courts to establish drug court programs for offenders that have been diverted by the courts from the normal course of prosecution for drug offenses.

VETO MESSAGE ON HB 1006-S2

May 7, 1999

To the Honorable Speaker and Members,
 The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 8, Engrossed Second Substitute House Bill No. 1006 entitled:

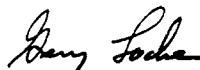
"AN ACT Relating to sentencing for crimes involving drugs or alcohol;"

Section 8 of E2SHB 1006 would authorize District and Superior Courts to establish drug court programs for "offenders that have been diverted by the courts from the normal course of prosecution for drug offenses." This section is not necessary to the operation of the bill, and violates the separation of powers doctrine. The courts, as a separate branch of government, already have authority to establish programs like these, and are in fact now operating them in several counties. Additionally, including District Courts in this section could imply that the state would fund drug court programs established by those courts. Funding of District Court programs has not been specifically discussed in the legislature. Finally, the reference in section 8 to "drug offenders" could imply that state funding cannot be provided to programs serving drug-addicted nonviolent property offenders, as some now do.

For these reasons, I have vetoed section 8 of Engrossed Second Substitute House Bill No. 1006.

With the exception of section 8, Engrossed Second Substitute House Bill No. 1006 is approved.

Respectfully submitted,



Gary Locke
 Governor

EHB 1007

C 322 L 99

Changing provisions relating to counterfeited intellectual property.

By Representatives Ballasiotes, O'Brien, Radcliff, Benson, Quall, Mitchell, Cairnes and Morris.

House Committee on Criminal Justice & Corrections
 Senate Committee on Judiciary

Background: Definitions. Counterfeiting is the use or forgery of a genuine label, trademark, term, design, device, or form of advertisement of any person who has lawfully filed for record in the Office of the Secretary of State, or who has the exclusive right to the item.

Criminal Offense. Any person who willfully uses or displays or has in his possession with intent to use or display any forged or counterfeited representation, likeness, similitude, copy or imitation of any genuine label, trademark, term, design, device, or form of advertisement, so filed or protected, or any die, plate, stamp or other device for manufacturing a forged item is guilty of a gross misdemeanor.

Any person who knowingly sells, displays or advertises, or has in his possession with intent to sell, any type of goods, mixtures, preparations or compounds having a false label, trademark, term, design, device, or form of advertisement is guilty of a misdemeanor.

Summary: Definitions. Counterfeit mark is defined as any unauthorized reproduction or copy of (intellectual) property or any label affixed to any item knowingly sold, offered for sale, manufactured, or distributed, or identifying services offered or rendered, without the authority of the owner of the intellectual property. A state or federal certificate of registration of any intellectual property is evidence of true ownership.

Intellectual property means any trademark, service mark, trade name, label, term, device, design, or work adopted or used by a person to identify that person's goods or services. Persons who register their "trade name" with the Secretary of State have exclusive use rights to their particular trade name and it may not be used or counterfeited by any means. However, trade names which are registered with the Department of Licensing for the sole purpose of carrying on, conducting, or transacting business may be used by other people or businesses and are exempt from the counterfeit statute.

Retail value means the counterfeiter's regular selling price for the item or service bearing or identified by the counterfeit mark. In the case of items bearing a counterfeit mark which are components of a finished product, the retail value will be the counterfeiter's regular selling price of the finished product on or in which the component would be utilized.

Criminal Offense. Changes are made to the classification of the crime of counterfeiting. Counterfeiting is a misdemeanor if it is the offender’s first counterfeiting offense.

Counterfeiting is a gross misdemeanor if:

- The offender has been previously convicted of a counterfeiting offense; or
- The violation involves more than 100 but fewer than 1,000 items bearing a counterfeit mark or the total retail value of all items bearing a counterfeit mark or the total retail value of all items bearing, or services identified by, a counterfeit mark is more than \$1,000 but less than \$10,000.

Counterfeiting is a class C felony if:

- The offender has been previously convicted of two or more offenses and the violation involves the manufacture or production of items bearing counterfeit marks; or
- The offender has been previously convicted of two or more offenses and the violation involves 1,000 or more items bearing a counterfeit mark or the total retail value of all items bearing, or services identified by, a counterfeit mark is \$10,000 or more.

The quantity or retail value of items or services must include the aggregate quantity or retail value of all items bearing, or services identified by, every counterfeit mark the offender manufactures, uses, displays, advertises, distributes, possesses, or possesses with intent to sell.

Any person guilty of counterfeiting will be fined an amount up to three times the retail value of the items bearing, or services identified by, a counterfeit mark, unless extenuating circumstances are shown by the defendant. The penalties are cumulative and do not affect any other civil and criminal penalties provided by law.

All items bearing a counterfeit mark, and all personal property employed or used in connection with counterfeiting, including, but not limited to, any items, objects, tools, machines, equipment, instruments, or vehicles of any kind, shall be seized by any law enforcement officer. Upon the request of the intellectual property owner, all seized items bearing a counterfeit mark must be released to the intellectual property owner for destruction or disposition. If the property owner does not request release of seized items bearing a counterfeit mark, all items must be destroyed unless the intellectual property owner consents to another disposition.

In addition, a prosecutor must prosecute any case involving the manufacturing, production or distribution of a counterfeited item that “endangers the health and safety of others.” An offender convicted of one of the underlying offenses is guilty of a seriousness level IV, class C felony.

Votes on Final Passage:

House	95	0	
Senate	46	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	45	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 1011

C 27 L 99

Clarifying that electronic communications are included in the crimes of harassment and stalking.

By Representatives Scott, Morris, Hurst, Conway, McIntire, Kessler, Keiser, Mitchell, Ballasiotes, Dickerson, Cody, Haigh, Rockefeller, Lantz and Wood.

House Committee on Judiciary
Senate Committee on Judiciary

Background: A person who is harassed by another may obtain relief by bringing criminal charges, or obtaining a civil antiharassment protection order, against the person doing the harassing.

Criminal Sanctions. There are two crimes that deal directly with harassment: criminal harassment and criminal stalking.

- Criminal Harassment. A person is guilty of criminal harassment if he or she threatens to harm another person and “words or conduct,” places the threatened person in reasonable fear that the threat will be carried out.
- Criminal Stalking. A person is guilty of criminal stalking if he or she repeatedly harasses or follows another person and places that person in reasonable fear of harm. To be guilty of stalking, the stalker must intend to place the person in fear of harm. An attempt to “contact” the person after being given actual notice that the person does not want to be contacted constitutes *prima facie* evidence that the stalker intends to place the person in reasonable fear of harm.

Antiharassment Protection Orders. A person being harassed by another may petition a court for an antiharassment protection order. The court must grant the petition if it finds that unlawful harassment exists. Unlawful harassment means a “course of conduct” aimed at a person which alarms, annoys, harasses, or is detrimental to that person and serves no other lawful purpose. “Course of conduct” means a pattern of conduct evidencing a continuity of purpose. “Course of conduct” does not include any constitutionally protected activity.

Summary: Criminal Sanctions.

- Criminal Harassment. “Words or conduct” that place the person in reasonable fear that the threat will be

carried out include, in addition to any other form of communication or conduct, the sending of an electronic communication.

- **Criminal Stalking.** “Contact” after the stalker is given notice that the person being stalked does not want to be contacted includes, in addition to any other form of contact or communication, the sending of an electronic communication.

Antiharassment Protection Orders. “Course of conduct” for purposes of defining “unlawful harassment” includes, in addition to any other form of contact or communication, the sending of an electronic communication.

Votes on Final Passage:

House	95	0
Senate	45	0

Effective: July 25, 1999

SHB 1013

C 169 L 99

Changing the goals and priorities for grants under the Washington fund for innovation and quality education program.

By House Committee on Higher Education (originally sponsored by Representatives Carlson, Radcliff, Dunn and Sheahan).

House Committee on Higher Education
House Committee on Appropriations
Senate Committee on Higher Education

Background: The 1991 Legislature established the Washington Fund for Excellence in Higher Education program. The purpose of the program is to encourage institutions of higher education to develop innovative and collaborative solutions to critical, statewide educational challenges facing the state. The Higher Education Coordinating Board (HECB) is responsible for administering the program. When funding is available, the board is to provide two-year grants on a competitive basis to public colleges or consortia of colleges. To date, the program has not received funding.

The 1991 act specified three issues of critical statewide need:

- improving rates of participation and completion at each educational level;
- recognizing needs of special populations of students; and
- improving the effectiveness of education by better coordinating communication and understanding between sectors.

The 1991 act also specified the priority guidelines for grants that might be awarded for the 1991-93 biennium. It then assigned to the HECB, with the assistance of a review committee, the responsibility for establishing spe-

cific grant priority guidelines for each subsequent biennium.

The original priority guidelines set forth for the 1991-93 biennium included:

- minority and diversity initiatives that encourage the participation of minorities in higher education, including students with disabilities, at a rate consistent with their proportion within the population;
- K-12 teacher preparation models that encourage collaboration between higher education and K-12 to improve the preparedness of teachers, including provisions for higher education faculty involved with teacher preparation to spend time teaching in K-12 schools; and
- articulation and transfer activities to smooth the transfer of students from K-12 to higher education, or from the community colleges and technical colleges to four-year institutions.

The 1996 Legislature modified the program by renaming it the Washington Fund for Innovation and Quality in Higher Education program and by specifying grant priority guidelines for the 1995-97 biennium.

The priority guidelines set forth for the 1995-97 biennium included the three from the 1991-93 biennium and added the following:

- multi-institutional or multi-faculty development and evaluation of:
 - (1) collaborative instructional programs involving K-12, community and technical colleges, and four-year institutions of higher education to develop a three-year degree program or to reduce the time to degree;
 - (2) instructional technology and multimedia curricular projects; and
 - (3) a degree offered entirely on the internet;
- individual institutional or faculty pilot projects to:
 - (1) improve efficiency by 5 percent per year in cost or graduation rate;
 - (2) improve student retention;
 - (3) develop competencies and outcomes for general education or university requirements and degree programs;
 - (4) contract with public or private institutions or businesses to provide services or the development of collaborative programs; and
- other innovative proposals.

Summary: The original (1991) issues of critical statewide need are replaced with the following issues:

- recognizing needs of special populations of students;
- furthering the development of learner-centered, technology-assisted course delivery;
- furthering the development of competency-based measurements of student achievement to be used as the basis for awarding degrees and certificates; and
- increasing the collaboration among both public and private sector institutions of higher education.

The priority guidelines specified (in 1996) for the 1995-97 biennium are replaced with the following guidelines for the 1999-01 biennium:

- minority and diversity initiatives that encourage the participation of minorities in higher education, including students with disabilities;
- K-12 teacher preparation models that encourage collaboration between higher education and K-12 to improve the preparedness of teachers, including provisions for higher education faculty involved with teacher preparation to spend time teaching in K-12 schools;
- collaborative instructional programs involving K-12, community and technical colleges, and four-year institutions of higher education to develop a three-year degree program or to reduce the time to degree;
- contracts with public or private institutions or businesses to provide services or the development of collaborative programs;
- articulation and transfer activities to smooth the transfer of students from K-12 to higher education, or from the community and technical colleges to four-year institutions;
- projects that further the development of learner-centered, technology-assisted course delivery; and
- projects that further the development of competency-based measurements of student achievement to be used as the basis for awarding degrees and certificates.

The administration of the program is restructured by establishing two funds: one administered by the HECB and one administered by the State Board for Community and Technical Colleges (SBCTC). The HECB is responsible for proposals in which a four-year institution of higher education is named as the lead institution, and the SBCTC is responsible for proposals in which a community or technical college is named as the lead institution. Both boards are required to have representatives from both the four-year and two-year sectors on their respective grant review committees.

September 1 is the deadline for awarding grants in those years when funding is made available by June 30.

Votes on Final Passage:

House	91	5
Senate	49	0

Effective: July 25, 1999

EHB 1014

C 310 L 99

Requiring children age twelve and under to wear a personal flotation device while on a vessel on the waters of the state.

By Representatives Carlson, Regala, Ogden, Pennington, Hatfield, Hurst, Stensen, Buck, Romero, Kastama, Scott, McIntire, Keiser, Cooper, Ballasiotes, Schual-Berke, Murray, Cody, Veloria, Rockefeller and Lantz.

House Committee on Natural Resources
Senate Committee on Natural Resources, Parks & Recreation

Background: Generally, boaters must have a life jacket or other flotation device on board for each person on the vessel. (Flotation devices must be in serviceable condition, of appropriate size, and readily accessible.) The law does not require boaters to actually wear a flotation device. There are some exceptions to this general rule; for example, water skiers, personal watercraft users, and passengers on vessels carrying participants for hire on whitewater rivers all must wear personal flotation devices.

Summary: No person is allowed to operate a vessel of 19 feet or less on the waters of the state with a child 12 years and under, unless the child is wearing a personal flotation device that meets or exceeds U.S. Coast Guard standards while the vessel is underway. Three exceptions are provided: (1) if the child is below deck or in the cabin of a boat; (2) if the vessel is an approved passenger-carrying vessel operating on the navigable waters of the United States; or (3) if the child is on board a vessel of a time and place where no person would reasonably expect a danger of drowning to occur.

Enforcement may be accomplished as a primary action and need not be in connection with a suspected violation of some other offense.

Votes on Final Passage:

House	63	33	
Senate	33	12	(Senate amended)
House	61	35	(House concurred)

Effective: July 25, 1999

SHB 1015

C 344 L 99

Extending the tuition waiver for students in the western interstate commission for higher education undergraduate exchange program.

By House Committee on Higher Education (originally sponsored by Representatives Carlson, Radcliff and Sheahan).

House Committee on Higher Education
House Committee on Appropriations
Senate Committee on Higher Education

Background: The Western Undergraduate Exchange (WUE) program is a program through which students may enroll in designated institutions in other participating states outside their home state. These students pay 150 percent of the receiving school's resident tuition, which is much less than the standard nonresident tuition. For example, at Eastern Washington University (EWU) the annual 1998-99 nonresident tuition rate for undergraduate students is \$9,322, while 150 percent of the resident rate is \$3,944. In 1997-98, approximately 8,300 students in 14 states participated in the WUE program.

In fall 1998, Washington became a participating state on a limited basis when the 1998 Legislature authorized EWU to be a receiving institution in the WUE program (section 606(6) and section 904(w) of the supplemental budget act). The Legislature also increased the statutory limit on the percentage of operating fee revenue that EWU is allowed to waive from 11 percent to 14 percent. The increased waiver authority is sufficient to provide waivers for approximately 100 WUE participants at EWU. In fall 1998, the first quarter of WUE participation, EWU enrolled 129 students under the program. Legislative authorization provided in the budget act expires on June 30, 1999.

When the state became a WUE participant in fall 1998, other participating states extended eligibility to Washington residents going to their participating institutions. Data from the Western Interstate Commission for Higher Education (WICHE) indicates that 189 Washington residents participated as WUE students in other states during fall 1998.

Summary: The governing boards of Washington State University (WSU), EWU, and Central Washington University (CWU) are authorized to waive all or a portion of the difference between the nonresident tuition rate and 150 percent of the resident rate for students participating in the WICHE, WUE program. The amount of operating fee revenue that may be waived for students participating in WUE is limited to 1 percent at WSU, 3 percent at EWU and 3 percent at CWU.

Votes on Final Passage:

House	94	0
Senate	42	0

Effective: July 25, 1999

SHB 1016

C 320 L 99

Creating the border county higher education opportunity pilot project.

By House Committee on Higher Education (originally sponsored by Representatives Carlson, Ogden, Kenney, Boldt, Pennington, Dunn, Hatfield, Doumit, Mielke, Talcott and Lantz).

House Committee on Higher Education
House Committee on Appropriations
Senate Committee on Higher Education

Background: With some exceptions, students who move to Washington or commute from a border state to attend a public college or university are charged a much higher tuition rate than Washington residents.

The definitions for resident and nonresident students are determined by law. Resident students who are dependents must be able to prove that their parents or guardians have been domiciled in the state for at least one year before the students enroll in college. Independent students must meet the same test themselves.

Oregon has recently made tuition policy changes that affect students living in the border counties of Washington. Nonresident students enrolling at Portland State University for eight or fewer credits pay the same tuition as Oregon residents. Community colleges in Oregon set their own tuition rates. There are three community colleges in the bordering Oregon counties of Multnomah, Clatsop and Columbia: Portland Community College in Portland, Mt. Hood Community College in Gresham, and Clatsop Community College in Astoria. Portland Community College and Clatsop Community College charge both residents and nonresidents the same tuition. Mt. Hood Community College charges an additional \$10 per credit for nonresidents.

The four Washington counties that border the three Oregon counties of Multnomah, Clatsop and Columbia are Clark, Cowlitz, Wahkiakum and Pacific counties. There are three Washington community colleges that offer programs in these counties: Clark College in Vancouver, Lower Columbia College in Longview, and Grays Harbor College extension programs in Pacific County. Washington State University Vancouver, located in Clark County, offers upper division baccalaureate and graduate degree programs.

Summary: The border county higher education opportunity pilot project is created. Under the pilot project, residents of Oregon who have resided in Columbia,

HB 1018

Multnomah, Clatsop or Washington counties for at least 90 days are eligible to pay resident tuition rates if they enroll in community college programs located in the Washington counties of Clark, Cowlitz, Wahkiakum, or Pacific. Residents of the four Oregon counties that enroll in courses at the Vancouver branch of Washington State University for eight or fewer credits may pay resident tuition rates. Participating Washington institutions are required to give priority program enrollment to Washington residents.

The pilot project is administered by the Higher Education Coordinating Board (HECB). By November 30, 2001, the HECB must report to the Governor and the Legislature on the results of the pilot project and make recommendations on the extent to which border county tuition policies should be revised or expanded. For each participating institution, the HECB is required to analyze, by program, the impact of the pilot project on: enrollment levels, distribution of students by residency, and enrollment capacity.

Votes on Final Passage:

House	94	0
Senate	44	0

Effective: July 25, 1999

HB 1018

C 28 L 99

Changing Washington award for vocational excellence provisions.

By Representatives Carlson, Kenney, Radcliff, Sheahan, Dunn, Esser and Lantz.

House Committee on Higher Education
Senate Committee on Higher Education

Background: In 1984, the Legislature created the Washington Award for Vocational Excellence (WAVE) scholarship program. Through the award program, up to three students who demonstrate outstanding performance in occupational training programs are selected from each legislative district.

The recipient may use the grant to attend any institution of higher education, independent college or university or a licensed private vocational school. To qualify for the two-year grants, the recipients must enter an institution of higher education within three years of high school graduation. The program is administered by the Workforce Training and Education Coordinating Board.

Recipients are not required to use their awards within a specified timeframe. This lack of a time limit has created difficulties for administrators in determining a student's eligibility for the grant. The lack of a completion date has also made it difficult for the administrative agency to provide budget projections on the amount of grant funding needed for future scholarships.

Summary: Individuals who receive WAVE awards during the 1998-99 academic year must use the awards within six years.

Individuals who received WAVE awards before the 1995-96 academic year must use the awards by September 2002.

Individuals who received WAVE awards in the 1995-96, 1996-97 or 1997-98 academic years must use the awards by September 2005. Recipients who fail to use the awards within these time limits forfeit the awards.

Votes on Final Passage:

House	94	1
Senate	44	0

Effective: April 19, 1999

HB 1023

C 223 L 99

Sharing extraordinary investment gains in the teachers' retirement system plan 3.

By Representatives H. Sommers, Lambert, Carlson, Ogden, Conway, D. Sommers, Alexander, Wolfe, Romero, Bush, Thomas, Keiser, Stensen, G. Chandler, DeBolt, Parlette, Talcott, K. Schmidt, D. Schmidt, Murray, Schoesler, Sump and Hurst; by request of Joint Committee on Pension Policy.

House Committee on Appropriations
Senate Committee on Ways & Means

Background: The 1998 legislation that created the Washington School Employees' Retirement System (SSB 6306) included a provision for gain-sharing payments to members of Teachers' Retirement System Plan 3 (TRS 3 Plan). Gain-sharing payments are to be made to member accounts when the four-year average rate of return on pension assets exceeds 10 percent. The four-year average rate of return for fiscal years 1993 through 1997 was 13.07 percent. A gain-sharing payment of \$134.43 per year of service was paid to eligible members of TRS Plan 3 in July 1998.

Members who were eligible to receive the gain-sharing payment included active members with more than \$1,000 in their member accounts by August 31, 1997, retired members, and inactive vested members who had purchased an annuity from the trust or had more than \$1,000 in their member accounts.

The Department of Retirement Systems determined that members who transferred from TRS Plan 2 to TRS Plan 3 after August 31, 1997, were not eligible for the July 1998 gain-sharing payment.

Summary: Eligible active and vested members of the Teachers' Retirement System (TRS) Plan 3 who transferred from TRS Plan 2 on or after September 1, 1997, and before February 1, 1998, will receive a gain-sharing

payment to their Plan 3 member account. The payment will be equal to the average benefit per year of service paid to members of TRS Plan 3 in 1998. The distribution will be based on service credit earned as of August 31, 1997.

To be eligible for the gain-sharing payment, the TRS Plan 3 member must:

- have had a member account balance of at least \$1,000 by August 31, 1997, and have earned service credit in the period from September 1, 1996, to August 31, 1997; or
- have completed ten service credit years, or completed five service credit years including 12 months after age 54, or completed five service credit years by July 1, 1996, under TRS Plan 2.

When a member of the TRS Plan 3 suffers a loss of investment return due to an error by the Department of Retirement Systems, the department shall credit the member's account from the appropriate retirement system fund with the amount necessary to correct the error.

Votes on Final Passage:

House	95	0	
Senate	43	0	(Senate amended)
House	97	0	(House concurred)

Effective: May 10, 1999

SHB 1024

C 362 L 99

Providing a retirement option for certain retirement system members.

By House Committee on Appropriations (originally sponsored by Representatives Carlson, H. Sommers, Alexander, D. Sommers, Lambert, Ogden, Conway, Wolfe, Bush, Kastama, G. Chandler, DeBolt, Carrell, Parlette, Talcott, K. Schmidt and Sump; by request of Joint Committee on Pension Policy).

House Committee on Appropriations
Senate Committee on Ways & Means

Background: 30-Year Cap. The maximum retirement allowance paid by the Public Employees' Retirement System Plan 1 (PERS 1) and Teachers' Retirement System Plan 1 (TRS 1) is generally 60 percent of a retiree's average final compensation. This limit is often referred to as the "30-year cap" because the 60 percent limit is reached after 30 years of service.

PERS 1 and TRS 1 require a 6 percent member contribution for all periods of service. The interest on a member's accumulated contributions are computed quarterly at a rate determined by the director of the Department of Retirement Systems (DRS). The current rate is 5.5 percent.

TRS 1 is the only state retirement plan that permits members to withdraw their accumulated contributions at retirement and still receive a retirement allowance. If contributions are withdrawn, the retirement allowance is reduced to reflect the monthly annuity that could be purchased with the withdrawn contributions.

This option permits a TRS 1 member who retires with just 30 years of service to receive a larger monthly retirement allowance than a TRS 1 member who works more than 30 years, receives little or no salary increases after 30 years, and withdraws his or her accumulated contributions at retirement. This is because the amount of the accumulated contributions continues to grow each year, and the amount of annuity that can be purchased increases for every year the member delays retirement. As a result, the monthly annuity that can be purchased with the contributions increases even if the retirement allowance does not because of the 30 year cap. The member's retirement allowance is never reduced by working beyond 30 years if the member does not withdraw his or her accumulated contributions.

Community Long-Term Care Service. The Department of Social and Health Services administers state-funded community long-term care services for certain low-income persons in assisted living facilities, adult family homes, and other community settings. The state limits eligibility to this program to persons who meet Medicaid "categorically needy" standards, which have an absolute income limit. The current income limit of \$1,500 per month. Persons who have income over the limit are not eligible for any financial support this program.

In 1998, the Legislature enacted a "retroactive pop-up" benefit for persons who had retired from the Public Employees Retirement System Plan 1 (PERS 1) prior to January 1, 1996. The pop-up benefit was provided to persons who had selected an actuarially reduced retirement allowance that included a survivor benefit, and the beneficiary selected for the survivor benefit had pre-deceased the retiree. The retirement allowances for these retirees were increased to the full retirement allowance formula, as though the retiree had never selected a survivor benefit option.

PERS 1 retirees do not have the option to waive all or part of their retirement allowance. A PERS 1 retiree loses his or her eligibility for the COPES program if the increase provided by the retroactive pop-up benefit causes the retiree's income to exceed the COPES income limit.

Summary: Within six months after attaining 30 years of service, a TRS 1 or PERS 1 member may make an irrevocable option to have future employee contributions returned to the member as a lump sum at retirement. Interest is paid on the future contributions at 7.5 percent. The member's retirement allowance is not reduced as a result of the withdrawal of future contributions. Employer contributions continue to be required for the periods of service after the member's election.

If a member makes the irrevocable election, the member's retirement allowance will be calculated using only compensation earned prior to the election. The one exception to this limitation is that any eligible cash-outs of sick and annual leave at retirement will be included as the compensation for calculating the retirement allowance. The total compensation used for calculating the member's retirement allowance may not be higher than if the member had not selected this option. Members who already have more than 30 years of service may participate in the election by notifying the DRS in writing no later than December 31, 1999.

A PERS 1 retiree who is receiving state-funded long-term care services is not eligible for the retroactive pop-up benefit if the increase makes the retiree ineligible for the services. "State-funded long-term care services" is defined to mean a state-funded adult family home, adult residential care, assisted living, enhanced adult residential care, in-home care, or nursing home service, for which the retiree is required to contribute all income other than a specified amount reserved for the retiree's personal maintenance needs.

Votes on Final Passage:

House	96	0	
Senate	43	0	(Senate amended)
House	97	0	(House concurred)

Effective: May 17, 1999 (Section 3)
July 25, 1999

HB 1027
C 97 L 99

Expanding the membership of the criminal justice training commission.

By Representatives Scott, Huff, Lantz, Conway and McDonald; by request of Criminal Justice Training Commission.

House Committee on Criminal Justice & Corrections
Senate Committee on Judiciary

Background: The Criminal Justice Training Commission was established in 1974 for the primary purpose of providing basic law enforcement training, corrections training, and educational programs for criminal justice personnel, including commissioned officers, corrections officers, fire marshals, and prosecuting attorneys.

The commission consists of 12 members who are selected as follows:

- The Governor appoints: two incumbent sheriffs; two incumbent chiefs of police; one person employed in a county correctional system; one person employed in the state correctional system; one incumbent county prosecuting attorney or municipal attorney; one elected official of a local government; and one private citizen.

- The three remaining members are the attorney general, the special agent in charge of the Seattle office of the Federal Bureau of Investigation, and the chief of the state patrol.

Summary: The membership of the commission is increased by two positions for a total of 14 members. The two additional members are appointed by the Governor and must be county and municipal law enforcement officers who are at or below the position of first line supervisor within their agency. Both law enforcement officers must have a minimum of 10 years of law enforcement experience.

Votes on Final Passage:

House	96	0
Senate	48	0

Effective: July 25, 1999

2SHB 1037
C 289 L 99

Creating a registry of Washington resident's electronic mail addresses to facilitate a program that allows private interactive computer service providers to limit unsolicited commercial electronic mail messages.

By House Committee on Technology, Telecommunications & Energy (originally sponsored by Representatives Bush, Morris and Ruderman).

House Committee on Technology, Telecommunications & Energy
House Committee on Appropriations
Senate Committee on Energy, Technology & Telecommunications
Senate Committee on Ways & Means

Background: The Internet is an international network of computer networks, interconnecting computers ranging from simple personal computers to sophisticated mainframes. It is a dynamic, open-ended aggregation of computer networks, rather than a physical entity. Internet users can access or provide a wide variety of information, purchase goods and services, and communicate with other users electronically.

In 1998, the Legislature passed a law regulating commercial electronic mail messages. The law defines a commercial electronic mail message as one sent for the purpose of promoting real property, goods, or services for sale or lease. It is a violation of the Consumer Protection Act to initiate a commercial electronic mail message from a computer located in Washington or to a Washington resident that:

- uses a third party's Internet domain name without permission of the third party, or otherwise misrepresents any information in identifying the point of origin or transmission path of the message; or

SHB 1041

C 98 L 99

- puts false or misleading information in the subject line of the message.

Only the person who originally sends a message by clicking or pushing a button on a computer screen or keyboard to transmit a message is liable under the Consumer Protection Act. An interactive computer service provider that routes or re-transmits the message is not liable.

When a sender violates the Consumer Protection Act, the recipient of the commercial electronic mail message may bring a civil action against the sender for the greater of \$500 or actual damages. An interactive computer service provider may also bring an action against the sender for the greater of \$1,000 or actual damages.

Summary: It is a violation of the Consumer Protection Act to send a commercial electronic mail message that obscures any information about the message's transmission path or point-of-origin.

Persons who originally click or push buttons to send messages are no longer the only persons liable for violating the Consumer Protection Act. Persons who assist or conspire with others to initiate commercial electronic messages containing certain types of misleading or obscuring information are also liable for violating the Consumer Protection Act. A person who assists is only liable, however, if he or she provides substantial assistance and knows, or consciously avoids knowing, that the actual initiator of the message is violating or intends to violate the Consumer Protection Act.

Interactive computer service providers continue to be exempt from liability for unknowingly handling or re-transmitting a message sent in violation of the Consumer Protection Act. However, an interactive computer service provider may be liable for violating or conspiring to violate the Consumer Protection Act if the interactive computer service provider knows, or consciously avoids knowing, that it is assisting a person who is sending messages in violation of the Consumer Protection Act.

The definition of a commercial electronic mail message is clarified to exclude advertisements that are attached to messages sent through a free electronic mail account, when the sender has consented to the advertising as a condition for free use of the account.

Votes on Final Passage:

House	95	1	
Senate	47	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	44	2	(Senate amended)
House	95	1	(House concurred)

Effective: July 25, 1999

Authorizing project loans recommended by the Public Works Board from funds previously appropriated by the Legislature.

By House Committee on Capital Budget (originally sponsored by Representatives Mitchell, Murray, Kessler, O'Brien, Ogden, Lantz, Rockefeller, Hankins, Esser and Morris).

House Committee on Capital Budget
Senate Committee on Ways & Means

Background: The public works assistance account, commonly known as the public works trust fund, was created by the Legislature in 1985 to provide a source of loan funds to assist local governments and special purpose districts with infrastructure projects. The Public Works Board, within the Department of Community, Trade, and Economic Development (CTED), is authorized to make low-interest or interest-free loans from the account to finance the repair, replacement, or improvement of the following public works systems: bridges, roads, water and sewage systems, and solid waste and recycling facilities. All local governments except port districts and school districts are eligible to receive loans.

The Public Works Assistance Account receives dedicated revenue from the following sources: 7.7 percent of the real estate excise tax net proceeds to the state; 20 percent of the moneys collected on water distribution businesses; 60 percent of the moneys collected on sewerage collection businesses; 3.6 percent solid waste collection tax on garbage collection, public and private dumps and transfer stations; and loan repayments.

Each year, the Public Works Board is required to submit a list of public works projects to the Legislature for approval. The Legislature may delete a project from the list, but it may not add any projects or change the order of project priorities. Legislative approval is not required for emergency loans from funds specifically appropriated for this purpose by the Legislature.

The public works assistance account appropriation is made in the capital budget, but the project list is submitted annually in separate legislation. The CTED received an appropriation of approximately \$181 million from the public works assistance account in the 1997-99 capital budget. The \$181 million has been available for public works project loans in the 1998 and 1999 loan cycles. During the 1998 session, the Legislature approved 71 projects totaling \$124,465,982 for the 1998 loan cycle. The Public Works Board was authorized to use \$2,205,326 for emergency loans to local governments. In addition, approximately \$15 million has been available from loan refunds and de-obligated loan funds from projects withdrawn or terminated.

HB 1042

Summary: As recommended by the Public Works Board, 42 public works project loans totaling \$76,163,079 are authorized for the 1999 loan cycle.

The 42 authorized projects fall into the following categories:

- twenty-one water projects totaling \$27,652,616;
- eighteen sewer projects totaling \$39,900,463;
- two road projects totaling \$3,610,000; and
- one bridge project totaling \$5,000,000.

In addition, \$26,521,688 is appropriated to the Department of Community, Trade, and Economic Development for projects previously approved under the Public Works Trust Fund program. The appropriation is to correct prior biennia reappropriation levels.

Votes on Final Passage:

House	95	0
Senate	46	0

Effective: April 23, 1999

HB 1042

C 290 L 99

Exempting certain computer software from public inspection.

By Representatives Dunn, Wolfe and Romero; by request of Department of Information Services.

House Committee on State Government
Senate Committee on Energy, Technology & Telecommunications

Background: The Open Public Records Act, part of the public disclosure law, makes all public documents open to public inspection and copying unless included within a statutory exemption.

Among other exemptions, valuable formulae, designs, drawings, and research data obtained by an agency within five years of the request for disclosure are expressly exempt from public disclosure and copying when the request for disclosure would produce private gain and public loss. Computer software is not specifically exempted.

These exemptions are inapplicable to the extent that information, the disclosure of which would violate personal privacy or vital government interests, can be deleted from the specific records sought.

Summary: An agency's computer software obtained within five years of the request for disclosure is specifically exempted from public inspection and copying when disclosure would produce private gain and public loss. The exemption applies to computer source code or object code, which are the main components of a computer software program.

Votes on Final Passage:

House	95	0
Senate	43	0

Effective: July 25, 1999

HB 1050

C 140 L 99

Relieving the department of labor and industries of the duties of coal mine inspection.

By Representatives Conway and Clements; by request of Department of Labor & Industries.

House Committee on Commerce & Labor
Senate Committee on Labor & Workforce Development

Background: The state coal mining code was first enacted before the turn of the century. It primarily addressed the underground mining of coal. In 1997, the Legislature repealed the statute regulating coal mining. The statute was repealed because the federal government had taken over regulation of coal mining operations and because there were no longer any operational underground coal mines in Washington. The Department of Labor and Industries does not regulate or inspect coal mines.

Summary: Two statutes concerning coal mine inspections are repealed. (These sections were omitted in 1997 when the Legislature repealed the mining statute.)

The repealed statutes require the Department of Labor and Industries to inspect coal mines for compliance with the mining codes, investigate any explosions or loss of life at a mine, authorize courts to order recalcitrant owners to permit inspections of a mine, and create a process for gaining and enforcing orders for corrective action issued by courts.

Votes on Final Passage:

House	95	0
Senate	45	0

Effective: July 25, 1999

SHB 1053

C 269 L 99

Simplifying the transportation funding statutes.

By House Committee on Transportation (originally sponsored by Representatives Fisher, K. Schmidt, Hatfield, Radcliff, O'Brien, Tokuda, Hurst, Skinner and Hankins; by request of Legislative Transportation Committee).

House Committee on Transportation
Senate Committee on Transportation

Background: The Washington motor fuel tax rate of 23 cents per gallon is contained in the RCW as three different rates of 17 cents, 1 cent, and 5 cents. The distributions for

the 17 cent, 1 cent, and 5 cent rates are found in different sections of the RCW. The distribution for the 17 cents are based on percentages, while the distributions for the 1 cent and 5 cent rates are based on pennies. The combination of different rates and distributions based on percentages and pennies makes the fuel tax statutes difficult to work with.

Summary: The three motor fuel tax rates are collapsed into one rate of 23 cents. The fuel tax distributions are placed in one section of the code and based on a percentage, while maintaining revenue neutrality.

The motor fuel tax distributions to the small city account and the city hardship assistance account are eliminated and both of their distributions are placed into the urban arterial trust account.

Finally, old sections in the RCW that are no longer necessary for paying off debt service are repealed.

Votes on Final Passage:

House	95	0	
Senate	38	7	(Senate amended)
House			(House refused to concur)
Senate	41	0	(Senate receded)

Effective: July 1, 1999

EHB 1067

C 141 L 99

Amending statutory double jeopardy provisions.

By Representatives O'Brien and Ballasiotes.

House Committee on Judiciary

Senate Committee on Judiciary

Background: Under the double jeopardy clauses of the federal and state constitutions, it is unconstitutional for a person to be tried twice for the same crime by the same sovereign. However, there is no constitutional prohibition against successive prosecutions for the same crime by different sovereigns. For example, a Washington court could constitutionally prosecute a defendant who has already been prosecuted for the same crime in another state or in a military tribunal. This is known as the doctrine of dual sovereignty.

Many states, including Washington, statutorily override the doctrine of dual sovereignty. In Washington, double jeopardy protections apply to a defendant who has already been criminally prosecuted for the same offense by another sovereign. The Washington Supreme Court has ruled that this includes a person who has been subject to nonjudicial punishment under the Uniform Code of Military Justice.

Summary: Double jeopardy protections do *not* apply to a defendant who has received administrative or nonjudicial punishment, civilian or military, for the same offense from another sovereign. Double jeopardy protections continue to apply to a defendant who has already been prosecuted

for the same offense in judicial proceedings conducted under the criminal laws of another sovereign.

Votes on Final Passage:

House	97	0
Senate	46	1

Effective: July 25, 1999

SHB 1068

C 323 L 99

Providing for more participation by victims, prosecutors, and law enforcement in the clemency and pardons process.

By House Committee on Criminal Justice & Corrections (originally sponsored by Representatives Ballasiotes, O'Brien, Lambert, Mitchell, Kessler, Esser and Lovick).

House Committee on Criminal Justice & Corrections
Senate Committee on Human Services & Corrections

Background: Clemency and Pardons Board. The Clemency and Pardons Board receives petitions from individuals, organizations, and the Department of Corrections for the review and reduction of sentences and the pardoning of offenders in extraordinary cases, and makes recommendations on these petitions to the Governor. The board also makes recommendations to the Governor on certain petitions received from individuals or organizations for the restoration of civil rights lost as a result of convictions for federal offenses or out-of-state felonies.

Indeterminate Sentence Review Board. When requested by the Governor, the Indeterminate Sentence Review Board is required to review representations made in support of applications for pardons and for the restoration of civil rights of convicted persons, and make recommendations to the Governor regarding these applications. The board can request the assistance of the Department of Corrections in performing this duty.

Victims' Rights. A reasonable effort must be made to ensure that victims of crimes and survivors of victims are given certain rights with respect to proceedings involving the crime, such as the right to be informed, upon request, of the date, time, and place of trial and of the sentencing hearing, the right to submit a victim impact statement to the court, and the right to present a statement at sentencing hearings.

Summary: Clemency and Pardons Board/Indeterminate Sentence Review Board. The Clemency and Pardons Board may not recommend that the Governor grant clemency until a public hearing is held on the petition. Likewise, the Indeterminate Sentence Review Board may not make any recommendations to the Governor in support of an application for pardon until a public hearing has been held either by it or by the Clemency and Pardons Board. With respect to a hearing by either board, the

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prosecuting attorney of the county where the conviction was obtained must be notified 30 days prior to the scheduled hearing, and must be provided with a copy of the petition. The board may, however, waive the 30-day notice requirement when necessary to permit timely action on the petition. The prosecuting attorney must make reasonable efforts to notify victims, survivors of victims, witnesses, and the law enforcement agencies that conducted the investigation of the date and place of the hearing. Information on the victims, survivors, and witnesses receiving notice is confidential and not available to the offender. The board must consider any written, oral, audio or videotaped statements it receives, personally or by representation, from the individuals who receive notice. These provisions do not create a private right or benefit enforceable at law.

Victims' Rights. A reasonable effort must be made to ensure that victims and survivors of victims have the right to present a statement in person, via audio or videotape, in writing, or by representation at any hearing regarding an application for pardon or commutation of sentence.

Votes on Final Passage:

House	95	0	
Senate	45	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1069

C 142 L 99

Authorizing the forensic investigations council to make expenditures to assist in investigations of multiple deaths.

By House Committee on Local Government (originally sponsored by Representatives Scott, Mulliken and O'Brien).

House Committee on Local Government
House Committee on Appropriations
Senate Committee on Ways & Means

Background: The Washington State Forensic Investigations Council (WSFIC) performs several functions related to death investigations as part of the state's criminal justice system. The WSFIC and the University of Washington jointly oversee the state toxicology laboratory and the state forensic pathology fellowship program. The WSFIC also approves the state crime laboratory and toxicology laboratory budgets. Further, the WSFIC is required to study and recommend cost-efficient improvements to the state's death investigations system.

The Death Investigations Account (DIA) pays for various activities associated with death investigations and is funded from part of the fees received by the Department of Health for copies of vital records. The state treasurer makes disbursements from the DIA to the WSFIC and to various entities, including:

- the state toxicology laboratory;
- the Criminal Justice Training Commission for training county coroners;
- the Washington State Patrol for partial funding of the state dental identification system;
- the University of Washington for the state forensic pathology fellowship program;
- counties for the cost of autopsies; and
- medical examiners and their staff.

Summary: The WSFIC is authorized to spend up to \$250,000 per biennium from the DIA appropriation to assist local jurisdictions investigate multiple deaths involving unanticipated, extraordinary and catastrophic events, or involving multiple jurisdictions. The WSFIC is required to adopt rules for expending funds from the DIA for this purpose.

Votes on Final Passage:

House	96	0
Senate	49	0

Effective: July 25, 1999

HB 1073

C 99 L 99

Changing alternative bid processes for public hospital districts.

By Representatives D. Schmidt and Romero; by request of Alternative Public Works Methods Oversight Committee.

House Committee on State Government
Senate Committee on State & Local Government

Background: Most governmental entities are permitted to use a "small works roster process" in lieu of the sealed bid process to award contracts for certain public works projects, usually projects under a specified dollar value. For public hospital districts, the small works roster process is permitted for contracts in excess of \$50,000, rather than less than \$50,000.

Summary: The value of contracts that public hospital districts may award using the small works roster process is altered from projects with an estimated value in excess of \$50,000 to projects estimated to cost less than \$50,000.

Votes on Final Passage:

House	94	0
House	95	0
Senate	47	0

(House reconsidered)

Effective: July 25, 1999

SHB 1075

C 29 L 99

Increasing the monetary limit for use of the small works roster by port districts.

By House Committee on State Government (originally sponsored by Representatives D. Schmidt and Romero; by request of Alternative Public Works Methods Oversight Committee).

House Committee on State Government
Senate Committee on State & Local Government

Background: Port districts are required to use the open competitive sealed bid process for any project estimated to cost \$100,000 or more, and may use the small works roster process for contracts estimated to cost \$100,000 or less.

The small works roster process is used in lieu of the sealed bid process for awarding public works contracts. A small works roster consists of all responsible contractors who have requested to be on the list and, as required by law, are properly licensed or registered to perform work in Washington. When using the small works roster, port districts must invite at least five quotations from contractors whenever possible. This process may be used only for contracts valued under the dollar limit set in statute.

Summary: Port district contracting processes are changed as follows:

- The dollar limit for public works projects eligible for the small works roster process is increased from projects estimated to cost \$100,000 or less to \$200,000 or less.
- The dollar amount for projects required to use the open competitive sealed bid process is increased from costs estimated to be over \$100,000 to costs estimated to be over \$200,000.

A report on the effectiveness of these changes in bid limits must be submitted to the Alternative Public Works Methods Oversight Committee prior to the 2003 legislative session.

Votes on Final Passage:

House	95	0
Senate	31	12

Effective: July 25, 1999

HB 1080

C 391 L 99

Providing infectious disease testing for good samaritans and expanding health care information confidentiality protections.

By Representatives Carlson, Ogden, Pennington, Dunn, Tokuda, Stensen, O'Brien, Morris, Conway, Lambert, Lantz, Wood, Rockefeller, Parlette, Esser and Lovick.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: Rendering emergency medical treatment resulting in exchange of bodily fluid increases a person's exposure to deadly infectious diseases like hepatitis and human immunodeficiency virus (HIV). Persons rendering emergency care or transportation as volunteers are known as "Good Samaritans." As volunteers, Good Samaritans may not be able to pay for disease testing when exposed to bodily fluids.

Across the state local health departments are contemplating changing their procedures to mandate physicians to report the name of any patient who tests HIV positive to the local health department. This action has been encouraged by federal health agencies. Driving the change is the success of drug therapies in treating Acquired Immunodeficiency Syndrome (AIDS). Earlier intervention is now important because of the life prolonging impact of drug therapies.

Confidentiality issues have arisen about personally identifying information being obtained by government agencies, particularly in the case of AIDS or HIV status.

Summary: If a Good Samaritan has been exposed to bodily fluids while rendering emergency care and has no insurance to cover disease testing, the local health department must provide free testing. The local health department is not required to provide other services.

The Department of Health must report to the State Board of Health unauthorized disclosures of confidential information obtained through disease reporting. The report must include recommendations for prevention and improvement of the privacy systems in place. The department must assist health care providers and others to understand the rules on confidentiality.

The monetary penalties for violations of confidentiality are increased to \$10,000 for intentional or reckless violations. It is a misdemeanor for a local board of health member to violate the confidentiality provisions.

Votes on Final Passage:

House	95	0	
Senate	46	0	(Senate amended)
House	84	13	(House concurred)

Effective: May 18, 1999 (Sections 1 and 2)
July 25, 1999

HB 1092

C 30 L 99

Regulating escrow agents and escrow officers.

By Representative Hatfield; by request of Department of Financial Institutions.

House Committee on Financial Institutions & Insurance
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: Responsibility for the regulation of escrow agents was transferred from the Department of Licensing to the Department of Financial Institutions (DFI) in 1995. This act regulates the registration and oversight of escrow agents within Washington except for the escrow activities of title insurance companies and agents. The Office of the Insurance Commissioner regulates title insurance companies, but does not have authority over the escrow activities of title insurance companies and agents.

An applicants for certification as an escrow agent must give evidence of financial responsibility by showing that the applicant has a fidelity bond for \$200,000 and an errors and omissions policy or self insurance in the amount of \$50,000. Escrow agents are prohibited from advertising that they are registered or bonded.

The DFI is authorized to charge fees for applications and renewal of registrations, changing certificates of registration, duplicate certificates, and providing support to the escrow commission. The DFI is authorized to assess fines and obtain injunctive relief for violations of the escrow agent registration Act. In addition to following the adjudicative procedures in the Administrative Procedure Act, the DFI must give prior notification that a cease and desist order will be issued to a person violating the act before issuing the cease and desist order.

1031 tax exchanges are transactions that allow for certain types of property trades that shelter capital gains. In a recent administrative decision, the DFI determined that 1031 tax exchanges are subject to regulation as an escrow activity.

Summary: Changes are made to the regulation of escrow activities and escrow agents. These changes include provisions increasing consumer protection, clarifying the types of transactions regulated and making technical and other changes. The Office of the Insurance Commissioner is authorized to regulate the escrow activities of title insurance companies and title insurance agents, making all escrow activities subject to regulation.

Escrow agents are licensed rather than certified. In addition to current financial responsibility requirements, the fidelity bond must have a deductible of less than \$10,000 a surety bond must be obtained in the amount of the deductible on the fidelity bond. Escrow agents and officers may advertise that they are licensed and bonded.

It is unlawful for an escrow agent, escrow officer, or other person to engage in fraudulent, misleading, or

deceptive practices. It is unlawful for an escrow agent, escrow officer, or other person to fail to take actions that are required by law, fail to comply with an injunction, or fail to make any report or statement lawfully required by the director of DFI or any other public official.

The Department of Financial Institutions (DFI) may charge fees for filing an original or renewal application for an escrow agent license, an additional licensed location, change of address, and an annual fee for the first office or location and for each additional office or location. The annual fee may be up to \$565 in fiscal year 2000. The DFI may charge a fee for filing an original or renewal application for an escrow officer license, a change of address, to activate an inactive license, to transfer a license, and the DFI may set an annual fee up to \$235 in fiscal year 2000. DFI may also set an hourly audit fee.

The DFI is authorized to charge additional fees for the licensing and auditing of escrow agents. The department may assess fines and ban individuals from participating in the escrow industry. There is no longer a provision requiring notification of the imminent issuance of a cease and desist order outside of current Administrative Procedure Act requirements.

1031 tax exchanges are explicitly exempted from the definition of escrow.

Votes on Final Passage:

House	90	5
Senate	45	0

Effective: July 25, 1999

HB 1106

C 31 L 99

Prescribing disclosures required for prize promotions.

By Representatives Van Luven, Conway, Wood, Clements, Lisk and Esser.

House Committee on Commerce & Labor
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: Businesses that use promotional advertising to attract customers must comply with certain disclosure requirements when making a promotional offer. A promotional offer involves a program, sweepstakes, direct giveaway or solicitation. The offer may be in the form of a written notice that offers products, services or property based on a representation that the individual has been or will be awarded a prize. The person may need to attend a sales presentation or meet with a salesperson to claim a prize.

The offer to the consumer must contain information about the promoter and the value of the prize offered. If a sales presentation is required before receiving a prize, that fact must be conspicuously displayed on the first page of the offer that includes winning a prize.

If the prize is contingent on restrictions or qualifications, including restriction on travel dates, accommodations, or travel times, any restrictions must be disclosed on the same page. Rather than disclose the detailed restrictions on the same page as the offer, the following statement may be substituted if the consumer is told where in the offer the detailed restrictions can be found: "Major restrictions may apply to the use, availability, or receipt of the prize(s) awarded."

Summary: When the receipt of a prize in a promotional offer is contingent on a person attending a sales presentation, this requirement must be disclosed in bold type on the same page as the offer or may be substituted with the phrase: "Details and qualifications for participation in this promotion may apply." This statement must be followed by the location in the offer where restrictions may be found.

If receipt of a prize is contingent on any other restriction or qualification and the offer substitutes disclosure of the restriction with a statement, the statement must read: "Details and qualifications for participation in this promotion may apply."

Votes on Final Passage:

House	84	11
Senate	44	0

Effective: July 25, 1999

SHB 1113

C 333 L 99

Revising provisions relating to occupational therapy.

By House Committee on Health Care (originally sponsored by Representatives Campbell, Cody and Boldt).

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: Occupational therapists and occupational therapy assistants are licensed by the state for the practice of occupational therapy. No person may represent himself or herself as an occupational therapist or occupational therapy assistant without holding a license.

An occupational therapist may treat a patient only upon the referral of a physician or podiatrist licensed in this state.

There is no definition of an occupational therapy practitioner provided in the law.

Summary: A definition of "occupational therapy practitioner" is added, referring collectively to both an occupational therapist and an occupational therapy assistant when used in the law for a common purpose.

The class of health providers who may refer a patient for treatment by an occupational therapy practitioner is expanded to include an osteopathic physician, podiatric

physician, naturopath, chiropractor, physician assistant, psychologist, or an advanced registered nurse practitioner.

Votes on Final Passage:

House	94	0	
House	95	0	(House reconsidered)
Senate	43	0	

Effective: July 25, 1999

2SHB 1116

C 354 L 99

Requiring the department of social and health services to disclose long-term care financial information and service options to clients.

By House Committee on Health Care (originally sponsored by Representative Clements).

House Committee on Health Care
House Committee on Appropriations
Senate Committee on Health & Long-Term Care

Background: The state is required to recover (to be reimbursed for) certain long-term care benefit payments, plus hospital services and prescription drug services, from recipients' estates after their death. Recovery is deferred while there is a surviving child who is 20 years old or younger or who is blind or disabled. Recovery is also deferred until the death of the surviving spouse. Certain hardship provisions to protect dependents' heirs may apply.

Washington will recover payments from the estates of recipients age 55 or older for the following long-term care service: nursing home services, Medicaid personal care services, adult day health, and private duty nursing or COPES. The state will also recover costs of hospital care and prescription drugs for people who receive long care services. Recovery is also made from the estates of people who receive state-funded services, such as chore services, adult family homes, or adult residential care. These are collected regardless of the age of the recipient of service.

Collection only applies to property the Medicaid recipient owned or had an interest in at the time of death. It does not apply to property solely owned by a spouse or child. An estate includes all real property (land or buildings) and all other property (savings, assets) a person owns or has a legal interest in at the time of death.

The Department of Social and Health Services (DSHS) may file a lien or make a claim against any property that is included in the deceased recipient's estate. Before filing a lien against real property, the DSHS gives notice and opportunity for a hearing to the estate's personal representative, the decedent's surviving spouse, or any other established title owner of the property.

At the time of application for assistance the client must complete and sign an application form. The application

SHB 1124

form contains a paragraph that states the client understands that the DSHS may recover the cost of long-term care services from their estate. A flyer produced by the Columbia Legal Services with information regarding estate recovery is also given to the clients at the time of application. Aging and Adult Services Administration pamphlets that are distributed to clients and providers also contain information regarding this issue.

The DSHS is not required by law to notify the client of the terms and conditions of the estate recovery process or the specific costs of each long-term care service option, or to periodically keep the recipient informed of long-term care services or the debt being charged to their estate.

Summary: The DSHS must fully disclose, verbally and in writing, in advance of any use of state funded long-term care services, the terms and conditions of the amount of money that a person would owe from their estate at the time of their death, if the person chooses to use state funded long-term care services. In disclosing estate recovery costs to potential clients, the DSHS must provide a written description of the community service options. The DSHS is required to develop a plan to provide clients financial information quarterly about the amount owed from their estate for the use of long-term care services. The plan must be submitted to the Legislature by December 12, 1999.

Votes on Final Passage:

House	96	0	
Senate	46	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1124

C 5 L 99

Correcting DUI penalty provisions.

By House Committee on Judiciary (originally sponsored by Representatives Constantine, Sheahan, Ballasiotes, Lantz, McDonald, Lambert, Stensen, Hurst and Esser).

House Committee on Judiciary
Senate Committee on Judiciary

Background: As part of extensive amendments to the state's drunk driving laws in 1998, the Legislature greatly expanded the use of electronic home monitoring in "driving under the influence" (DUI) sentences. All DUI offenders are now explicitly subject to electronic monitoring. Electronic home monitoring may include an alcohol detection breathalyzer test to which the offender is periodically required to submit. The monitoring must be paid for by the offender. In some instances the monitoring is mandatory.

For first-time offenders, electronic monitoring may be given in lieu of what is otherwise mandatory jail time. This means that first-time offenders must be given either a prescribed minimum jail sentence or a prescribed minimum monitoring sentence. For a first-time offender with an alcohol concentration (BAC) below 0.15 percent, not less than 15 days of electronic monitoring may be given in lieu of an otherwise mandatory one day in jail. In the case of a first-time offender with a BAC of 0.15 or more, not less than 30 days may be given in lieu of an otherwise mandatory two days in jail.

For repeat offenders, electronic monitoring must be given in addition to mandatory jail time. This means that repeat offenders must be given a prescribed minimum sentence of both jail and monitoring. For these repeat offenders, the prescribed minimum sentence ranges from 60 to 150 days, depending on the offenders' histories and BAC levels.

Electronic home monitoring is not considered "confinement." Under the Sentencing Reform Act (SRA), confinement includes "home detention . . . for a substantial portion of the day with the balance of the day spent in the community." The state is responsible for the cost of incarcerating offenders who are sentenced to more than one year of incarceration.

The electronic monitoring requirements do not address options for those offenders who lack a dwelling or a phone line, both of which are necessary for home monitoring.

Summary: Courts may waive otherwise mandatory electronic home monitoring in DUI cases if:

- the offender has no dwelling, phone, or other necessity for monitoring;
- the offender resides outside the state; or
- there is reason to believe the offender will violate the terms of the monitoring.

Whenever a court waives the mandatory monitoring, it must give its reasons and must impose an alternative sentence with similar punitive consequences. Alternatives include, but are not limited to, more jail time, work crew, or work camp.

The statement that electronic monitoring is not "confinement" is removed.

If the total of jail time and electronic monitoring (or an alternative to monitoring) would exceed one year, the jail time is to be served first and the monitoring (or alternative) is to be reduced so that the combination does not exceed one year.

Votes on Final Passage:

House	95	0
Senate	47	0

Effective: March 16, 1999

ESHB 1125
PARTIAL VETO
 C I L 99 E1

Funding transportation for the 1999-01 biennium.

By House Committee on Transportation (originally sponsored by Representatives Fisher, K. Schmidt, Radcliff, O'Brien, Fortunato, Eickmeyer, Hankins, Cooper, Murray, Wood and Mitchell; by request of Governor Locke).

House Committee on Transportation
 Senate Committee on Transportation

Background: The transportation budget provides appropriations to the major transportation agencies — the Department of Transportation (DOT), the Washington State Patrol (WSP), the Department of Licensing (DOL), the Transportation Improvement Board (TIB), and the County Road Administration Board (CRAB). It also provides appropriations to many smaller transportation agencies and appropriates transportation funds and accounts to general government agencies.

The 1997-99 transportation budget totaled \$3 billion.

Summary: Department of Transportation

Efficiency Savings

- \$22 million in savings is realized due to the implementation of various efficiency measures throughout the agency.

State Highways

- \$1.23 billion is provided for state highway improvements.
- HOV's: \$248 million for design, right of way and construction of core HOV projects on I-5, I-405, SR 167, and SR 520, and SR 16.
- Corridor Program: \$114 million for design, right of way and construction of corridor projects including SR 509, SR 519, SR 522, SR 525, SR 395 North-South Corridor Spokane.
- Freight Mobility: \$85 million for Freight Mobility Strategic Investment Board (FMSIB) identified freight mobility projects on the state highway system (including WSDOT share) including SR 519 intermodal access, I-90 snowshed, completing SR 509 to I-5, etc.
- Capacity: \$326 million for statewide highway capacity improvements; \$50 million to support the SR 16 Narrows Bridge public/private initiative for a new Narrows Bridge.
- Safety: \$170 million to improve the safety of state highways.
- Economic Initiatives: \$194 million for economic initiatives including all weather roads, improvements on the freight and goods system (SR 18) bridge height restrictions, etc.

- Environmental: \$43 million for environmental projects including fish passage barriers, storm water runoff, wetland banking and noise walls.
- \$606 million is provided for highway preservation to repave roadways, repair and rebuild bridges, repair unstable slopes, etc.
- \$256 million is provided for the maintenance of state highways, including snow and ice removal, patching roadways, pavement striping, maintaining traffic signals, etc.

Washington State Ferries - Capital: Total Budget = \$285.2 million

- \$18 million is provided for accelerated terminal preservation.
- \$96.7 million is provided for expanded passenger-only ferry service from Southworth and Kingston to Seattle. This amount includes starting construction of terminal facilities and five passenger-only boats (approximately 1.3 boats in this biennium).

Washington State Ferries - Operating: Total Budget = \$303 million

- \$1 million is provided for expanded Bremerton auto ferry weekend service.
- \$2.1 million is provided for weekend passenger-only service.
- \$3.2 million is provided for expanded passenger-only service from Southworth and Kingston to Seattle.

Rail - Operating: Total Budget = \$33.1 million

- \$6.3 million is provided for a second round trip between Seattle and Vancouver B.C.
- \$17.6 million is provided to continue the two state sponsored round trips between Seattle and Portland and one round trip from Seattle to Vancouver B.C.

Rail - Capital: Total Budget = \$93 million

- Nearly \$49 million is provided for track improvements to improve train service and leverage partnership funding.
- \$3 million is provided to purchase up to six additional passenger cars to increase capacity on existing train sets.
- \$15 million is provided for the King Street maintenance facility.
- \$6 million is provided for light-density freight rail line loans and grants.
- \$9.4 million is provided to renovate King Street Station.

Highway Management and Facilities/Plant Construction and Supervision: Total Budget = \$71 million

- \$22.5 million is provided for facility construction.
- \$1.4 million is provided for Year 2000/disaster business plans.
- The department is authorized to use certificates of participation to acquire and remodel a facility for the Southwest regional headquarters.

Aviation: Total Budget = \$4.4 million

- \$1.5 million is provided for safety inspections, airport assistant grants, aviation planning, and equipment maintenance and replacement.

Traffic Operations: Total Budget = \$29.5 million

- \$2.9 million is provided for the additional low cost enhancements and the service patrol program.

Traffic Operations - Capital: Total Budget = \$9.6 million

- \$7.6 million is provided for traveler information investments and commercial vehicle operations.

Transportation Management: Total Budget = \$110.8 million

- \$7.5 million is provided for information technology projects.

Transportation Planning, Data, and Research: Total Budget = \$30.5 million

- \$4.5 million is provided for statewide travel forecasting and statewide transportation planning and traffic counts.

Public Transportation: Total Budget = \$24.4 million

- \$10.1 million is provided for the Commute Trip Reduction (CTR) program.
- \$1.5 million is provided for additional CTR tax credits.
- \$750,000 is provided for the Agency Council on Coordinated Transportation (ACCT) grant program.
- \$4.5 million is provided for rural mobility projects.
- \$2.7 million is provided for the high capacity planning grants.

Trans Aid - Capital: Total Budget = \$161.9 million

- \$85 million is provided for freight mobility projects.
- \$1.4 million is provided for the Tibbets Creek project.
- \$10 million is provided for Columbia River dredging.
- \$300,000 is provided for the Chehalis Basin Flood Management Study.
- \$6.7 million is provided for the State Infrastructure Bank.
- \$20 million is provided for county corridor congestion relief.
- \$5 million for a small city (2,500 population or less) pavement preservation programs.
- \$5 million for a city fish passage barrier removal and habitat restoration program.
- \$5 million for enhanced safety for schools, which includes sidewalks, signals and channelization.

Washington State Patrol

Field Operations: Total Budget = \$160.9 million

- \$1.4 million is provided for the emergency communication system.
- \$1.6 million is provided for 18 new Community Oriented Policing Services (COPS) Troopers.

Support Services Bureau: Total Budget = \$67.9 million

- \$1 million is provided, in addition to the agency's existing technology replacement funding, for replacing identified outdated technology.

- \$877,000 is provided for replacement of pursuit vehicles at 110,000 miles.

- \$617,000 is provided for 8 new communication staff.

Capital: Total Budget = \$2.3 million

- Funding is provided for minor works, repaving of the drive course, and the Naselle detachment office.

Department of Licensing

Management and Support Services: Total Budget = \$11.3 million

Vehicle Services Division: Total Budget = \$59.2 million

- \$528,000 is provided to increase audit functions.

Information Systems Division: Total Budget = \$9.5 million

- \$1.1 million is provided for technology infrastructure.

Driver Services Division: Total Budget = \$79.4 million

- \$445,000 is provided for license service office counter upgrades.
- \$2.4 million is provided for the replacement of the outdated automated testing system.
- \$2.9 million is provided for a new improved, secure driver's license.
- \$2 million is provided for 25 new licensing service office staff to reduce wait time.
- \$553,000 is provided to upgrade the licensing service offices' lobby management system to assist the public in more timely processing of driver's licenses.

Other Agencies

Traffic Safety Commission: Total Budget = \$11.5 million

- \$3.5 million from TEA-21 incentive grants for safety programs.
- \$25,000 is provided for the implementation of a bicycle and pedestrian safety education program related to the Cooper Jones Act of 1998.

State Parks and Recreation - Capital: Total Budget = \$2.7 million

- Funding is provided for improvement projects on State Park roadways.

Transportation Commission: Total Budget = \$807,000

- Funding is provided at current funding levels for the administration of the commission.

Legislative Evaluation and Accountability Program: Total Budget = \$900,000

- \$630,000 is provided to assist in the implementation of the Local Government Finance Reporting project and the Transportation Infrastructure Database and Reporting System.

Utilities and Transportation Commission: Total Budget = \$111,000

- One year funding is provided and second year funding levels will be determined by the findings of an interim

study on the transportation functions currently performed by the UTC.

Transportation Improvement Board: Total Budget = \$237 million

- Funding is provided for transportation improvements on state, city and county arterials.

Freight Mobility Strategic Investment Board: Total Budget = \$600,000

- Funding is provided for the administration of the board in prioritizing and overseeing state and local freight mobility projects.

County Road Administration Board: Total Budget = \$111 million

- Funding is provided for capital projects, which includes \$8 million for projects related to the freight and goods system on county roads.

Senate Transportation Committee: Total Budget = \$2.4 million

- Funding is provided to the Senate Transportation Committee for operations and staffing.
- Funding is provided to conduct a Road Jurisdiction Study in which a task force of House and Senate Transportation members will be formed to study the issues surrounding the redesignation of state and local routes.

House Transportation Committee: Total Budget = \$2.4 million

- Funding is provided to the House Transportation Committee for operations and staffing.

The following agencies are funded at current levels:

- Department of Agriculture
- Board of Pilotage Commissioners
- State Parks and Recreation Commission - Operating
- Marine Employees Commission

Votes on Final Passage:

House	83	13	
Senate	47	2	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	48	0	(Senate amended)

First Special Session

House	96	0	
Senate	46	1	(Senate amended)
House			(House refused to concur)
Senate	46	2	(Senate amended)
House	96	0	(House concurred)

Effective: May 27, 1999

Partial Veto Summary: Approximately \$7 million was vetoed out of the 1999-01 transportation budget, including \$4 million for HOV lanes on SR 16 and \$1.5 million for development of a new class of auto/passenger ferries.

VETO MESSAGE ON HB 1125-S

May 27, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 1(4)(i), (i) and (ii); 103(2); 103(4); 207(2); 210(partial); 215(1); 215(2); 215(3); 215(6); 216(3); 216(7); 219(10); 228(3); 231(2)(partial); 603; 605; and 613, Engrossed Substitute House Bill No. 1125 entitled:

“AN ACT Relating to transportation funding and appropriations;”

Engrossed Substitute House Bill No. 1125 is the state transportation budget for the upcoming biennium. I disagree with some sections and have vetoed them for the following reasons:

Section 1(4)(i), (i) and (ii), pages 2-3, lines 32 through 2 (Definitions)

The Constitution of the State of Washington, Article III, Section 12, makes clear that every act passed the Legislature shall be presented for consideration by the Governor. That section further provides that the Governor may veto less than an entire bill. The definition of “enacted in a form passed by the legislature” contained in this item effectively makes such presentment conditional upon the Governor’s approval of the entire referenced bill and incorporates substantive legislation into an appropriations bill. This violates several constitutional principles, including the doctrine of separation of powers, and improperly restricts the Governor’s constitutional veto power.

Section 103(2), page 4, lines 27 through 30 (Utilities and Transportation Commission)

Section 103(2) purports to impose a moratorium on the authority of the Utilities and Transportation Commission (UTC) to grant new certificates allowing auto transportation (bus) companies to operate. This subsection attempts to amend parts of 81.68 RCW without setting the amended parts forth in full. The Constitution of the State of Washington, Article II, Section 37 provides that no act shall ever be amended by mere reference to its title, but the act revised or the section amended shall be set forth at full length. Consequently, section 103(2) would not successfully amend the law. Instead it would create a conflict with 81.68 RCW. This veto removes a legal cloud that would affect pending and future applications for certificates by auto transportation companies. Despite this veto, I expect the UTC will carefully exercise its discretion in a manner that recognizes anticipated public transit service in the same areas as certificate applicants.

If the statutes are to be amended, it must be done properly through an ordinary bill, not in an appropriations act.

Section 103(4), page 4, lines 33 through 36 (Utilities and Transportation Commission)

Section 103(4) provides that the legislative transportation committees shall convene a task force to study issues related to utility siting and fee assessments on railroad rights of way. To avoid duplication, I have vetoed this subsection because the operating budget already requires the Utilities and Transportation Commission (UTC) to conduct such a study. However, in addition to consultations with the chairs and ranking minority members of the Legislature’s Energy, Technology and Telecommunications Committees, I request that the UTC also consult with the chairs and ranking minority members of the Transportation Committees in both houses of the Legislature.

Section 207(2), page 9, lines 17 through 24 (Blue Ribbon Commission on Transportation)

Section 207(2) directs the Blue Ribbon Commission on Transportation to develop a modal trade-off model. While such a model may be a useful tool for transportation decision making, I have vetoed this subsection in order to provide maximum flexibility to the Commission to determine its priorities within the available dollars. The agenda for the Commission should not be

dictated from Olympia. If the Commission opts to develop such a model, I expect that it will coordinate with other transportation providers who are engaged in similar analyses.

Section 210(line 33 on page 9 through line 11 on page 10) (Freight Mobility Strategic Investment Board)

The provisos in this section specify the manner in which the Freight Mobility Strategic Investment Board shall approve projects. I have vetoed these provisos because the enabling statute that created the Board established certain threshold eligibility criteria and delegated specific refinement to the Board. While the enumerated criteria match those that the Board has adopted, the Legislature has delegated this authority to the Board. This delegation is appropriate since the Board needs flexibility to adjust these criteria as it embarks on the administration of this new program.

Section 215(1), page 13, lines 4 through 8 (Department of Licensing—Vehicle Services)

Section 215(1) stipulates that the \$81,000 appropriation from the motor vehicle account-state shall lapse if Senate Bill 5000 is not enacted in the form passed by the Legislature. Senate Bill 5000 was not passed by the Legislature; therefore, I have vetoed this subsection to eliminate any possible confusion.

Section 215(2), page 13, lines 9 through 13 (Department of Licensing—Vehicle Services)

Section 215(2) stipulates that the \$273,000 appropriation from the motor vehicle account-state shall lapse if Senate Bill 5280 is not enacted in the form passed by the Legislature. Senate Bill 5280 was not passed by the Legislature; therefore, I have vetoed this subsection to eliminate any possible confusion.

Section 215(3), page 13, lines 14 through 18 (Department of Licensing—Vehicle Services)

Section 215(3) stipulates that the \$82,000 appropriation from the motor vehicle account-state shall lapse if Senate Bill 5641 is not enacted in the form passed by the Legislature. Senate Bill 5641 was not passed by the Legislature; therefore, I have vetoed this subsection to eliminate any possible confusion.

Section 215(6), page 13, lines 27 through 28 (Department of Licensing—Vehicle Services)

Section 215(6) provides that the Department of Licensing shall issue license plate emblems at the discretion of the adjutant general. Such issues are more appropriately handled in policy bills that are the subject of specific legislative debate and input by stakeholders, and give further direction to the Department of Licensing about implementation. Furthermore, neither an appropriation nor fee setting authority was provided for this purpose.

Section 216(3), page 14, lines 20 through 24 (Department of Licensing—Driver Services)

Section 216(3) stipulates that the \$610,000 highway safety fund-state appropriation shall lapse if House Bill 1147 is not enacted in the form passed by the Legislature. House Bill 1147 was not passed by the Legislature; therefore, I have vetoed this subsection to eliminate any possible confusion.

Section 216(7), page 15, lines 1 through 3 (Department of Licensing—Driver Services)

Section 216(7) stipulates that the \$335,000 highway safety fund-state appropriation shall lapse if Senate Bill 6009 is enacted in the form passed by the Legislature. Senate Bill 6009 was passed by the Legislature and I signed it into law on April 28, 1999. However, a reduction was already made to the appropriations in this section to reflect the enactment of Senate Bill 6009. It was not the intent of the Legislature to reduce the appropriation a second time; therefore, I have vetoed this subsection to nullify the second reduction.

Section 219(10), pages 17-18, lines 26 through 2 (Department of Transportation—Improvements—Program I)

Section 219(10) provides \$3,992,000 motor vehicle account-state appropriation for construction of high occupancy vehicle (HOV) lanes on State Route 16, on the eastern and western sides of the Tacoma Narrows Bridge. I have vetoed Section 219 (10) because I believe we need to finish our commitments to extend the core HOV lanes on Interstate 5 prior to embarking on

these unconnected segments. Completing the HOV lanes on I-5 is critical for the success of Sound Transit's Regional Express bus component, which will take advantage of 100 continuous miles of HOV lanes on the state system.

Section 228(3), pages 24-25, lines 29 through 23 (Department of Transportation—Washington State Ferries—Program W)

Section 228(3) provides a \$1,500,000 motor vehicle account-state appropriation to develop a new class of auto/passenger ferries. I have vetoed this subsection because the need for this class of vessel has not been identified by the Washington State Ferry (WSF) system in its current revenue 10-year capital plan. It does not make sense to develop a new class of vessel now, when it is likely that the design and technology will become obsolete before construction. Additionally, WSF did not spend \$500,000 provided in the 1997 - 1999 transportation budget for the exploration and acquisition of a design for constructing a millennium class ferry vessel. In light of this, I think it is premature to commission the study. In the short-term we must focus on passenger-only ferry construction and service, and on maintaining WSF terminals, many of which were built long ago and were not designed to accommodate the types and amounts of service provided today. It is time to reverse the trend of under-investing in these terminals.

Section 231(2)(line 21 (part) through line 30 (part)), page 29 (Department of Natural Resources – Roadway Easement Authority)

This provision attempted to amend 79.91 RCW to temporarily remove part of the authority of the Department of Natural Resources (DNR). Such an amendment is more appropriately done through an ordinary policy bill that is subject to specific legislative debate and input by stakeholders, not in an appropriations act.

The Constitution of the State of Washington, Article II, Section 37 provides that no act shall ever be amended by mere reference to its title, but the act revised or the section amended shall be set forth at full length. The Legislature may not provide sweeping amendments to RCW 79.91.100 without setting forth the section in full for amendment. Consequently, this provision would not successfully amend the law. Instead it would create a conflict with 79.91 RCW. This veto removes a legal cloud that would affect decisions by DNR regarding roadway easements.

In earlier versions of this act the vetoed provision was contained in a separate section, as it normally would be. It was rolled into subsection 231(2) in an obvious attempt to preclude veto. In *Legislature v. Lowry*, the State Supreme Court cautioned against such manipulation of the designation of sections to avoid the veto power.

Section 603, pages 71-72, lines 32 through 39 (Performance Based Budgeting)

Section 603 outlines performance based budgeting requirements for the transportation agencies. While I support performance based budgeting and commend the Transportation Committees' interest, some elements of the criteria established in this section are inconsistent with current statewide budget and accounting standards. The Office of Financial Management is designated in the Budget and Accounting Act as the agency responsible for establishing budget instructions and developing and maintaining statewide financial systems. The criteria in this section would establish additional and duplicative reporting requirements for transportation agencies. The creation of two separate tracks for the analysis of financial data would make it impossible to provide consistent and connected statewide financial information. It is my expectation that agencies will continue to work with the Office of Financial Management and the Legislative fiscal committees to develop and implement uniform performance based budgeting reporting standards that will be applicable to all state agencies.

Section 605, pages 74-75, lines 5 through 6 (Surface Transportation Program Statewide Flexible fund distribution)

Section 605 enumerates a distribution scheme for expenditure of Surface Transportation Program (STP) Statewide Flexible funds. Specifically, it provides 40% to the Department of Transportation (DOT), 38% for a statewide competitive grant program and 22% for rural economic development.

I have vetoed this section in order to allow implementation of the majority recommendation of the TEA 21 (Transportation Equity Act for the 21st Century) Steering Committee. The Steering Committee recommendation divides the STP Statewide Flexible funds into four categories: (1) rural economic development (22%); (2) statewide competitive grant program (22%); (3) regions/areas (22%); and (4) DOT (34%).

With this veto the Secretary of Transportation can immediately implement the Steering Committee recommendation, to which DOT was a party, as most of these are funds now available in DOT's non-appropriated, miscellaneous transportation programs account. The Legislature has granted sufficient appropriation authority to DOT to achieve the DOT distribution, which is subject to appropriation, in other sections of this budget.

In accordance with the Steering Committee recommendation, the aforementioned distributions are for the following activities:

Rural Economic Development. This category will make funds available for transportation improvements necessary for rural economic development in counties with a population density of less than 100 people per square mile, and in urban community empowerment zones. The goal is to facilitate a rapid response to emerging economic opportunities. The Community Economic Revitalization Board (CERB) will select eligible projects, with staff support as appropriate, from DOT to facilitate distribution of the funds.

In the event that eligible economic development projects do not materialize by the time the funds must be obligated each year, the remaining funds will revert to eligible rural counties for other regional transportation needs. Project selection for reverted funds will be by the appropriate body in each county for selecting projects funded with regional surface transportation funds, typically the metropolitan planning organization (MPO) or regional transportation planning organization (RTPO).

Statewide Competitive Grant Program. This category was originally established by the State's transportation partners at the beginning of ISTEA (Intermodal Surface Transportation Efficiency Act of 1991) implementation. The Transportation Improvement Board will continue as the selection body, and will emphasize the regional significance of projects in making its decisions.

Regions/Areas. Under this category STP flexible dollars would be distributed to the appropriate body in each county that is responsible for selecting projects funded with regional surface transportation funds, typically the MPO or RTPO.

Department of Transportation. This category provides for a direct distribution to DOT.

It is important to note that DOT would be eligible to lead projects in any and all of the categories above. Historically, DOT has competed well in the statewide competitive grant program and regions/areas categories. Often an MPO's top regional priority is a project on the state's transportation system.

Section 613, page 83, lines 6 through 28, (Washington State Patrol Retirement System Contribution)

This section amends the statute prescribing the contribution rate members must pay to fund the Washington State Patrol Retirement System (WSPRS). The amendment provides that for the 1999-2001 biennium, the rate paid by employees to support their pensions should be equal to that paid by their employer. The employer rate for the biennium, already established by the state's Pension Funding Council, is zero percent. This zero rate results from the plan gradually attaining a measure of financial stability; historically over the fifty-two year life of the plan, the rate paid by the employer has averaged 19.6 percent of total payroll.

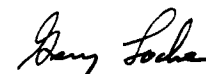
This amendment effectively postpones most payments into the WSPRS for a full two-year period, which is contrary to accepted practices for the financial management of a pension plan. Most importantly, this language would result in only those WSPRS members whose positions are funded by the state patrol highway account of the motor vehicle fund receiving the benefit of the reduced contribution rate. All other officer members (about 10 percent of the members) whose positions are funded by other sources would continue to pay the statutorily required 7 percent contribution. It is unclear what rate would be paid by members whose salaries are paid partially from the state patrol highway account and partially from other accounts.

Meanwhile, section 614 of this legislation requires the Joint Committee on Pension Policy (JCPP) to study and recommend a new method for setting employee and employer contribution rates for the WSPRS. I have vetoed section 613 in anticipation of the JCPP formulating a permanent solution to this problem, rather than supporting a temporary fix that could potentially raise questions in bond markets and other financial communities regarding the appropriateness of the state's financial management practices.

For these reasons, I have vetoed sections 1(4)(i), (i) and (ii); 103(2); 103(4); 207(2); 210(partial); 215(1); 215(2); 215(3); 215(6); 216(3); 216(7); 219(10); 228(3); 231(2)(partial); 603; 605; and 613 of Engrossed Substitute House Bill No. 1125.

With the exception of sections 1(4)(i), (i) and (ii); 103(2); 103(4); 207(2); 210(partial); 215(1); 215(2); 215(3); 215(6); 216(3); 216(7); 219(10); 228(3); 231(2)(partial); 603; 605; and 613, Engrossed Substitute House Bill No. 1125 is approved.

Respectfully submitted,



Gary Locke
Governor

ESHB 1131

C 327 L 99

Impounding cars used to patronize prostitutes.

By House Committee on Judiciary (originally sponsored by Representatives Sheahan, Schindler, Crouse, Gombosky, O'Brien, Keiser, Hurst and D. Sommers).

House Committee on Judiciary
Senate Committee on Judiciary

Background: A law enforcement officer may impound a vehicle under a variety of circumstances, such as when the vehicle is unattended on a highway and is obstructing traffic, when the officer arrests the driver, or when a person is driving the vehicle without a valid driver's license. Courts interpreting this statute have ruled that the authority granted is a discretionary authority to impound and that the statute does not authorize impoundment unless impoundment is reasonable under the circumstances.

A person whose vehicle has been impounded may redeem the vehicle by paying the costs of towing and storage. The person may request a hearing in court to contest the validity of the impoundment.

If the impoundment is determined to be invalid, the person or agency that authorized the impoundment is liable for towing and impoundment costs and reasonable damages for loss of use of the vehicle.

A person is guilty of patronizing a prostitute if he or she: (1) pays a fee, under a prior understanding, as compensation for another person having engaged in sexual conduct with him or her; (2) pays a fee to another person with the understanding that the person will engage in sexual conduct; or (3) solicits another person to engage in sexual conduct in exchange for a fee. A person is guilty of patronizing a juvenile prostitute if that person engages in, or offers or agrees to engage in, sexual conduct with a minor in return for a fee. It is a misdemeanor offense for a person to patronize a prostitute and a class C felony for a person to patronize a juvenile prostitute.

Summary: The Legislature finds that many patrons of prostitutes use motor vehicles to obtain the services of prostitutes. The Legislature intends to decrease prostitution and eliminate traffic congestion caused by patrons cruising in cars in areas of high prostitution.

A person convicted of patronizing a prostitute or juvenile prostitute under state law is required, as part of the person's sentence, to remain outside the geographical area in which the person was arrested. The requirement may be waived if it interferes with the person's employment, residence, or is otherwise infeasible. In addition, the court must impose a sentencing condition that the person not be subsequently arrested for patronizing a prostitute or juvenile prostitute. These requirements also apply when a person receives a deferred sentence or deferred prosecution for patronizing a prostitute or juvenile prostitute.

When a police officer arrests a person suspected of patronizing a prostitute or juvenile prostitute, the officer may impound the patron's vehicle if: (1) the vehicle was used in the commission of the crime; (2) the vehicle is owned by the person arrested; and (3) the person arrested has previously been convicted of patronizing a prostitute or juvenile prostitute under state law.

Impoundments must be performed in accordance with current law regarding towing and impoundment.

Votes on Final Passage:

House	91	6	
Senate	44	0	(Senate amended)
House	87	10	(House concurred)

Effective: July 25, 1999

Establishing the capitol furnishings preservation committee.

By House Committee on State Government (originally sponsored by Representatives Romero, Skinner, Lantz, Hankins, Ogden, Radcliff, Mitchell and Lambert).

House Committee on State Government
House Committee on Appropriations
Senate Committee on State & Local Government

Background: Historic furnishings on the capitol campus are subject to the Department of General Administration surplus property rules. These rules allow state elected officials to buy surplus property if an item is valued lower than resale value, declared surplus of a personal nature, and depicts or represents the office in which they have served. Elected officials may purchase such items after leaving office.

Summary: The Capitol Furnishings Preservation Committee is established to recover, preserve and prevent future loss of historic furnishings. The committee is also to review and advise future remodeling and restoration projects pertaining to historic furnishings. The committee has authority to decide whether Capitol campus furnishings over 50 years old are surplus or historic items. Historic furnishings are defined to include furniture, fixtures, and artwork over 50 years old.

Committee membership is made up of legislators, representatives of statewide offices, the state historical society, and private citizens. Committee members are authorized to solicit donations of Capitol furnishings, monetary donations, and grants, with an explicit exemption from the state ethics law for this purpose. Only the director of the Washington State Historical Society, or the director's designee, is authorized to expend funds from the capitol furnishings preservation committee account when authorized by the committee.

The capitol furnishings preservation committee account is created. Appropriations and receipts from donations and grants must be deposited in the account. Expenditures are authorized only to finance the purchase and preservation of historic furnishings.

Votes on Final Passage:

House	96	0	
Senate	43	2	(Senate amended)
House	94	0	(House concurred)

Effective: July 25, 1999

SHB 1133

C 100 L 99

Maintaining voter registration lists.

By House Committee on State Government (originally sponsored by Representatives Bush, Ogden, Talcott, Buck, D. Schmidt, DeBolt, McDonald, Sump, Parlette, Lambert, Clements, Romero, Cairnes, Quall, G. Chandler, H. Sommers, Mielke, Koster, O'Brien, Sullivan, Thomas, Barlean, Campbell, Dunn, Mulliken, Alexander and Esser).

House Committee on State Government
House Committee on Appropriations
Senate Committee on State & Local Government

Background: Several different procedures exist to maintain voter registration lists.

Each county auditor must use a general maintenance program to remove names from the list using change-of-address information, mailing direct, return if undeliverable, notices to each registered voter, and other methods.

Names are removed from the inactive voter list if, within two years after being notified of being placed on the inactive voter list, the voter fails to vote, fails to notify the auditor of a change of address, fails to confirm that he or she still lives at the registered address, or fails to sign a petition that includes signatures verified by the auditor.

Deceased registered voters are removed from voter registration lists using information obtained from newspaper obituaries, signed statements by registered voters that other registered voters are deceased, and comparing names on voter registration lists with the names of persons who have died that are supplied by registrars of vital statistics from the issuance of death certificates.

Death certificates are filed with local registrars of vital statistics and forwarded to the state registrar of vital statistics within 30 days. County auditors are supplied monthly with a list of all persons over age 18 who have died. First-class city registrars supply the list directly to county auditors, while the state registrar supplies the lists to county auditors from death certificates forwarded to the state registrar by county registrars.

Summary: The procedure is altered for using death certificate information to remove names from voter registration lists. First-class city registrars no longer supply such lists directly to county auditors. The state registrar supplies a separate list every month to each county auditor of persons residing in the county for whom a death certificate was transferred to the state from first-class city registrars or county registrars within the last month. A county auditor is required to compare the list of deceased persons with voter registration lists within at least 45 days prior to the next primary or election held in the county after the list is received.

The general program to maintain voter registration lists must be thorough. It is clarified that this general maintenance program must be performed at least once every two years.

A new program is established to maintain voter registration lists. The Secretary of State and all county auditors are required to participate in a program to detect persons who may be registered to vote in more than one county. The Office of the Secretary of State is required to create a list of registered voters with the same date of birth and similar names who appear on two or more county voter registration lists. This list is forwarded to each county auditor to cancel the previous registration of voters who have subsequently registered in a different county.

The Secretary of State is required to create a standard electronic file format for voter registration information to be transferred between counties and the Secretary of State. Every county is required to convert its voter registration data into this format by January 1, 2000, and bill its reasonable programming costs to the Office of the Secretary of State by June 1, 2000.

Votes on Final Passage:

House	96	0
Senate	48	0

Effective: July 25, 1999

HB 1139

C 32 L 99

Removing a director of a nonprofit corporation from office.

By Representatives Sheahan, Constantine and Kenney.

House Committee on Judiciary
Senate Committee on Judiciary

Background: A nonprofit corporation is a corporation that does not have or issue shares of stock and that cannot distribute any part of the corporation's income to its members, directors, or officers. Nonprofit corporations may sue and be sued, make contracts, elect or appoint officers and agents, and generally do that which is necessary to lawfully conduct its business.

The corporation's board of directors manages the affairs of the corporation. A director has the duty to perform his or her functions in good faith, in a manner he or she believes to be in the best interests of the corporation, and with the care that a reasonable person in that position would use. The corporation's bylaws or articles of incorporation may establish how many directors the corporation has and in what manner the directors are elected or appointed.

The bylaws or articles of incorporation may also contain procedures for removing directors. Under the statutes governing nonprofit corporations, a director may be removed, with or without cause, by two-thirds of the votes

2SHB 1140

cast by the members having voting rights with regard to the election of a director.

The statutes governing corporations for profit allow a court to remove a director in a proceeding commenced by the corporation or its shareholders when the director has engaged in fraudulent or dishonest conduct regarding the corporation and the removal is in the best interest of the corporation. The statutes governing nonprofit corporations do not contain such a provision allowing for the judicial removal of a director.

Summary: A superior court may remove a director of a nonprofit corporation in a proceeding commenced by the corporation when the court finds that the director engaged in fraudulent or dishonest conduct regarding the corporation and removal is in the best interest of the corporation. The court may bar the director from reelection for specified periods.

Votes on Final Passage:

House	94	0
Senate	43	0

Effective: July 25, 1999

2SHB 1140

C 345 L 99

Changing higher education financial aid provisions.

By House Committee on Higher Education (originally sponsored by Representatives Carlson, Kenney, Radcliff, Lantz, Dunn, Esser, Edmonds, Cooper, Campbell and K. Schmidt).

House Committee on Higher Education
House Committee on Appropriations
Senate Committee on Higher Education

Background: The 1969 Legislature created the state need grant program to help financially needy or disadvantaged Washington residents attend college. It is the state's oldest and largest student aid program. The 1998-99 funding level is \$72.4 million, which will provide grants to about 50,000 students. The Higher Education Coordinating Board (HECB) administers the program.

In March 1998, the chairs of the House and Senate Higher Education committees asked the HECB, in consultation with the higher education community, to study the state need grant program and to develop recommendations prior to the 1999 session. In October 1998, the HECB adopted a set of recommendations and forwarded them to the Legislature.

Summary: The HECB's recommendations regarding the state need grant program are endorsed by the Legislature. These include:

- reaffirming that the program is to assist low-income, needy and disadvantaged Washington students;
- basing grant amounts on tuition rates;

- requiring students to contribute to the cost of their education from sources other than grants;
- requiring students to document their need for a dependent care allowance; and
- allowing institutions to continue grants for students whose income increases slightly.

A student's eligibility to receive a state need grant is limited to the equivalent of five years or up to 125 percent of the student's program length. Five years must elapse between associate degrees earned with need grant assistance, unless they are earned concurrently.

The HECB is required to ensure that state financial aid follows the student to the student's choice of institution.

Statutory references to a "student financial aid" program are changed to cite specifically the "state need grant" program.

Votes on Final Passage:

House	95	0	
Senate	47	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	43	1	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 1142

C 143 L 99

Making technical corrections to various criminal laws.

By Representatives Constantine and McDonald; by request of Statute Law Committee.

House Committee on Judiciary
Senate Committee on Judiciary

Background: Technical errors may develop in the statutes for a variety of reasons. Many of these errors are the result of successive amendments to the same section of law over several years. Some are the result of simple drafting errors. Others are caused by a failure to find and amend every statute that contains a reference to another statute, when the repeal or amendment of one of the statutes makes the reference incorrect.

The Code Reviser's office, under the direction of the Statute Law Committee, is authorized to correct certain "manifest errors" in the statutes. These errors may include such things as mistakes in spelling, or obvious clerical or typographical errors.

The Code Reviser is also authorized to recommend to the Legislature changes regarding statutory deficiencies, conflicts and obsolescences, and regarding the need for reorganization in the statutes.

Summary: Various statutes relating to criminal law are revised to correct technical defects. These defects include such things as:

- statutes that contain cross-references to other statutes that have been repealed;
- statutes that contain incorrect cross-references to subsections that have been renumbered by amendments to the referred-to statute;
- statutes that refer to entities, such as agencies or accounts, that no longer exist or have had name changes as the result of amendments to other statutes;
- statutes that by their own terms expired as of a date that has already passed; and
- statutes that have long definition sections in which the terms defined are not in alphabetical order.

Notes on Final Passage:

House 94 0
Senate 38 0

Effective: July 25, 1999

E2SHB 1143

C 325 L 99

Authorizing deductions from inmate funds.

By House Committee on Criminal Justice & Corrections (originally sponsored by Representatives O'Brien, Ballasiotes, Tokuda, Cairnes, Lovick, Kagi, Koster, Constantine, K. Schmidt, Kastama, Fisher, Quall, Kenney, Veloria, Eickmeyer, Kessler, Lantz, Ogden, Murray, Lambert, Dunn, Rockefeller and Conway).

House Committee on Criminal Justice & Corrections
House Committee on Appropriations
Senate Committee on Human Services & Corrections

Background: Local Jail Booking Fee. Although municipalities and counties are authorized to establish inmate fines and require reimbursement for the cost of incarceration, they are not authorized to require any person who is booked in a county or municipal jail to pay a booking fee to the sheriff's department or police chief's department.

Inmate Funds. The Department of Corrections (DOC) is responsible for establishing deductions to be made from an inmate's wages to contribute to the cost of incarceration and the development of the correctional industries program. For example, a 35 percent deduction is withdrawn from the wages of inmates participating in a class I correctional industry program (private sector businesses operated in the DOC). The deduction is then distributed as follows:

5 percent to the crime victims' compensation program;
10 percent to the inmate's savings account; and
20 percent to the cost of the inmate's incarceration.

All money received by an inmate from outside of the prison (regardless of the inmate's custody level), including money used solely for postage purposes, is subject to the same mandatory deductions as class I industry wages and is deposited into a non-interest bearing account.

Inmates' wages and outside contributions are subject to a mandatory deduction for costs of incarceration. These funds are deposited in an account to support correctional industries but only until December 31, 2000. After that date they will be deposited in the general fund.

Summary: Local Jail Booking Fee. Municipalities and counties are authorized to require any person who is booked in a county or municipal jail to pay a \$10 booking fee to the sheriff's department or police chief's department where the jail is located. The person may pay the booking fee from any money currently in the person's possession. If the person does not have any money in his or her current possession, then the sheriff must notify the court for assessment of the fee. If the defendant is acquitted, not charged, or if the charges are dismissed, then the sheriff or police chief must return the booking fee to the defendant at the last known address in the booking records.

Inmate Funds. Any funds received from outside the prison by an offender who is sentenced to life imprisonment without parole or the death penalty are subject to a 25 percent deduction. The deducted amount will be distributed as follows: 5 percent to the Crime Victims' Compensation program and 20 percent to the cost of the inmate's incarceration.

Any money sent to an inmate from outside sources and designated solely to pay for postage is exempt from the mandatory 35 percent deduction. These funds cannot be transferred for any other use and any unused postage funds at the time of the offender's release will be subject to the mandatory deductions.

The secretary of the Department of Corrections must prepare a plan for depositing inmate savings account funds into an interest bearing account. The plan must assume that the funds are to be deposited into a commingled account for all inmates and that the interest shall be paid in a manner pro rata to the inmate's share of the total deposits at a rate not less than the passbook savings rate. The plan must be presented to the Governor and the Legislature not later than December 1, 1999.

The deductions for the cost of incarceration continue to support correctional industries after December 31, 2000.

Notes on Final Passage:

House 94 1
Senate 43 0 (Senate amended)
House 94 2 (House concurred)

Effective: July 25, 1999

SHB 1149

C 33 L 99

Adopting accounting standards under the insurance code.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Sullivan,

Kastama, Lantz, Gombosky, Rockefeller, Linville, Conway, Murray, H. Sommers and Wolfe).

House Committee on Financial Institutions & Insurance
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: Insurance companies, health carriers, and fraternal benefit societies are regulated by statute and the Office of the Insurance Commissioner. An important regulatory responsibility of the commissioner is the solvency of insurance companies, health carriers, and fraternal benefit societies. Financial statements and underlying accounting standards provide information on the financial condition of insurance companies, health carriers, and others regulated by the Insurance Commissioner.

The National Association of Insurance Commissioners (NAIC) is an association of state insurance agencies that attempts to coordinate the regulation of insurance. Insurance is regulated by the states rather than the federal government. One approach the NAIC uses to coordinate state regulation of insurance is to develop model laws and standards. An accreditation program encourages states to adopt key proposals recommended by the NAIC.

Financial reports of insurance companies, health carriers, and others must be filed annually with the Insurance Commissioner and the NAIC, and generally must be consistent with financial reporting requirements of the NAIC.

Summary: Financial reports filed by insurance companies, fraternal benefit societies, and health carriers must follow the accounting practices and procedures manuals adopted by the National Association of Insurance Commissioners except when contrary to Washington law.

Votes on Final Passage:

House	95	0
Senate	44	0

Effective: July 25, 1999

HB 1150

C 144 L 99

Certifying planting stock.

By Representatives G. Chandler, Linville and Cooper; by request of Department of Agriculture.

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic Development

Background: The planting stock laws authorize the Director of Agriculture to inspect, test, and certify registered, foundation, certified, or breeder planting stock. The director is also authorized to charge fees for these services and to adopt certain rules implementing the planting stock certification program. Samples taken of certified or registered planting stock must be planted and checked in a state crop improvement nursery and the results of these

test plantings must be made available to producers and growers of the stock. The director is authorized to acquire or receive property for these state nurseries.

Agreements for testing vegetation valuable for soil conservation and agricultural land use are authorized for a Northwest Washington Nursery. A local fund, the Northwest Nursery Fund, has been created to receive the moneys generated regarding the Northwest Nursery, as well as moneys collected from fees paid under the planting stock laws, and collected from fruit tree and fruit tree rootstock assessments under the state's horticulture laws.

Summary: Entry; Failure to Comply or Make Payments; Late Fees. To carry out the planting stock laws, the Director of Agriculture may enter at reasonable times and inspect any property or premises and inspect records required under those laws. If access is denied, the director may apply to a court for a search warrant or may suspend, cancel, or refuse certification or other approval of the planting stock. The director may also withhold services to growers of planting stock for refusing to comply with the planting stock laws or rules, for failing to make payments owed to the Department of Agriculture, or for nonpayment of the assessments of any commodity commission. A late fee of 1.5 percent per month is assessed on late payments.

Compliance Agreements; Failure to Meet Requirements. The director may enter compliance agreements with the growers of planting stock, and may suspend, cancel or refuse certification or approval of planting stock if the stock fails to meet certification requirements.

Record-keeping; Publication of Names of Participating Growers; Notice of Test Failures; Micro Propagated Plants. The director is authorized to establish record-keeping requirements under the planting stock laws, to publish the names of growers participating in certification programs and inspection results, and to require growers participating in certification programs to notify purchasers of planting stock when post harvest inspections or tests show that the planting stock failed to meet minimum standards for certification. The director may establish rules regarding the production, utilization, and testing of micro propagated plants for planting stock (these are plants propagated using aseptic laboratory techniques and an artificial culture medium). The director may also adopt rules for testing planting stock and may establish fees for these tests. If test plantings of samples taken are no longer required at state crop improvement nurseries.

Additional Express Authority. The director is given express authority: for establishing tolerances for planting stock that is diseased, infected with plant pests, defective, or off-type; for excluding or removing diseased, pest infected, defective, or off-type plants from planting stock; and concerning cultivation and sanitation practices. The director's authority under the planting stock laws is more

uniformly and expressly applied to foundation, registered and certified planting stock.

Repealed Provisions. Agricultural and vegetable seeds regulated under the Seed Act are no longer exempt from regulation as planting stock under the planting stock laws. The authority of the director to acquire or receive real and other property to be used as state crop improvement nurseries and to distribute any surplus stock is repealed; however, the director retains the authority to acquire property by gift, grant, or endowment for the benefit of the planting stock laws and to acquire, propagate, and distribute planting stock to producers and growers. A law is repealed that authorizes the use of a Northwest Washington Nursery located near Bellingham for growing and testing vegetation valuable for soil conservation and proper agricultural land use. Also repealed are statutes creating a Northwest Nursery Fund, authorizing expenditures from the Fund, and dedicating payments and collections to it. The Fund is replaced by a Planting Stock Certification Account within the Agricultural Local Fund. Also repealed is a requirement that a propagator's plant materials be under the director's observation for at least one year before being certified as foundation or breeder planting stock.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: July 25, 1999

EHB 1151
C 291 L 99

Updating or repealing dairy or food laws.

By Representatives Linville, G. Chandler, Cooper and Koster; by request of Department of Agriculture.

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic Development

Background: Fluid Milk Laws. Milk and milk products are regulated under the fluid milk laws. The following must be licensed by the Washington State Department of Agriculture (WSDA) under those laws: milk producers, milk processing plants, milk distributors, milk haulers, dairy technicians, certain milk wash stations, and persons who transport, sell, or store for sale milk or milk products. These laws provide for inspections of dairy farms and milk processing plants by the WSDA, taking samples, and taking actions regarding violations of the milk laws or implementing rules. Among the actions that may be taken by the Director of Agriculture are suspending, revoking, or degrading a license, and bringing actions to enjoin violations. The director may impose a civil penalty for a violation of certain chemical residue tests or standards for component parts of fluid dairy products. Penalties are also

established for performing certain tasks without a dairy technician's license, for possessing or using imitation inspection seals, and for tampering with samples taken by an inspector.

An assessment not to exceed 0.54 cents per hundredweight is levied on all milk processed in this state until June 30, 2000. Moneys derived from the assessment are to be used to provide inspection services for the dairy industry. An advisory committee is created by the milk laws to provide advice to the director regarding the dairy inspection program.

Food Processing. The Washington Food Processing Act requires that food processing plants be licensed, provides exemptions from this requirement, and authorizes the WSDA to inspect such plants.

Other Food Laws. State law prohibits the manufacture, sale, exchange, transport, or possession for intrastate commerce of "filled dairy products." These are milk products to which a fat or oil other than milk fat has been added to create an imitation or semblance of a dairy product, other than certain chocolate, oleomargarine, cheese, cream sauce or physician ordered products. Other state laws prohibit the labeling, sale, or advertisement of oleomargarine using dairy terms or words or designs commonly associated with dairying or dairy products, except as necessary to satisfy labeling requirements of other laws.

The WSDA has the right to enter meat shops, restaurants, refrigerated locker plants, and other places where meat is commercially stored or sold to inspect carcasses and records.

The Washington Meat Inspection Act, requires the WSDA's inspection of meat food animals and slaughtering or packing facilities or similar facilities, inspection of meat carcasses, and inspection and labeling or marking of meat food products, authorizes the adoption of rules regulating storage and sanitary conditions at such facilities, and prohibits commerce in misbranded or adulterated meat products.

The Washington Wholesome Poultry Products Act requires the licensing of poultry slaughtering or processing plants, authorizes inspections by the WSDA, authorizes the adoption of rules setting sanitation requirements for slaughtering facilities, rules for the handling and storage of poultry products, and rules requiring the registration of persons engaged in commerce in such products, and prohibits commerce in misbranded or adulterated poultry products.

Other state laws prescribe the weights by which loaves of bread may be sold; prescribes the size of the pans to be used in baking loaves of bread, but allow variations from those sizes; and establish the weight of a standard bale of hops and bailing cloth and tare requirements regarding hop bales.

Summary: Assessment. The assessment of not more than 0.54 cents/hundredweight levied under the milk laws

on all milk processed in this state expires on June 30, 2005, rather than June 30, 2000. A processing plant for which the monthly assessment would be less than \$20 is exempted from the assessment for that month.

Unlawful Acts. Except as authorized by law for the receipt of milk from out-of-state, it is unlawful for a milk processing plant to accept milk from a person not licensed as a producer or milk processor. The penalties for unlawfully performing activities for which a dairy technician's license is required and for tampering with a seal or sample are no longer specified.

Enforcement. The director is no longer required to degrade or summarily suspend a license for certain violations by a producer or processing plant. The director is now authorized to degrade or summarily suspend the license or assess a civil penalty. This authority to levy a civil penalty rather than degrade or suspend a license may be used only as consistent with the federal pasteurized milk ordinance. The director may summarily suspend the license of a producer (not just a processing plant) for conditions that pose an immediate danger to the public or for preventing the director during an on-site inspection from determining that such a condition exists. If a license of a producer or processing plant is so suspended, shipping operations must cease. Statutory standards are created for setting the size of a civil penalty for violations concerning inspections of dairy farms and for repeated violations of certain biological and temperature tests of milk. They are continued for violations of certain chemical residue tests. With regard to violations other than these and other than violations of standards for component parts of fluid dairy products, a civil penalty of not more than \$1000 per violation per day is authorized. All moneys collected from civil fines, not just those from fines for certain violations, are deposited in the revolving fund of the Dairy Products Commission. The use of these moneys is no longer dedicated to certain activities of the commission. The director may now bring an action to enjoin a violation in Thurston County Superior Court, not just in the superior court of the defendant's county.

Licensing. Milk distributors and those who transport (other than haulers), sell or store milk or milk products for sale are no longer required to be licensed under the milk laws. It is clarified that, if a milk transport vehicle is found to be in violation of requirements under this program, the violation affects the endorsement on the hauler's license for that vehicle only, not the hauler's entire license. A hearing is not expressly required before a license may be revoked for serious or repeated violations after a suspension or degrade. Expiration dates are expressly given for certain licenses.

Milk Plants. The department may issue sanitary certificates to milk processing plants for a fee of \$50/certificate. Fees collected are to be deposited in the Agricultural Local Fund. The director is granted express authority to gain access to a milk processing plant.

Tests. Test results for a sample taken need be given to the person whose product was sampled within ten days only if the results indicate a violation. Test results of an official or officially designated lab are prima facie evidence of any sampling violation, not just of sampling for component standards.

Animal Health. All milking cows, goats, and other mammals must meet animal health requirements set by the State Veterinarian under the animal health laws. Restrictions on the sale of colostrum milk expressly apply only to such sales for human consumption. Rules setting standards for hyper-immunization regarding milk from diseased animals are no longer expressly required.

Advisory Committee. The membership of the Dairy Inspection Program Advisory Committee is altered and the purpose of the committee is now to advise the director regarding the administration of the dairy inspection program and policy issues related to the milk laws. The members serve without compensation and must elect a chair.

Milk Law Repealers. Repealed are provisions of the milk laws: regulating imitation dairy products; expressly prohibiting the sale of milk other than grade "A" to consumers or to sell ungraded milk or an ungraded milk product; expressly giving the director authority to take samples of milk products at stores, cafes and similar establishments and prescribing the actions that must be taken in response to a phosphatase test violation; requiring that the transfer of milk from one container to another to take place within a milk or bottling room, and that milk be sold to consumers only in single service containers or certain sizes; establishing a temperature standard to be maintained for milk and sanitary requirements for establishments that serve consumers; regarding containers bearing registered brands; regarding the health of personnel handling milk and disease control in the delivery of milk and collection of milk containers; prescribing specific procedures to be used for levying penalties for violations of certain chemical residue tests or of component part standards, and requiring notification of the violator's marketing organization; specifying the distribution of monies collected from prosecutions under the milk laws; and referring to certain duties transferred to the Department of Health.

Other Repealers. Repealed are laws prohibiting imitation dairy products, regulating the sale of oleomargarine, authorizing WSDA inspections of meat storage and sale facilities, the Washington Meat Inspection Act, the Washington Wholesome Poultry Products Act, and regarding bread and hops.

Votes on Final Passage:

House	94	0	
Senate	48	0	(Senate amended)
House	95	2	(House concurred)

Effective: July 25, 1999

HB 1152

C 145 L 99

Regulating private applicator licenses.

By Representatives McMorris, G. Chandler, Linville and Cooper; by request of Department of Agriculture.

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic Development

Background: A pesticide licensing pilot project was authorized under legislation enacted in 1997. The pilot project provided licenses to persons for applying restricted use herbicides to control weeds in Ferry and Okanogan counties. The license is called a limited private applicator's license and it permits the licensee to apply herbicides to control weeds on his or her own non-production agricultural land and on the non-production agricultural land of another person if it is done without compensation other than the trading of personal services. Such non-production agricultural land is defined to include pastures, range land, fence rows, and areas around farm buildings. The application of herbicides to aquatic sites is not permitted under this license. With certain exceptions, the use of a powered apparatus in applying the herbicides is also prohibited.

Continuing education requirements were established for this category of license. A person who successfully completes these requirements is deemed to have met the credit accumulation requirements for private applicators. The pilot project is to expire December 31, 2002.

Summary: The pilot project authorized by 1997 legislation is altered and extended through the year 2004. The project is expanded to encompass a new licensing category, that of a rancher private applicator. A person licensed under this category has generally the same authorities as a person licensed as a limited private applicator under the pilot project, except that rodenticides, not just herbicides, may be used under this license for controlling pest animals. The control is permitted on nonproduction agricultural land and production agricultural land used to grow certain hay and grain crops.

The project is also expanded to include Stevens and Pend Oreille Counties. However, it may be used only in a county where the county's cooperative extension service or its weed board complete a memorandum of understanding with the Department of Agriculture agreeing: (1) to conduct certain department-approved re-certification coursework every year; and (2) to maintain the re-certification credit records for the limited private applicators in the county.

The licensing fee for a limited private applicator is set at \$25. For a rancher private applicator, it is set at \$75. The application requirements currently set for a private applicator do not apply to a limited private applicator or a rancher private applicator; however the examination re-

quirements of a private applicator do apply. The number of department approved education credits required for a limited private applicator's license is reduced and the number needed for a rancher private applicator is set. A limited private applicator is no longer prohibited from using a powered apparatus to apply herbicides under the pilot project.

The department must report to the Legislature on the results of the pilot project by September 1, 2003.

Votes on Final Passage:

House	94	0
Senate	45	0

Effective: July 25, 1999

SHB 1153

C 198 L 99

Changing school safety provisions.

By House Committee on Education (originally sponsored by Representatives McDonald, Kastama, Sump, Delvin, Hurst, Rockefeller, Kessler, Stensen, O'Brien, Bush, Lovick, Dickerson, Carlson, Keiser, Ogden, Hatfield, Wood, Ruderman, Tokuda, Santos, McIntire, Conway and Lantz).

House Committee on Education
Senate Committee on Education

Background: When a juvenile who has committed a sex, violent, or stalking offense will be released, paroled, or transferred to a community residential facility (group home), the Department of Social and Health Services must notify the private schools and the public school board in the district in which the offender intends to reside or the district in which the offender last attended school, as appropriate. This notification requirement was expanded in 1997 to require the department to notify schools when an offender under the jurisdiction of the department for any offense will be transferred to a community residential facility.

The juvenile court administrator must notify the school principal if an elementary or secondary school student is convicted of any of the following offenses: violent or sex offenses, inhaling toxic fumes, violations of the controlled substances provisions, liquor violations, or offenses relating to kidnaping, harassment, or arson. The principal must provide the criminal history information to the student's teachers, supervisors, and other personnel who need to know for security reasons. Otherwise, the information is confidential except when it may be disseminated pursuant to a statute or federal law.

When a student transfers to another school, the records of immunization, academic performance, disciplinary actions, and attendance follow the student to the new school. When a student switches school districts, the new school may ask the parent and student to provide certain

information about the student, including information about disciplinary actions and any history of violent or sex offenses, violations of the controlled substances provisions, liquor violations, or offenses relating to inhaling toxic fumes, kidnaping, harassment, or arson. School districts may reject a nonresident student applicant if the student's history indicates a history of violent or disruptive behavior or gang membership.

Except for official juvenile court files, most records regarding juvenile offenses are confidential. Records of juvenile justice or care agencies, which include schools, may be released to other participants in the juvenile justice system when the participant is involved in the investigation or when the participant is responsible for supervising the juvenile.

Summary: The Department of Social and Health Services must notify the private schools and the public school board in the district in which the juvenile offender intends to reside or the district in which the offender last attended school, as appropriate, whenever an offender under the jurisdiction of the department for any offense will be released, paroled, or granted leave. The community residential facility housing a juvenile offender must provide a written notice to any school the juvenile is attending while residing at the facility describing the juvenile's criminal history. This notice must also be provided to any employer while the juvenile is residing at the community residential facility.

In addition to the current information that follows a student to a new school, information from the previous school must be provided on any offenses relating to violent or sex offenses, violations of the controlled substances provisions, liquor violations, or offenses relating to inhaling toxic fumes, kidnaping, harassment, or arson. School districts may reject a nonresident student applicant if, in addition to reasons under current law, the juvenile has committed crimes or offenses. Teachers and security personnel must be informed when the school receives information that a student poses a safety risk.

Law enforcement officials and prosecuting attorneys are authorized to share information regarding the arrest of a student with the school, including information on the investigation, prosecution, or diversion of the student. Information should be released to the maximum extent possible without jeopardizing the investigation or prosecution, or endangering witnesses.

Votes on Final Passage:

House	96	0	
Senate	47	0	(Senate amended)
House	94	0	(House concurred)

Effective: July 25, 1999

HB 1154
C 224 L 99

Eliminating the time limit on regular tax levies for medical care and services.

By Representatives Cooper, Delvin, Edmonds, Conway, Wood, Dunshee, Gombosky, Doumit, Hatfield, Kenney and Cody.

House Committee on Finance
Senate Committee on Ways & Means

Background: All real and personal property in Washington is subject to the property tax each year based on its value unless a specific exemption is provided by law. The tax bill is determined by multiplying the assessed value by the tax rate for each taxing district in which the property is located.

The sum of property tax rates is limited by the state constitution to a maximum of 1 percent of true and fair value, or \$10 per \$1,000 of value. The constitution provides a procedure for voter approval for tax rates that exceed the 1 percent limit. These taxes are called "excess" levies. The most common excess levies are maintenance and operation levies for school districts and bond retirement levies. Excess levies must obtain a 60 percent majority vote plus meet a minimum voter turnout requirement.

Taxes imposed under the 1 percent limit are called "regular" taxes. The constitution does not require voter approval of regular taxes. However, some regular taxes are limited in time duration and require voter approval. For example, emergency medical service taxes, park and recreation district taxes, and taxes for affordable housing are regular taxes but must have voter approval.

The time limits and voting requirements for these taxes are:

Emergency Medical Taxes:

Time limit: six years.

Voting requirement: When the voter turnout exceeds 40 percent of voter turnout at last general election - 60 percent "yes" vote; when the voter turnout is less than 40 percent - the "yes" votes must exceed 24 percent of the votes in the last general election.

Park and Recreation District Taxes:

Time limit: six years.

Voting requirement: When the voter turnout exceeds 40 percent of voter turnout at last general election - 60 percent "yes" vote; when the voter turnout is less than 40 percent - the "yes" votes must exceed 24 percent of the votes in the last general election.

Affordable Housing Taxes:

Time limit: 10 years.

Voting requirement: Simple majority.

Summary: Voters may approve emergency medical service property taxes for a period of six years, ten years, or permanently. Voters must approve any rate increase above

the original rate authorized. Separate accounting is required for expenditures of revenue raised from a permanent tax.

The ordinance or resolution imposing a permanent tax is subject to a referendum process. Referendum petitioners have 30 days to gather signatures from 15 percent of registered voters.

These provisions apply to taxes approved after the effective date of the act.

Votes on Final Passage:

House	79	17	
Senate	45	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1158

C 146 L 99

Collecting information from truck, tractor, or trailer intelligent information systems.

By House Committee on State Government (originally sponsored by Representatives Ogden, DeBolt, Cooper, Ericksen and Mielke).

House Committee on State Government
Senate Committee on Transportation

Background: The open public records law was approved by state voters in 1972 as part of Initiative Measure No. 276. All public records of state agencies and local governments are open to public inspection and copying, unless a law expressly excludes the public records from public inspection and copying. This disclosure requirement is liberally construed, and any exception is narrowly constructed.

Among other express exclusions, the following public records are not available for inspection and copying by the public: (1) personal information in files, the disclosure of which would violate the right to privacy; (2) certain taxpayer information; (3) certain financial and commercial information supplied by individuals applying for various programs; and (4) residential addresses and residential telephone numbers of public utility customers.

In a few instances information in public records is given more extensive protection from public disclosure by declaring the information confidential or by prohibiting disclosure of the information. For example, drafts of legislation prepared by the Code Revisor's office are expressly declared confidential.

Summary: Information obtained by government agencies collected by the use of a motor carrier intelligent transportation system or comparable information equipment is confidential and not subject to public disclosure. However, the information may be given to other govern-

mental agencies or the owners of the truck, tractor, or trailer from which it was obtained.

Votes on Final Passage:

House	96	0
Senate	45	0

Effective: July 25, 1999

SHB 1163

C 292 L 99

Providing for the safe decontamination or destruction of residential property used for illegal drug manufacturing or storage.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Cooper, Schoesler, Linville, G. Chandler, Keiser, Rockefeller and Conway; by request of Department of Health).

House Committee on Agriculture & Ecology
Senate Committee on Environmental Quality & Water
Resources

Background: In 1990, the Legislature enacted provisions to ensure that properties contaminated with toxic residues left by chemicals used to manufacture illegal drugs are decontaminated before they may be used or re-occupied. An owner of contaminated property who wishes to have the property decontaminated must use the services of a contractor who is certified by the Department of Health to perform decontamination. If the decontamination is completed and the property is retested according to a work plan approved by the local health officer, a notice is recorded in the real property records indicating that the property has been decontaminated. The department is required to develop guidelines for the decontamination of property.

A city or county may condemn or demolish contaminated property, or require the contaminated property to be vacated or the contents removed from the property. The city or county must use a contractor certified by the Department of Health to demolish or remove contaminated property.

If a local health officer is notified that property is contaminated by hazardous chemicals, the local health officer must post a notice on the premises immediately upon being notified of the contamination.

The services of a certified contractor may not always be necessary to decontaminate, demolish, or remove contaminated property.

Summary: When property becomes contaminated by hazardous chemicals associated with the manufacture of illegal drugs, the local health officer may determine when the services of a contractor certified by the Department of Health are necessary to perform decontamination. A city

SHB 1165

or county may use a certified contractor if contaminated property is demolished, decontaminated, or removed.

The Department of Health must adopt rules for the decontamination of property. The rules must establish standards for hazardous chemicals, including methamphetamine, lead, mercury, and total volatile organic compounds.

A local health officer must post a warning on the premises within one working day of receiving notice that property is contaminated by hazardous chemicals. The warning must inform potential occupants that hazardous chemicals may exist on, or have been removed from, the premises and that entry is unsafe. If after an inspection of the property the local health officer finds that the property is contaminated, the local health officer must post an order prohibiting the use of the property as long as it is contaminated. Once the property is decontaminated and retested, and the local health officer allows reuse of the property, a release for reuse document is recorded in the real property records. Various technical changes are made.

Votes on Final Passage:

House	94	0	
Senate	42	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1165 PARTIAL VETO

C 379 L 99

Making appropriations and authorizing expenditures for capital improvements.

By House Committee on Capital Budget (originally sponsored by Representatives Murray, Mitchell, Radcliff, Hankins and O'Brien; by request of Governor Locke).

House Committee on Capital Budget
Senate Committee on Ways & Means

Background: The programs and agencies of state government are funded on a two-year basis, with each fiscal biennium beginning on July 1 of odd-numbered years. The capital budget generally includes appropriations for the acquisition, construction, and repair of capital assets such as land, buildings, and other infrastructure improvements. Funding for the capital budget is primarily from state general obligation bonds, with other funding derived from various dedicated taxes, fees, and state trust land timber revenues.

Summary: The omnibus 1999-01 capital budget authorizes \$2.291 billion in new capital projects, of which \$987.3 million is from new state bonds authorized for the 1999-01 biennium. Reappropriations of \$1.2 billion are made for uncompleted projects approved in prior biennia.

The capital budget also authorizes state agencies to undertake various lease-purchase and lease development projects.

Votes on Final Passage:

House	93	2	
Senate	47	2	(Senate amended)
House			(House refused to concur)
Senate	47	2	(Senate amended)
House	96	0	(House concurred)

Effective: May 18, 1999

Partial Veto Summary: Section 109, Department of Community, Trade, and Economic Development - Burke Museum Governance and Siting Study: The Governor deleted the governance study added by the Legislature.

Section 748 (1), Washington State Historical Society - Washington Heritage Projects: The Governor vetoed the provision requiring state funds to be disbursed to projects in the order that matching requirements are met. This is consistent with Chapter 295, Laws of 1999 (SHB 1222) which ranks Heritage projects on a prioritized basis.

Section 923, Office of the Governor - Salmon Recovery Grants Program: The Governor vetoed the \$111.8 million capital budget appropriation for salmon recovery so the Legislature could reach a compromise solution during the special session on the governance and distribution of the money provided to respond to the listing of salmon and steelhead under the federal Endangered Species Act.

VETO MESSAGE ON HB 1165-S

May 18, 1999

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 109, lines 16 through 31; section 748(1); and section 923, Substitute House Bill No. 1165 entitled:

"AN ACT Relating to the capital budget;"

My reasons for vetoing these sections are as follows:

Section 109, page 5, lines 16-31, Department of Community, Trade, and Economic Development, Burke Museum Governance and Siting Study

The Burke Museum requested funding to conduct a predesign study for an expansion of its facilities, which I recommended in my proposed budget. The Senate provided that the funds be used for a study on the governance of the Burke Museum, as well as the predesign. I do not consider a governance study to be an appropriate use of bond funds.

Section 748 (1), page 165, Washington Heritage Projects (Washington State Historical Society)

Section 748(1) would require state funding for listed heritage projects be disbursed in the order that matching requirements are met. That provision would introduce an additional condition – immediate availability of local funding – that did not exist when the projects were ranked by the Washington State Historical Society in consultation with the heritage community. I have vetoed section 748(1) to maintain the integrity of the original project prioritization process.

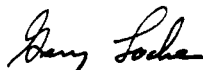
Section 923, pages 211-213, Salmon Recovery Grants Program (Office of the Governor)

An appropriation of \$111,875,000 to the salmon recovery funding board within the Office of the Governor was made to provide grants to local governments, state agencies, tribes, con-

ervation districts, and nonprofit entities for salmon recovery activities. Use of this appropriation was conditioned on the passage of legislation involving the governance of salmon recovery activities in our state. Such legislation has not yet passed the legislature. When acceptable governance legislation is adopted by the legislature, this salmon recovery grant program money can also be approved.

With the exception of section 109, lines 16 through 31; section 748(1); and section 923, Substitute House Bill No. 1165 is approved.

Respectfully submitted,



Gary Locke
Governor

SHB 1166

C 380 L 99

Issuing general obligation bonds.

By House Committee on Capital Budget (originally sponsored by Representatives Murray, Mitchell, Hankins and O'Brien; by request of Governor Locke).

House Committee on Capital Budget
Senate Committee on Ways & Means

Background: Washington periodically issues general obligation bonds to finance projects authorized in the capital and transportation budgets. General obligation bonds pledge the full faith and credit and taxing power of the state towards payment of debt service. Legislation authorizing the issuance of bonds requires a 60 percent majority vote in both the House of Representatives and the Senate.

Bond authorization legislation generally specifies the account or accounts into which bond sale proceeds are deposited, and the source of debt service payments. When debt service payments are due, the State Treasurer withdraws the amounts necessary to make the payments from the state general fund and deposits them into the bond retirement funds. For reimbursable bonds, an equal amount is then transferred to the bond retirement account from the source of the reimbursement.

The State Finance Committee, composed of the Governor, the Lieutenant Governor, and the State Treasurer, is responsible for supervising and controlling the issuance of all state bonds.

Summary: The State Finance Committee is authorized to issue \$1.2 billion of state general obligation bonds to finance projects appropriated in the 1999-01 capital and operating budgets. This authority is only for appropriations made in the 1999-01 biennium. The proceeds of the sale of the bonds are to be deposited as follows: (1) \$950 million in the state building construction account; (2) \$22.5 million in the outdoor recreation account (for the Washington Wildlife and Recreation Program); (3) \$22.5 million in the habitat conservation account (for the Wash-

ington Wildlife and Recreation Program); (4) \$36.3 million in the state higher education construction account (for the Washington State University Health Science Building); and (5) \$136.8 million in the higher education construction account (for the University of Washington law school, Suzzallo Library and Medical Center).

The State Treasurer is required to withdraw from state general revenues the amounts necessary to make the principal and interest payments on the bonds and to deposit these amounts into the bond retirement account. However, for bond proceeds deposited into the higher education construction accounts, the University of Washington and Washington State University are required to transfer the amounts necessary from nonappropriated local funds to make the principal and interest payments on the bonds.

The state higher education construction account and the higher education construction account are allowed to retain interest earnings.

Votes on Final Passage:

House	94	1
Senate	47	2

Effective: May 18, 1999

HB 1175

C 58 L 99

Regulating street rods.

By Representatives Cairnes, O'Brien, DeBolt, Dunshee, Schindler, Morris, Koster, Cooper, G. Chandler, Mulliken, Benson, Mielke, Stensen, Carrell, Ogden, Dunn and McIntire.

House Committee on Transportation
Senate Committee on Transportation

Background: A street rod is a motor vehicle, other than a motorcycle, that is either (1) manufactured before 1949, or (2) built or reconstructed with major parts manufactured before 1949.

In addition to being pre-1949 in origin, a street rod is modified in its body style or design through the use of non-original or reproduced parts. Examples include modifications to the frame, drive train, engine, suspension, or brakes that in no way affect the vehicle's safety or road-worthiness.

A person may not operate a motor vehicle that is not equipped with fenders or splash aprons that prevent mud or water from spraying off the roadway to the rear of the car. A motor vehicle that is 40 years old or older and owned/operated primarily as a collector's item does not need fenders when driven in fair weather on a well-maintained, hard surface road.

Summary: A street rod vehicle is defined as a motor vehicle, other than a motorcycle, that is (1) manufactured

2SHB 1176

before 1949, (2) assembled or reconstructed with major parts manufactured before 1949, or (3) assembled or manufactured after 1949 to resemble a pre-1949 vehicle.

In addition to having one of these historical characteristics, a street rod must also be (1) modified in its body style with non-original or reproduced parts, or (2) constructed from non-original materials, or altered dimensionally or in shape and appearance different from the original manufactured body.

A motor vehicle that is either (1) 40 years old or older, or (2) a street rod vehicle that is owned/operated primarily as a collector's item, does not need to be equipped with fenders.

Votes on Final Passage:

House	97	0
Senate	45	2

Effective: July 25, 1999

2SHB 1176

C 326 L 99

Requiring the retention of records pertaining to sexually violent offenses.

By House Committee on Criminal Justice & Corrections (originally sponsored by Representatives O'Brien, Koster, Kagi, Ballasiotes, Cairnes, Lovick, Hurst, Tokuda, Dickerson, Kenney, Campbell, Ogden, Dunn, Santos, Conway, Esser, Lantz, Rockefeller and McIntire; by request of Department of Corrections).

House Committee on Criminal Justice & Corrections
House Committee on Appropriations
Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means

Background: County, municipal, and other local government agencies must retain all public records for a minimum of six years before destruction. In addition, the department of origin must substantiate to the local and state records committees that the public records have no further administrative or legal value and are unnecessary, uneconomical, or have been officially reproduced by some other process such as photographic, photostatic, or microfilm.

Recommendations for the destruction or disposition of records must be submitted to the records committee. The committee will determine whether the records will be preserved. If the committee chooses to destroy particular records it may arrange for its destruction or disposition by the Division of Archives.

Many records relating to offenders committing sexually violent offenses are destroyed after six or more years if the records have been closed and are not currently being used in a law enforcement investigation or in a pending judicial proceeding. Some records are open to public disclosure.

Public records include such items as any paper, files, receipts, memoranda, maps, drawings, contracts, public records, film, sound recordings, and compact discs.

Summary: Investigative reports pertaining to sex offenses and sexually violent offenses may not be destroyed or disposed of. All investigative reports that are not required in the current operation of a law enforcement agency or a pending judicial proceeding must be transferred to the Washington Association of Sheriffs and Police Chiefs (WASPC) for permanent retention following the agency's record retention expiration date. The WASPC may destroy the paper copy of the records pertaining to sexually violent offenses if they have been retained electronically.

All sexually violent predator records that are transferred to the WASPC are exempt from public disclosure. However, criminal justice agencies may review records for determining if a sex offender meets the criteria of a sexually violent predator. In addition, records may be disseminated for the purpose of assisting victims in obtaining a civil remedy.

Votes on Final Passage:

House	96	0	
Senate	48	0	(Senate amended)
House	76	20	(House concurred)

Effective: July 25, 1999

SHB 1181

C 147 L 99

Changing provisions relating to penalties and treatment for crimes involving domestic violence.

By House Committee on Criminal Justice & Corrections (originally sponsored by Representatives Edwards, Romero, Radcliff, Scott, DeBolt, Cooper, Lovick, Hurst, Fisher, Kessler, Dickerson, O'Brien, Cody, Kenney, Ogden, Wood, Santos, Regala, Conway, Lantz, Rockefeller, McIntire and Stensen).

House Committee on Criminal Justice & Corrections
Senate Committee on Judiciary

Background: Domestic violence laws provide civil and criminal remedies to victims of domestic violence. A person commits a domestic violence crime if the person commits one of several specified crimes against a family or household member. Examples include assault, rape, stalking, malicious mischief, and criminal trespass. In the civil context, a person who is a victim of domestic violence may petition the court for a domestic violence protection order or, in domestic relations actions, for a restraining order.

Civil Protection Orders. In response to a petition for a protection order, the court may order a variety of relief, such as excluding the respondent from the residence the

parties share, restraining the respondent from having any contact with the victim of the domestic violence or the victim's children, and ordering the respondent to participate in batterers' treatment.

Domestic Violence Perpetrator Treatment Programs.

The Department of Social and Health Services is required to have standards for the approval of domestic violence perpetrator treatment programs that accept perpetrators of domestic violence into treatment to satisfy court orders. Programs must meet certain minimum qualifications to be approved.

Community Supervision. Community supervision is a period of time during which a convicted offender is subject to crime-related prohibitions (i.e., orders prohibiting conduct that directly relates to the circumstance of the crime for which the offender has been convicted) and other sentence conditions imposed by the court. Crime-related prohibitions do not include orders directing the offender to participate in rehabilitative programs. However, if the offender receives a first-time offender waiver, up to two years of community supervision may be ordered, which may include requirements that the offender undergo available outpatient or inpatient treatment.

Summary: Civil Protection Orders. When the court orders a respondent to participate in batterers' treatment in response to a petition for a protection order, it is clarified that this means a domestic violence perpetrator treatment program that has been approved by the Department of Social and Health Services.

Domestic Violence Perpetrator Treatment Programs.

The department's standards for approval of domestic violence perpetrator treatment programs must include a requirement that treatment will include education regarding the effects of domestic violence on children if the perpetrator or the victim has a minor child.

Community Supervision. If either the offender or the victim of the domestic violence crime has a minor child, the court may order the offender to participate in an approved domestic violence perpetrator treatment program as part of any term of community supervision ordered.

Votes on Final Passage:

House	96	0
Senate	43	2

Effective: July 25, 1999

SHB 1183

C 293 L 99

Negotiating state-wide custody contracts.

By House Committee on State Government (originally sponsored by Representatives H. Sommers, Huff, Romero, McMorris, McIntire and Esser; by request of State Treasurer).

House Committee on State Government
Senate Committee on Commerce, Trade, Housing &
Financial Institutions

Background: Local governments are authorized to invest their moneys in a variety of investments. All local governments may deposit their money into savings accounts, time accounts, or money market deposit accounts of designated public depositories. A public depository is a financial institution designated by the Washington Public Depository Commission that accepts public deposits of moneys and is required to segregate a certain amount of securities apart from its other assets as security for the public moneys on deposit. The Washington Public Depository Commission is the same as the State Finance Committee, which is composed of the State Treasurer, Lieutenant Governor, and Governor.

In addition, local governments are allowed to invest their moneys in a variety of securities, including federal securities or other obligations of federal agencies, bankers acceptances purchased on the secondary market, federal home loan bank securities, and federal land bank securities.

The State Treasurer acts as the treasurer for public moneys provided to institutions of higher education. However, each four-year institution of higher education has direct control over other moneys provided to the institution, such as grants, bequests, and tuition fees, and may invest these moneys.

Summary: Commencing on September 1, 1999, the State Treasurer may negotiate a statewide custody contract to provide custodial banking services on investments made by local governments and institutions of higher education. Custodial banking services are services for the settlement, safekeeping, valuation, and market-value reporting of negotiable instruments owned by a local government or institution of higher education. The contract must last for a period of at least four years. If a new statewide custodian is designated, the State Treasurer is authorized to adopt rules to ensure the orderly transition from the prior custodian to the new custodian.

Any local government or institution of higher education may, at its option, become a signatory to the statewide contract for custody services, which is a contract between the participating local governments or institution of higher education and the statewide custodian, and utilize the custodial banking services of the statewide custodian.

Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House	97	0	(House concurred)

Effective: September 1, 1999

HB 1192
C 294 L 99

Adding to the definition of economic development activities.

By Representatives Morris, Dunn, Miloscia, Veloria, Eickmeyer, DeBolt, Quall, Linville, Wolfe, Barlean, Kenney and Santos.

House Committee on Economic Development, Housing & Trade
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: The Washington Economic Development Finance Authority (WEDFA) was created by the Legislature in 1989 to help meet the capital needs of small and medium-sized businesses, in particular businesses located in distressed counties. The WEDFA is authorized to provide nonrecourse revenue bond financing for the eligible project costs of economic development activities. Economic development activities means activities related to manufacturing, processing, research, production, assembly, tooling, warehousing, pollution control, energy generating, conservation, transmission, and sports facilities and industrial parks. The bonds may be issued on either a tax-exempt or taxable basis. The bonds issued by the WEDFA are not obligations of the state.

Summary: The economic development activities for which the WEDFA is authorized to provide nonrecourse revenue bond financing are expanded to include:

- (1) airports;
- (2) docks and wharves;
- (3) mass commuting facilities;
- (4) high-speed intercity rail facilities;
- (5) public broadcasting;
- (6) solid waste disposal;
- (7) federally qualified hazardous waste facilities; and
- (8) activities conducted within a federally designated enterprise or empowerment zone or geographic area of similar nature.

Votes on Final Passage:

House	95	2	
Senate	47	0	(Senate amended)
House			(House refused to concur)
Senate	47	0	(Senate receded)

Effective: May 13, 1999

HB 1194
C 355 L 99

Extending the due date for a report to the legislature concerning accreditation of licensed boarding homes.

By Representatives Pflug, Schual-Berke, Parlette and Cody.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: Boarding homes are care facilities usually ranging in size from over 6 to 160 residents. Smaller boarding homes are often called group homes and larger ones might be marketed to the public as assisted living facilities. Boarding homes offer room, board, and personal care or nursing services. Boarding homes are licensed, regulated and inspected by the DSHS. There are over 400 boarding homes in the state, with approximately 16,000 residents. Of this total, 13 percent of the residents have their care paid by the Department of Social and Health Services (DSHS). The remainder of boarding home residents pay for their care from their own resources.

The DSHS conducts its comprehensive licensing inspection approximately every 12 months and also responds to individual complaints concerning residents' care or the facility. If a violation is found to have occurred, the Department of Health (DOH) has the authority to take actions such as consultations, placing conditions on a license, more staff training, stopping admissions, fines, and closing a facility.

Both 1995 and 1996 legislative reports on residents' rights, quality of care, and regulatory enforcement conducted by the Washington State Long-term Care Ombudsman Program found serious concerns with the way in which the DOH conducted investigations under its regulatory oversight. Further concerns have been raised in the ombudsman's 1998 follow-up investigation of the enforcement of safety and care standards in boarding homes. In that follow-up study, the ombudsman again found "widespread problems in the regulatory oversight provided by the state's Department of Health." This 1998 ombudsman report recommended that the Legislature eliminate the dual regulation of boarding homes and transfer jurisdiction of boarding homes to the DSHS. The regulation of boarding homes was transferred from the Department of Health to the Department of Social and Health Services in 1998 (2SSB 6544).

The DSHS is responsible for the development of quality of care standards in boarding homes and the regulatory enforcement of these standards.

Private third party accreditation refers to the quality of care reviews conducted by a private accreditation organization outside of government. Private third party accreditation is conducted for hospitals and in some other health care settings such as home care organizations, ambulatory care providers, and clinical laboratories. Third

party accreditation of boarding homes is not currently conducted in Washington or in any other state.

Summary: The expiration date for the Assisted Living Third-Party Accreditation Pilot Project Coalition is extended from 1999 until 2001 and the funding for the pilot plan must come from the Northwest Assisted Living Facilities Association, as opposed to the Assisted Living Federation of America. The coalition may also receive funds from other individuals and organizations to conduct its business. The dates that the study must be submitted to the Legislature are also extended accordingly. Clarification is provided to insure that changes and new boarding home standards can be implemented prior to the implementation of the boarding home third party accreditation project.

Votes on Final Passage:

House	96	0	
Senate	45	0	(Senate amended)
House	96	1	(House concurred)

Effective: July 25, 1999

HB 1199

C 170 L 99

Defining the jurisdiction of civil antiharassment actions.

By Representatives Lantz, Constantine, Sheahan and Carrell.

House Committee on Judiciary
Senate Committee on Judiciary

Background: A victim of unlawful harassment (the petitioner) may petition a court for a civil antiharassment protection order against the person doing the harassing (the respondent). If the court finds that unlawful harassment exists by a preponderance of the evidence, it must grant an order to the petitioner prohibiting the respondent from engaging in the such harassment.

The district courts have jurisdiction over civil actions and proceedings relating to civil antiharassment protection orders. A superior court also has jurisdiction over such matters if a district court finds that meritorious reasons exist to transfer the case to the superior court.

Summary: A district court must transfer an action and or proceedings relating to a civil antiharassment protection order to the superior court when the respondent is under 18 years of age.

Votes on Final Passage:

House	95	0
Senate	49	0

Effective: July 25, 1999

HB 1203

C 2 L 99 E1

Authorizing state highway bonds.

By Representatives Pflug, Hurst, Mitchell, Miloscia, Fortunato, Stensen and Caines.

House Committee on Transportation
Senate Committee on Transportation

Background: The Special Category "C" program was established to finance major highway construction projects that could not be accomplished as part of the regular construction program. The three projects selected were: (1) the 1st Avenue South bridge in Seattle; (2) SR 18 from Black Diamond vicinity to approximately I-90 in south-east King County; and (3) Division/Ruby Street couplet in Spokane and the Environmental Impact Statement (EIS) for the North-South Corridor.

In 1990, the Legislature dedicated 3/4 of 1 cent of the motor vehicle fuel tax to the Special Category "C" program. In 1993, the Legislature authorized the sale of \$240 million of general obligation bonds for the construction of the three selected projects, and pledged 3/4 of 1 cent to debt service.

Summary: The bond authorization for the Special Category "C" program is increased by \$90 million, from \$240 million to \$330 million. This additional bond authorization is applied to projects in the Special Category "C" program.

Votes on Final Passage:

House	95	0
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First Special Session

House	96	0
Senate	45	1

Effective: August 18, 1999

SHB 1204

C 225 L 99

Coordinating land acquisition and environmental mitigation activities.

By House Committee on Capital Budget (originally sponsored by Representatives K. Schmidt, Fisher, Romero, Mitchell, G. Chandler, Murray, Linville and Wood).

House Committee on Capital Budget
Senate Committee on Transportation

Background: The 1997-99 capital budget directed all state agencies receiving money in the capital budget or the transportation budget for land acquisition and environmental mitigation and restoration to coordinate those activities. The directive was intended to provide greater emphasis on shared resource management, improve

ecological benefits gained from state expenditures, and increase mitigation credit opportunities for the Department of Transportation. The mitigation credits were intended to reduce the cost of the Department of Transportation's mitigation obligation, but not reduce the mitigation obligations.

The Office of Financial Management was directed to report to the fiscal committees of the Legislature on the results of the coordination of these environmental activities and make recommendations to further improve the coordination among state agencies to achieve better cost-efficiencies and ecological benefits. The report was due December 1, 1998.

Summary: An advisory committee to the Department of Transportation is created. The committee includes representatives from the Interagency Commission for Outdoor Recreation; the Conservation Commission; the Department of Transportation; the Department of Community, Trade, and Economic Development; the Department of Fish and Wildlife; the Department of Natural Resources; the Parks and Recreation Commission; the Department of Ecology; and the Office of Financial Management. The Governor or his designee serve as chair of the committee.

The duties of the advisory committee are to:

- coordinate state land acquisitions and environmental projects;
- examine financial assistance programs to identify opportunities for improved coordination;
- create a database to enable coordination of environmental projects; and
- recommend ways to better coordinate with other governmental and non-governmental entities.

The environmental affairs office of the Department of Transportation is the depository for the information collected by the committee. The coordination of state environmental projects is not to be interpreted to require additional permitting or compliance procedures for non-governmental entities.

State agencies that receive state appropriations for environmental projects must provide information to the environmental affairs office at the Department of Transportation. After July 2005, state agencies must also identify and provide information on surplus real property to the office.

The Governor's Office must report to the Legislature on the progress of the coordination program by December 31, 1999, and make findings and recommendations for the program by December 31, 2000.

Votes on Final Passage:

House	97	0
Senate	46	0

Effective: July 25, 1999

SHB 1212
PARTIAL VETO
C 199 L 99

Extending certain drivers' licenses for out-of-state licensees.

By House Committee on Transportation (originally sponsored by Representatives Eickmeyer, Clements, Mielke, Benson, Veloria, Haigh, O'Brien, Doumit, Murray, Anderson, Conway, Constantine, Fisher, Hatfield, Dunshee, H. Sommers and Kenney).

House Committee on Transportation
Senate Committee on Transportation

Background: There is no provision for extending the term of a driver's license that expires while a person is outside the state. The only exception is for members of the military, whose driver's licenses remain in effect as long as they are on active duty.

Some persons who are outside the state find it difficult or impossible to return to the state to renew their license. Examples include dependents of military persons stationed overseas. In many cases, retaining a valid U.S. license is a requirement for being allowed to drive in the host country without having to undergo driver's education and testing in the foreign country.

The Department of Licensing (DOL) had an informal policy of granting license extensions or renewals in situations where persons were unable to return to the state before their license expired. The attorney general's office determined that the department did not have authority to grant those extensions or renewals. In response to attorney general advice, the department discontinued its practice effective September 1, 1998. Persons whose licenses have expired since that time have been unable to renew their licenses, with the result that they have lost the ability to drive in the host country.

Summary: The exemption from driver's license renewal requirements currently enjoyed by members of the military is extended to spouses and dependents of military members. For persons who are not military spouses or dependents, the prior Department of Licensing (DOL) policy is codified, allowing the DOL to:

- extend the driver's license for persons who will be out of the state for 12 months or less after the expiration date; or
- renew the driver's license for persons who are out of the state for more than 12 months after the expiration date.

The DOL is authorized to charge an additional fee of \$5 for the service. These changes apply retroactively to persons whose licenses expired between the time that the DOL discontinued its policy and the effective date of the act. The statutory late renewal fee is waived for persons covered by the retroactive provisions of the act. If a

person's license is extended or renewed while he or she is out-of-state, the person must go to a driver's license office for an eye exam within 60 days of his or her return to Washington.

Votes on Final Passage:

House	97	0	
House	95	0	(House reconsidered)
Senate	45	0	

Effective: May 7, 1999

Partial Veto Summary: The Governor vetoed section 2 of the act, thereby removing a duplicative requirement that driver's licenses renewed without a photo be labeled "not valid for identification purposes". The requirement is present elsewhere in statute, rendering the amendatory language in section 2 of the bill superfluous. The statute amended in section 2, RCW 46.20.116, was repealed by Chapter 6, laws of 1999. Leaving section 2 in the bill would have served no substantive purpose and would have left legislative intent with regard to RCW 46.20.116 unclear.

VETO MESSAGE ON HB 1212-S

May 7, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 2, Substitute House Bill No. 1212 entitled:

"AN ACT Relating to the extension of the validity of a driver's license that expires while the driver is outside the state or where the driver is a spouse or dependent child of a member of the armed forces;"

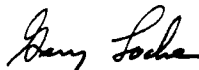
Section 2 of Substitute House Bill No. 1212 would require that driver's licenses that are renewed by mail be labeled "not valid for identification purposes". However, Substitute House Bill No. 1294, which I signed on March 30, 1999, repealed the statute amended by section 2. Accordingly, section 2 is superfluous. Without this veto, the Code Reviser would be required to annotate RCW 46.20.116 indicating that the legislature both repealed and amended the same statute during its 1999 session. The legislature's intent would be unclear.

The concept of labeling driver's licenses as not valid for identification purposes when the Department of Licensing cannot take a current photograph was covered in SHB 1294, and will be law. This partial veto is purely ministerial.

For these reasons, I have vetoed section 2 of Substitute House Bill No. 1212.

With the exception of section 2, Substitute House Bill No. 1212 is approved.

Respectfully submitted,



Gary Locke
Governor

HB 1216

C 34 L 99

Removing the termination of the secretary of health's authority for administrative procedure.

By Representatives Parlette and Cody; by request of Department of Health.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: In 1998, the Legislature authorized the Secretary of Health, in consultation with the health profession regulatory boards and commissions, to consolidate in one process the administrative procedures and requirements for the regulation of the health care professions. A uniform administrative process was created by rule that includes the issuance and renewal of credentials to practice, auditing continuing education requirements, and reissuing expired credentials.

After March 1, 1999, this rule-making authority of the Secretary of Health expires, and is transferred to the various boards or commissions. Rules previously adopted by the Secretary establishing the uniform administrative procedures and requirements do not remain in effect after March 1, 1999.

The Department of Health currently issues credentials for 220,000 health professionals and regulates 53 health care professions.

Summary: The expiration of the authority of the Secretary of Health to establish uniform procedures and requirements for the credentialing of the regulated health professions is repealed.

Votes on Final Passage:

House	95	0
Senate	43	0

Effective: July 25, 1999

SHB 1219

C 148 L 99

Changing relief and retirement pension provisions under chapter 41.24 RCW.

By House Committee on Appropriations (originally sponsored by Representatives Ogden, Carlson, Conway, Doumit, D. Schmidt, Lantz and Parlette).

House Committee on Appropriations
Senate Committee on Ways & Means

Background: The Volunteer Fire Fighters' Relief and Pension system was created to provide death, disability, medical, and retirement benefits to volunteer fire fighters in cities, towns and fire protection districts. This system is administered and controlled by the State Board for Volunteer Fire Fighters and by local boards of trustees.

Although municipalities with volunteer fire fighters or emergency medical workers must participate in the death, disability and medical portions of this system. These municipalities may choose whether to participate in the retirement benefits portion of this system.

Funding for the Volunteer Fire Fighters' Relief and Pension system comes from a variety of sources, including 40 percent of the revenue from the state's fire insurance premiums tax and annual fees paid by participating municipalities and participating volunteer fire fighters, emergency medical workers, and reserve officers.

Reserve Officer Medical Benefit. Under legislation enacted in 1995 and 1998, municipalities have the option of providing the death, disability and retirement benefits of the Volunteer Fire Fighters' Relief and Pension system to their reserve law enforcement officers. The medical provisions of the system are not available to reserve officers.

Death Benefits. The death benefit provisions of the Volunteer Fire Fighters' Relief and Pension system include \$152,000 paid to the surviving spouse or, where there is no surviving spouse, to any surviving dependent children or parents. In addition, the surviving spouse receives \$1,275 per month plus \$110 for each dependent child, to a maximum monthly benefit of \$2,550.

If there is no surviving spouse, \$825 per month is paid for the youngest or only child plus \$70 per month for each additional child, to a maximum monthly benefit of \$1,650. If there is no surviving spouse and no surviving children, a dependent parent receives a benefit of \$825 per month.

Boards of Trustees. Municipalities extending the death and disability provisions to their reserve officers must have a five member reserve officer board of trustees to administer the provisions of the system. Municipalities with volunteer fire fighters must have a five member board of trustees to administer the provisions of the pension and relief system. Emergency medical service districts must have a six member board of trustees to administer the pension and relief system: three members of the county legislative authority or their designees, the county auditor or designee, the head of the emergency medical service district, and one emergency worker from the district to be elected by the emergency workers.

Summary: Reserve Officer Medical Benefits. Municipalities have the option of providing reserve officers medical benefits under the Volunteer Fire Fighters' Relief and Pension System. The cost of medical benefits will be borne by the municipalities choosing to provide medical coverage under the system.

Death Benefits. The death benefit provided if there is no surviving spouse is increased to \$1,275 per month for the youngest or only child, plus \$110 per month for each additional child, to a maximum monthly benefit of \$2,550. If there are no surviving children or surviving spouse, the benefit received by a dependent parent is increased to \$1,275 per month.

Boards of Trustees. Emergency medical service district boards of trustees must consist of five members, rather than six: two members of the county legislative authority or their designees, the county auditor or designee, the head of the emergency medical service district and one emergency worker to be elected by the emergency workers of the district.

Votes on Final Passage:

House	96	0
Senate	48	0

Effective: July 25, 1999

HB 1221

C 35 L 99

Regarding Lewis and Clark bicentennial advisory committee.

By Representatives Ogden, Carlson, Conway, Mielke, Lantz, Pennington, Doumit, Hatfield and Dunn.

House Committee on State Government
House Committee on Appropriations
Senate Committee on State & Local Government

Background: The bicentennial of the Lewis and Clark expedition reaching Washington occurs in 2005-06. The Lewis and Clark Trail Committee, which is administered and staffed by the State Parks and Recreation Commission, is promoting, among other events, the bicentennial of the expedition.

Summary: The Lewis and Clark Bicentennial Advisory Committee is created under the auspices of the Washington State Historical Society, and sunsets in June of 2007. The 15-member committee includes private citizens and representatives of the state. The committee is authorized to coordinate and lead the observance of the bicentennial.

The Washington State Historical Society is designated as administrative support, including providing space, and budget and accounting functions, and collecting moneys for the committee.

Votes on Final Passage:

House	96	0
Senate	46	0

Effective: July 25, 1999

SHB 1222

C 295 L 99

Creating a competitive grant program to assist nonprofit organizations with capital projects.

By House Committee on Capital Budget (originally sponsored by Representatives Ogden, Mitchell, Lantz, Murray, Constantine, Hankins and O'Brien).

House Committee on Capital Budget
Senate Committee on Ways & Means

Background: The capital budget provides funding for a variety of state and non-state functions. The following three programs receive funding through the capital budget:

Building for the Arts. Building for the Arts, a program giving state grants for local art facility projects, has been funded in the capital budget since 1991 through budget provisos. The state capital budget has provided over \$26 million for nonprofit art organization facilities located across the state. However, the solicitation process for the program has not been codified into statute.

Heritage Program. In 1995, a competitive state grant program was established in statute for Washington heritage capital projects. The Washington State Historical Society (WSHS) is required to submit a prioritized list of heritage projects to the Governor and the Legislature by September 1 of each even-numbered year, as a guide for appropriating funds. The prioritized list is developed with the advice of leaders in the heritage field through open and public meetings. In the 1997-99 capital budget, the first appropriation was made under this program totaling \$4.1 million for 26 heritage projects from the prioritized list submitted by the WSHS.

Community Services Facilities Program. In 1997, a process was established in statute for soliciting and ranking applications for nonresidential capital projects for social service organizations. The Legislature may direct the Department of Community, Trade, and Economic Development (CTED) to establish a competitive process to prioritize applications for appropriation to assist nonprofit organizations in acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential social services. The CTED must submit a prioritized list of recommended projects to the Legislature by November 1 following the effective date of the appropriation. State assistance is limited to up to 25 percent of the total project cost. The CTED may not sign contracts with organizations for funding assistance until the Legislature has approved a specific list of projects. The contracts must require the repayment of both principal and interest costs of the grant if the capital improvements are used for purposes other than that specified in the grant.

These programs are not consistent with regards to solicitation process, application process, and legislative approval process.

Summary: Building for the Arts. A process is established in statute for soliciting and ranking applications for performing arts, art museum, and cultural facility capital projects. The CTED must conduct a statewide solicitation of project applications from nonprofit organizations, evaluate and rank applications in consultation with a citizen advisory committee. Beginning with the 2001-03 biennium, the CTED will submit a prioritized list of recommended projects to the Governor and the Legislature in the department's biennial capital budget request. State assistance is limited to up to 20 percent of the total project cost. The remaining portions of the project capital cost must be paid through a match from non-state sources that may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions. State assistance may be used to fund separate definable phases of a project if the project demonstrates adequate progress and has secured the necessary match funding. The department may not sign contracts with organizations for funding assistance until the Legislature has approved a specific list of projects. The contracts must require the repayment of both principal and interest costs of the grant if the capital improvements are used for purposes other than that specified in the grant.

Heritage Program. The WSHS must submit a prioritized list of heritage capital projects to the Governor and the Legislature in the society's biennial capital budget request. State assistance is limited to up to 33 percent of the total project cost. The non-state portion of the total project cost may include cash, the value of real property if acquired solely for the purpose of the project, and in-kind contributions. The WSHS may not sign contracts with organizations for funding assistance until the Legislature has approved a specific list of projects. The contracts must require the repayment of both principal and interest costs of the grant if the capital improvements are used for purposes other than that specified in the grant.

Community Services Facilities Program. The requirement is removed for a legislative appropriation be made prior to the CTED establishing a competitive process for nonresidential social service project applications. The CTED is directed to develop a prioritized list of projects for the 1999-01 biennium and subsequent biennial budgets. The non-state portion of the total project cost may include cash, the value of real property if acquired solely for the purpose of the project, and in-kind contributions.

Capital budget requests for Building for the Arts, Heritage, and Community Service Facility grants must not exceed \$4 million in any biennium. The requests may identify an alternate list of projects not to exceed \$500,000 for any biennium.

Statutes pertaining to Building for the Arts, Heritage, and Community Service Facility grants expire on June 30, 2007.

SHB 1224

Votes on Final Passage:

House	96	0	
Senate	28	21	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	37	10	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

SHB 1224

C 171 L 99

Requiring a permanent anchor for worker fall protection.

By House Committee on Commerce & Labor (originally sponsored by Representatives Hurst, Conway, Campbell, Cairnes, Kessler, Clements, McIntire and Ogden).

House Committee on Commerce & Labor
Senate Committee on State & Local Government
Senate Committee on Labor & Workforce Development

Background: According to the Department of Labor and Industries, in the three year period between 1996-1998, 328 workers fell from roofs during commercial construction, and 106 fell from roofs during residential construction. Four of these falls were fatal. The Bureau of Labor Statistics' data for 1995 show that nationally, falls from elevations accounted for 10 percent of all fatal work injuries and nearly one-third of all construction fatalities.

In Washington, the department requires construction workers to use fall prevention systems. Employees working ten feet or more above the ground are required to use fall restraint, fall arrest, or positioning device systems to prevent falls. Each of these systems may involve rigged restraint or arrest lines that secure workers to anchorage points. Construction workers secure safety lines to temporary anchors that screw or bolt to the structure they are working on, or to fixtures on the structure (e.g. a chimney). A permanent "roof anchor" normally is a galvanized metal ring or eyelet that is bolted to a roof.

The Washington State Building Code Council establishes the minimum building code requirements for buildings and structures in the state. The state building code does not require permanent anchors to be installed on structures.

Summary: The Washington State Building Code Council must prepare a report to the Legislature documenting the need for requiring installation of permanent anchors on all new commercial and residential construction and when a roof is replaced on existing residential and commercial structures. The report will look at safety benefits of requiring roof anchor installation, and make recommendations on the best design and placement of such anchors. The report is due to the Legislature by October 1, 1999.

Votes on Final Passage:

House	97	0
Senate	35	12

Effective: July 25, 1999

EHB 1232

C 296 L 99

Changing provisions relating to judgments.

By Representatives Sheahan, Constantine, McDonald and Scott.

House Committee on Judiciary
Senate Committee on Judiciary

Background: When a judgment is entered in a court case, the clerk of the court is responsible for processing certain paperwork associated with the judgment. Included in these responsibilities is entering the judgment in the court execution docket, which allows a record to be kept of the parties' compliance with the requirements of the judgment. Each judgment for the payment of money must have a summary page that succinctly summarizes information about the judgment creditor and debtor, the amount of the judgment and any interest owed, and the total of costs and attorney fees owed.

Judgments may also effect specific kinds of property, such as real property or motor vehicles. There are specific laws relating to these kinds of property that may require action based on a judgment. In particular:

- Any legal instrument effecting the ownership of real property may be recorded with the county auditor. The instrument must include an "abbreviated legal description" of the property and the assessor's tax parcel number.
- Under the state's motor vehicle financial responsibility law, when a driver is subject to a judgment for damages as the result of an accident he or she caused, the Department of Licensing is to be notified if the driver fails to pay the damages. Notice must be given when the driver is 30 days late in satisfying the judgment.

The inclusion of specific information in summaries of judgments involving real property or motor vehicles could facilitate compliance with the real estate recording law and the motor vehicle financial responsibility law.

Summary: The requirements for a summary page of a judgment are expanded as follows:

- If the judgment involves an award of any interest in real property, the summary page must include an abbreviated legal description of the property and the assessor's tax parcel number.
- If the judgment involves damages from a motor vehicle accident, the summary page must include a clear statement that the clerk is to notify the Department of

Licensing as required by the financial responsibility law.

Votes on Final Passage:

House 95 0
Senate 46 0

Effective: July 25, 1999

HB 1233

C 403 L 99

Determining the net value of a homestead exemption.

By Representatives Edmonds, Sheahan and Constantine.

House Committee on Judiciary
Senate Committee on Judiciary

Background: A homestead, which is the property an owner uses as a residence, is exempted from attachment, execution, and forced sale for the owner's debts up to \$30,000. Judgments against a homestead owner that are greater than \$30,000 become liens on the value of the homestead in excess of the homestead exemption. In order to execute against the homestead, the judgment creditor must apply to the superior court of the county where the homestead is located for the appointment of an appraiser. The application for an appraiser must show: (1) an execution has been levied upon the homestead, (2) the name of the owner of the homestead property, and (3) that the net value of the homestead exceeds the amount of the homestead exemption. Net value is defined as market value less "all liens and encumbrances." The time at which net value should be calculated is not specified.

In *Robin Miller Construction Co. (RMC) v. Coltran*, a 1997 Washington Court of Appeals case, the questions of whether a judgment could be executed against a homestead turned on the time at which the net value of the homestead was calculated. If the net value was calculated at the time the judgment was recorded, the net value would exceed the homestead exemption. If the net value was calculated at the time the judgment was executed, the net value would not exceed the homestead exemption, due to additional encumbrances incurred by the owner after the judgment was recorded. The court of appeals affirmed the trial court decision to calculate net value at the latter time. The court interpreted the phrase "all liens and encumbrances" in the homestead law to include encumbrances incurred after the judgment was recorded, as well as the specific judgment being executed.

Summary: Net value of a homestead is to be calculated at the time the judgment is executed. All liens and encumbrances that are senior to the judgment being executed upon are included in the calculation. That is, these senior liens and encumbrances will be used to reduce the net value available for the judgment creditor. However, the

specific judgment being executed is excluded from the calculation.

The maximum amount of the homestead exemption is increased from \$30,000 to \$40,000.

Votes on Final Passage:

House 96 0
Senate 48 0 (Senate amended)
House 96 0 (House concurred)

Effective: July 25, 1999

HB 1238

C 149 L 99

Appointing a temporary member to the board of industrial insurance appeals due to illness of a board member.

By Representatives Conway, Clements, Wood, McMorris and Hurst.

House Committee on Commerce & Labor
Senate Committee on Labor & Workforce Development

Background: The Board of Industrial Insurance Appeals is an administrative body that hears appeals from administrative agency decisions, primarily on workers' compensation, Washington Industrial Safety and Health Act citations, and crime victims' compensation.

The board is composed of one business member, one labor member, and one member of the public who must be an attorney. The business member and the labor member are nominated separately by statewide organizations representing a majority of employers and a majority and cross-section of organized labor, respectively. Each organization submits at least three names for its seat. The organizations jointly name at least three attorneys for the public member seat. Appointments are made by the Governor, with the advice and consent of the Senate, from the submitted lists. Members serve six year terms.

The Governor is authorized to appoint additional members to the board in two circumstances:

- If a permanent vacancy on the board occurs, the Governor is authorized to appoint a successor to fill out the term.
- If the board faces an unusually heavy workload, the Governor may appoint two *pro tem* members, one representing labor and one representing business, for a limited period of time to help diminish a backlog.

In both instances, the statutory appointment process is followed.

Summary: If a member of the Board of Industrial Insurance Appeals becomes incapacitated for more than 30 days because of illness or the illness of an immediate family member, the Governor must appoint an acting member. The appointment process for the acting member will be the same as for other board appointments, except that appointments must be made within specified time limits.

SHB 1240

Nominating bodies have 15 days to submit nominations and the Governor has 15 days from receiving a nomination list in which to make the appointment.

An acting member serves until the board member is able to reassume his or her duties or the term expires, whichever occurs first.

Votes on Final Passage:

House	95	0
Senate	48	0

Effective: July 25, 1999

SHB 1240 FULL VETO

Increasing medicaid reimbursements to second class school districts.

By House Committee on Education (originally sponsored by Representatives McMorris, Quall, Sump, Haigh, Keiser and Kenney; by request of Superintendent of Public Instruction).

House Committee on Education
House Committee on Appropriations
Senate Committee on Education

Background: Washington receives federal Medicaid funds to reimburse school districts for costs incurred in providing medical services to Medicaid eligible students. School districts pay for medical services with state funds. The state then bills Medicaid for covered services.

After administrative and billing fees are paid, the Office of the Superintendent of Public Instruction (OSPI) pays 50 percent of the Medicaid reimbursement to the Department of Social and Health Services. The OSPI divides the remaining 50 percent, sometimes called the net federal portion, between the state general fund and the school districts. The general fund receives 80 percent of the federal portion. The school districts receive 20 percent. Currently, a school district that bills Medicaid for \$100 would see \$10.37 returned to the district. That money must be used for students with disabilities.

The 1997-99 state budget was developed on the assumption that \$11.6 million in Medicaid funds will offset state general fund expenditures as a result of billings submitted by 264 school districts, including 201 districts with enrollments of fewer than 2,000 full time equivalent students (second class districts). The 1998 supplemental budget assumed the passage of legislation that would have increased the Medicaid reimbursement share of second class school districts. However, the legislation did not pass.

Summary: A new Medicaid reimbursement formula is adopted for all school districts. The districts will receive one-half of the net federal share of the reimbursement amounts the districts would receive if they billed for all

Medicaid eligible students. The new reimbursement formula replaces the current formula that provides the districts with 20 percent of the federal portion of Medicaid recoveries after the deduction of billing fees.

The corresponding rate change is made for any reimbursements received from private insurers.

Votes on Final Passage:

House	96	0
Senate	47	0 (Senate amended)
House	96	0 (House concurred)

VETO MESSAGE ON HB 1240-S

May 17, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

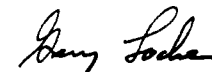
I am returning herewith, without my approval, Substitute House Bill No. 1240 entitled:

"AN ACT Relating to medicaid reimbursements to school districts;"

Substitute House Bill No. 1240 contained a new Medicaid reimbursement formula for school districts. However, the bill would have amended the same statutes that were amended in Substitute Senate Bill No. 5626, which I signed on May 14, 1999. SSB 5626 has the additional feature of immediately enhancing incentive payments for second class school districts prior to its July 1, 1999 effective date. Accordingly, I chose to sign SSB 5626 and veto SHB 1240.

For these reasons I have vetoed Substitute House Bill No. 1240 in its entirety.

Respectfully submitted,



Gary Locke
Governor

ESHB 1245

C 150 L 99

Exempting certain financial and proprietary information from public disclosure.

By House Committee on State Government (originally sponsored by Representatives Morris, Dunn and Rockefeller; by request of Department of Community, Trade, and Economic Development).

House Committee on State Government
Senate Committee on State & Local Government

Background: The open public records law was approved by state voters in 1972 as part of Initiative Measure No. 276. All public records of state agencies and local governments are open to public inspection and copying, unless a law expressly excludes the public records from public inspection and copying. This disclosure requirement is liberally construed, and any exception is narrowly constructed.

Among other express exclusions, the following public records are not available for inspection and copying by the public: (1) personal information in files, the disclosure of which would violate the right to privacy; (2) certain taxpayer information; (3) certain financial and commercial information supplied by individuals applying for various programs; and (4) residential addresses and residential telephone numbers of public utility customers.

Summary: Financial and proprietary information, and information on siting businesses, that is supplied by businesses seeking to site or expand their businesses in the state shall not be disclosed to the public by the office of the Governor or the department of Community, Trade, and Economic Development (CTED). However, the public may inspect information on siting the business once a siting decision has been made, or if there is no written contact between the business and the CTED for a period of 60 days.

Votes on Final Passage:

House	98	0
Senate	45	2

Effective: July 25, 1999

SHB 1250

C 368 L 99

Protecting the privacy of financial information.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives McIntire, Keiser, Sullivan, Santos, Benson, Hatfield, Quall, Barlean, Hurst, Dunshee, Bush, Constantine, Dickerson, Rockefeller, O'Brien and Kenney).

House Committee on Financial Institutions & Insurance
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: Theft of property or services is a crime, including theft of a device to access financial services. Factoring of a credit transaction also is a crime; this is a transaction in which a person attempts to commit fraud or theft against the owner of a credit card or the financial institution and causes harm of at least \$1,000. Criminal impersonation is the assuming of a false identity and acting within that assumed character with intent to defraud or for other unlawful purposes; it is a gross misdemeanor.

Summary: It is a class C felony for a person to wrongfully obtain, attempt to obtain, or request another to obtain financial information from a financial information repository. A financial information repository is any person engaged in the business of providing services to customers who have a credit, deposit, trust, stock, or other financial account or relationship with the person. There are exceptions provided, such as for law enforcement and for agents of financial information repositories working in conjunc-

tion with law enforcement. In addition to the criminal penalty, a person that violates this provision is liable for five hundred dollars or actual damages, whichever is greater, and reasonable attorneys' fees. If the person is a business that repeatedly violates this provision, that person also violates the Consumer Protection Act.

Theft of identity, a class C felony, is defined as using or transferring another person's means of identification with the intent to commit or aid any unlawful activity harming or intending to harm the person whose identity is used, or for committing any felony. In addition to the criminal penalty, a person that violates this section is liable for \$500 or actual damages, including costs to repair the person's credit record, whichever is greater, and reasonable attorneys' fees. If the person committing identity theft is a business that repeatedly commits identity theft, that person also violates the Consumer Protection Act.

Votes on Final Passage:

House	95	0	
Senate	49	0	(Senate amended)
House			(House refused to concur)
Senate	44	0	(Senate receded)

Effective: January 1, 2000

SHB 1251

C 151 L 99

Eliminating and consolidating boards, commissions, and programs.

By House Committee on State Government (originally sponsored by Representatives Miloscia, Ericksen, O'Brien, Cooper, D. Schmidt, Bush, Esser, Kessler, Poulsen, McIntire, Lambert, H. Sommers, Wood, Conway, Rockefeller, Fortunato and Lantz; by request of Governor Locke).

House Committee on State Government
Senate Committee on State & Local Government

Background: The Governor and the Office of Financial Management are required to review state boards and commissions and, in every odd-numbered year, submit to the Legislature a recommended list of boards and commissions to be terminated or consolidated. During the 1995-1997 biennium, Washington had 381 boards and commissions, down from a high of 569 during the 1991-1993 biennium. Each board or commission operates in conjunction with, and reports to, a particular state agency or to the Governor's office.

The Health Care Assistants Advisory Committee is made up of designees of the Medical Care Quality Assurance Commission, the Board of Osteopathic Medicine and Surgery, the Podiatric Medical Board, and the Nursing Care Quality Assurance Commission to establish minimum requirements necessary for a health care facility or health care practitioner to certify health care assistants.

Debt adjusters engaging in the business of debt adjusting for compensation are licensed and regulated by the Department of Licensing.

Summary: Thirty-three boards, commissions, and committees are either repealed or abolished. These are the Health Care Assistants Advisory Committee, Dieticians and Nutritionists Advisory Committee, Health Professions Advisory Committee, Washington State Council on Vocational Education, Public Pension Commission, Public Information Access Policy Task Force, Rural Development Council, Tax Advisory Council, Advisory Council on Criminal Justice Services, Senior Environmental Corps Coordinating Council, Washington Conservation Corps Coordinating Council, Clean Washington Center Policy Board, Puget Sound Trawl Emerging Fisheries Advisory Board, Scenic Rivers Committee of Participating Agencies, Lakes Health Plan Committee, Lower Columbia River Bi-State Steering Committee, the Business and Job Retention Advisory Committee, the Community Diversification Program Advisory Committee, and the Community Networks Committees.

In addition, three advisory review boards from the Department of Fish and Wildlife are abolished, nine advisory and search committees advising the Department of Corrections are abolished, and the athlete agent regulatory program is abolished.

The regulation requiring debt adjusters to be licensed by the Department of Licensing is abolished, and authority for inspection and investigation of debt adjusters is transferred to the Office of the Attorney General.

The secretary of the Department of Health is required to keep a list of contacts from each regulated health care profession for policy advice and information dissemination on an ad hoc basis.

Votes on Final Passage:

House	97	0
Senate	46	0

Effective: July 25, 1999

HB 1261

C 395 L 99

Modifying motor vehicles of injured workers.

By Representatives Romero, Conway, Voloria, Cooper, O'Brien and Kenney.

House Committee on Commerce & Labor
Senate Committee on Labor & Workforce Development

Background: If an injured worker is an amputee or is paralyzed, the supervisor of industrial insurance at the Department of Labor and Industries may order payment toward the cost of modifying the worker's motor vehicle. The amount to be paid may not exceed 50 percent of the

state's average annual wage for one year (approximately \$15,239 for fiscal year 1999).

Summary: The supervisor of industrial insurance at the Department of Labor and Industries may, in his or her sole discretion, order an increase in the amount paid toward modifying motor vehicles of injured workers who are amputees or paralyzed. The supervisor may increase the standard amount (up to 50 percent of the state's average wage for one year) by no more than \$4,000.

Votes on Final Passage:

House	96	0	
Senate	46	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

EHB 1263

C 152 L 99

Regulating process and fees of district and municipal courts.

By Representatives Sheahan, Constantine, McDonald and Kastama.

House Committee on Judiciary
Senate Committee on Judiciary

Background: All district and municipal courts are required to have a "seal." The design of the seal is prescribed by statute, and the seal must be stamped on "all process" issued by the court. "Process" is undefined in the statute, but has been interpreted in practice to cover virtually any document issued by a court. Such "process" may include not only subpoenas, summons, orders and judgments, but also receipts, traffic infraction notices sent to the Department of Licensing, and other relatively routine paperwork. Court rules (for instance, regarding the subpoena of witnesses) and federal law (for instance, regarding legal change of a person's name) require that some documents be issued "under seal." However, it has been questioned whether stamping seals on virtually every document issued by a court is necessary or efficient.

The statutes covering district courts, including municipal departments of district courts, and the statutes covering separate municipal courts in cities of more than 400,000 population, both contain express statements that the process issued by these courts is good statewide. However, the statute covering separate municipal courts in cities of 400,000 or less does not explicitly say that process from those courts "runs throughout the state."

Summary: The requirement that all process issued by district and municipal courts be under seal is removed. The supreme court may determine by rule which documents of the courts must be stamped with a seal.

A statement is added to the statute covering legal process issued by municipal courts in cities of 400,000 or less

population indicating that such process runs throughout the state.

Votes on Final Passage:

House 97 0
 Senate 42 1

Effective: July 25, 1999

EHB 1264

C 153 L 99

Making corrections regarding combining water-sewer districts.

By Representatives D. Schmidt, Scott, Mulliken, Fisher, Quall, Wolfe and Schoesler.

House Committee on Local Government
 Senate Committee on State & Local Government

Background: Water districts are units of local government initially authorized in 1913 to provide potable water facilities, sanitary sewers, drainage facilities, and street lighting. Sewer districts are units of local government initially authorized in 1941 to provide sanitary sewers, drainage facilities, and potable water facilities. Sewer district laws are almost identical with water district laws.

Legislation enacted in 1996 and effective July 1, 1997, consolidated water district laws with sewer district laws and made a number of technical changes to these laws. Among other changes, the term "sewer system," which had been defined to include both sanitary sewers and drainage systems, was altered to apply only to sanitary sewer systems, and separate provisions were added for drainage systems.

Summary: A variety of changes are made relating to the consolidation of water district laws with sewer district laws. The distinction between sanitary sewer systems and drainage systems initiated in the 1996 legislation consolidating sewer district and water district statutes is continued. Various laws are amended to make this distinction.

Provisions relating to the use of the small works roster process for work ordered with a cost between \$5,000 and \$50,000 are clarified. Further, the financial records of associations of water-sewer district commissions are no longer subject to audit by the state.

The authority for water-sewer districts to reject bids for sales of unnecessary property is limited to rejections made for good cause.

References to either "water districts" or "sewer districts" are altered to "water-sewer districts," and numerous technical changes are made to a variety of statutes related to water-sewer districts.

Votes on Final Passage:

House 98 0
 Senate 47 0

Effective: July 25, 1999

SHB 1282

C 297 L 99

Authorizing state agencies to offer incentives to state employees to relocate from one part of the state to another.

By House Committee on State Government (originally sponsored by Representatives Romero, Buck, Miloscia, Linville, Dickerson, Regala and Wolfe; by request of Commissioner of Public Lands).

House Committee on State Government
 Senate Committee on Labor & Workforce Development

Background: A state agency may pay for the costs of moving up to 12,000 pounds of household goods for a newly hired employee or an existing employee who is transferred. The state is entitled to reimbursement for the costs of moving a new employee's household goods if the new employee terminates or causes termination of his or her employment with the state within one year of the employment.

Summary: A state agency may pay lump sum relocation compensation to recruit and retain a qualified candidate for state employment whenever it is necessary that a person make a domiciliary move in accepting a transfer or other employment with the agency. The payment of lump sum relocation compensation must be within existing resources of the agency.

If a person who received lump sum relocation assistance terminates or causes termination with the state within one year of the date of the employment, the state is eligible for reimbursement for the lump sum payment.

Votes on Final Passage:

House 96 0
 Senate 43 2 (Senate amended)
 House 96 0 (House concurred)

Effective: July 25, 1999

SHB 1289

C 36 L 99

Conforming unemployment compensation statutes with federal law.

By House Committee on Commerce & Labor (originally sponsored by Representatives Conway, Clements, McIntire and Wood; by request of Employment Security Department).

House Committee on Commerce & Labor
Senate Committee on Labor & Workforce Development

Background: Under the Federal Unemployment Tax Act (FUTA), if a state maintains an unemployment insurance system in conformity with federal law, that state's employers receive a tax credit against their federal unemployment tax of 90 percent of the federal tax. In addition, the conforming state receives a share of the FUTA revenues for administration of its unemployment insurance system.

The FUTA taxes that employers pay to the federal government for unemployment insurance purposes are maintained in federal reserve accounts for administration of unemployment programs, extended benefits, and loans to states that exhaust their benefit trust funds. Excess funds in these federal accounts may be distributed under the federal Reed Act to the states' unemployment insurance programs. To distribute Reed Act funds to a state during 1999 to 2001, the Secretary of Labor must find that the state will use the funds only for administration of the unemployment insurance program.

Washington's unemployment compensation law requires certain federal funds to be used for unemployment compensation purposes, but does not specifically address the use of funds distributed during 1999 to 2001.

Summary: Funds received under the federal Reed Act during fiscal years 1999 through 2001 may not be used for any purpose except administration of the unemployment compensation program.

Votes on Final Passage:

House	96	0
Senate	41	0

Effective: July 25, 1999

SHB 1291

C 298 L 99

Making various changes in election laws.

By House Committee on State Government (originally sponsored by Representatives D. Schmidt, McMorris, Romero, Scott, Wensman, Esser, Miloscia, Benson, D. Sommers and Dunn).

House Committee on State Government
Senate Committee on State & Local Government

Background: State statutes detail elections provisions.

- Voting precincts. Voting precincts created by a county auditor are numbered consecutively.
- Crimes relating to use of voter registration data. It is a felony to use registered voter data for commercial advertising or solicitation punishable by imprisonment for no more than five years, a fine of no more than \$5,000, or both.
- Dates school directors assume office. It is not clear when newly elected school directors assume office. Legislation enacted in 1979 provides that all local government elected officials take office commencing immediately after December 31, following their election. However, legislation enacted in 1980 excludes school directors from this common date but does not specify another date.
- Voter registration. All common schools, fire stations, and public libraries must make voter registration application forms available to the public. County auditors transmit newly completed voter registration cards as well as cancellation of voter registrations to the Secretary of State on each Monday following the registration or cancellation. The state motor voter law authorizes persons to register to vote or transfer their voter registrations when they apply for drivers' licenses.
- Declarations of candidacy. A person who files a declaration of candidacy for an elective office must, at the time of the filing, possess the qualifications to be elected to that office. The basic requirement to hold most offices is that the person be a registered voter in the geographic area represented by the office.
Statutes are in conflict as to whether a person who files a declaration of candidacy as a write-in candidate must pay the normal filing fee for the office that is sought.
- General prohibition on a candidate's name appearing more than once on a ballot. The name of a candidate for public office may not appear more than once on any ballot, but this restriction does not apply to the office of precinct committee officer for a major political party.
- Termination of on-going absentee status. A voter loses ongoing absentee status if the voter submits a written request to be removed, dies, is disqualified, the registration record of the voter is canceled, or an ongoing absentee ballot is returned as undeliverable.
- Access to election facilities. Polling places and registration facilities are generally required to be accessible to elderly and handicapped persons in primaries and general elections held in even-numbered years. Alternative polling places or procedures are provided for access to polling places and registration facilities in

primaries and general elections held in odd-numbered years. Periodic reports are required on access to polling sites and registration facilities by handicapped persons and the elderly.

The Secretary of State is required to make information available to deaf persons by telecommunications.

- Reporting number of absentee ballots cast in each precinct. County auditors are required to report the number of absentee ballots cast in each precinct to the Secretary of State at general elections held in even-numbered years whenever the Secretary of State is required to canvass to vote.

Summary: A variety of changes, both technical and substantive are made to election laws.

- Voting precincts. Voting precincts in a county no longer would be required to be numbered consecutively.
- Crimes relating to use of voter registration data. The maximum fine for using registered voter data for commercial advertising or solicitation is increased from \$5,000 to \$10,000.
- Dates school directors assume office. A newly elected school director's term of office begins at the first official meeting of the board of directors after certification of the election results.
- Voter registration. The requirement for voter registration application forms to be available at common schools, fire stations, and public libraries is modified to require county auditors to keep mail-in voter registration application forms generally available at various locations, including election offices, common schools, fire stations, and public libraries. County auditors must transmit voter registration and cancellation cards to the Secretary of State once a week. It is clarified that a voter may change his or her name for voter registration purposes when the voter applies for a driver's license.
- Declarations of candidacy. It is expressly required that a person must be a registered voter when he or she files a declaration of candidacy for an office.
The inconsistency regarding filing fees for write-in candidates is removed by requiring write-in candidates to pay the normal filing fees associated with the offices they seek.
- General prohibition on a candidate's name appearing more than once on a ballot. The exception that a candidate's name may not appear more than once on a ballot, other than the office of precinct committee officer of a major political party, is expanded to also exclude a temporary elected position, such as charter review board member or freeholder.
- Termination of ongoing absentee status. Voters who are placed into inactive status also have their ongoing absentee voter status terminated.
- Access to election facilities. Laws are revised and expanded to provide greater access to election facilities.

Polling places and registration facilities must be accessible to handicapped persons and the elderly at all elections and primaries. County auditors, rather than the Secretary of State, are required to make election information available to deaf persons using telecommunications.

- Reporting number of absentee ballots cast in each precinct. The requirement for county auditors to report the number of absentee ballots cast in each precinct to the Secretary of State at general elections held in an even-numbered year, whenever the Secretary of State is required to canvass the vote, is extended to also include general elections held in odd-numbered years.

Votes on Final Passage:

House	96	0	
Senate	48	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1294

C 6 L 99

Technically editing chapter 46.20 RCW.

By House Committee on Transportation (originally sponsored by Representatives Fisher and K. Schmidt).

House Committee on Transportation
Senate Committee on Transportation

Background: Some of the statutes relating to driver's licenses are difficult to read and understand. This may be due to issues with the original drafting or with subsequent amendments to the statutes.

Summary: The act edits of some of the driver's license statutes found in chapter 46.20 RCW and divides the chapter into subchapters in order to make the statutes easier to use. None of the changes are substantive; that is, they do not alter any of the privileges, rights or responsibilities that citizens or the state have under the current statutes.

An intent section explicitly states that the Legislature does not intend any substantive changes to the underlying statutes by enacting the clean-up legislation.

Votes on Final Passage:

House	95	0
Senate	47	0

Effective: July 25, 1999

HB 1297
C 37 L 99

Clarifying the application of limitations on earned early release time to serious violent offenders.

By Representatives O'Brien, Ballasiotes, Lovick, Cairnes, Kagi, Campbell and Benson.

House Committee on Criminal Justice & Corrections
Senate Committee on Human Services & Corrections

Background: Under the Sentencing Reform Act, felony offenders receive determinate sentences. A determinate sentence is one where the length of confinement is determined at the time of sentencing; the sentence length generally is not subject to alteration based on events occurring after the sentence is imposed.

The primary exception to this system of determinate sentencing involves the operation of earned early release programs. These programs allow inmates to shorten their sentence length if they display good behavior by participating in work, education, or treatment programs and by not violating prison or jail rules during confinement.

There are limitations on how much a sentence can be reduced through earned early release both within local jails and state prisons. The maximum amount that a felony sentence can be reduced varies depending on the inmate's offense:

- No more than 15 percent of the sentence may be reduced for serious violent offenses and for class A sex offenses.
- No more than 33 percent of the sentence may be reduced for all other felonies.

The statutory language that places a 15 percent cap on good time for certain criminal convictions is the following unpunctuated sentence:

In the case of an offender convicted of a serious violent offense or a sex offense that is a class A felony committed on or after July 1, 1990, the aggregate earned early release time may not exceed fifteen percent of the sentence.

All other criminal convictions are subject to the 33 percent earned early release rule.

In the 1997 court case of *Mahrle v. the Department of Corrections*, the defendant claimed that the Department of Corrections incorrectly applied the 15 percent earned early release time cap in his case. The defendant had been convicted for solicitation to commit second degree murder which is both a *serious violent offense* and a *class B felony*. He argued that the statute, as written, means that the 15 percent cap applies to "serious violent offenses that are class A felonies" or "sex offenses that are class A felonies." Since his conviction was for a class B felony, his sentence should have been subject to the 33 percent earned early release rule.

The Court of Appeals decided that the statute was ambiguous even after examination of legislative history. As a

result, the court ruled that where an ambiguous statute has two possible interpretations in criminal cases, the rule of lenity provides that statute is to be strictly construed in favor of the defendant. The Department of Corrections was directed to calculate the defendant's good time using the 33 percent earned early release cap.

Summary: The statutory language relating to the 15 percent cap on good time for certain criminal convictions is clarified by adding commas to the sentence. The 15 percent cap applies to persons:

convicted of a serious violent offense, or a sexual offense that is a class A felony, committed on or after July 1, 1990 . . .

This language is intended to clarify the Legislature's intention of the earned early release time statute by stating:

- no more than 15 percent of the sentence may be reduced for any serious violent offenses;
- no more than 15 percent of the sentence may be reduced for class A sex offenses; and
- no more than 33 percent of the sentence may be reduced for all other felonies.

Votes on Final Passage:

House	97	0
Senate	42	0

Effective: July 25, 1999

HB 1299
C 324 L 99

Authorizing the secretary of corrections to grant extraordinary medical releases to offenders when specified conditions are met.

By Representatives Ballasiotes, O'Brien, Lambert, Kastama, Esser and Schual-Berke; by request of Sentencing Guidelines Commission.

House Committee on Criminal Justice & Corrections
Senate Committee on Human Services & Corrections

Background: Under the Sentencing Reform Act, felony offenders receive determinate sentences. A determinate sentence is one where the length of confinement is determined at the time of sentencing; the sentence length generally is not subject to alteration based on events occurring after the sentence is imposed.

Exceptions to this system of determinate sentencing include:

- Earned early release programs. These programs allow inmates to shorten their sentence length if they display good behavior by participating in work, education, or treatment programs and by not violating prison or jail rules during confinement.
- Community Custody. The period of time when an offender's incarceration sentence is reduced based upon

earned early release credits and he or she is released back out into the community but remains under the custody of the Department of Corrections for a specified period. Any violations during the offender's community custody status are handled administratively by the Department of Corrections and can result in the offender returning to prison to complete his original prison sentence.

- **Furlough or Leave of Absence.** The period of time when eligible inmates may be temporarily released to do such activities as meet an emergency situation, such as a death or critical illness of a family member, to obtain medical treatment not available in the facility, or to seek employment or make residential plans for parole.
- **Governor's Recommendation.** Upon the recommendation from the Clemency and Pardons Board, the Governor may grant an extraordinary release for reasons of serious health problems, senility, or advanced age. The Governor may also pardon an offender.

Offenders sentenced to mandatory minimum sentences are prohibited from being released from total confinement before the completion of their mandatory minimum sentence for that felony crime (i.e., first degree rape or first degree murder).

The Department of Corrections is prohibited from releasing any inmate, prior to completion of his determinate sentence, for such exceptions as age or medical conditions. As of December 31, 1998, there were 1,184 inmates age 50 or more. Their average age was 56.9 and the oldest was an 85-year-old male sex offender.

Summary: The secretary of the Department of Corrections or a jail administrator may grant an "extraordinary medical placement" to an offender who has been sentenced under determinate sentencing or indeterminate sentencing, when all of the following conditions exist:

- the offender has a medical condition that is serious enough to require costly care or treatment,
- the offender poses a low risk to the community because he or she is physically incapacitated due to age or the medical condition, and
- granting the extraordinary medical placement will result in a cost savings to the state.

An exception is made for an offender who receives a mandatory minimum sentence to participate in the extraordinary medical placement as long as they have met the criteria listed above.

Electronic monitoring is mandatory for all offenders who are granted extraordinary medical placement unless the electronic monitoring interferes with the functioning of the offender's medical equipment or results in the loss of funding for medical care. The Department of Corrections is required to specify who will provide the monitoring services.

The Department of Corrections may revoke an extraordinary medical placement at any time.

An offender sentenced to death or to life imprisonment without the possibility of release or parole is not eligible for an extraordinary medical placement.

The secretary of the Department of Corrections must report annually to the Legislature on:

- the number of offenders considered for an extraordinary medical placement,
- the number of offenders who were granted such a placement,
- the number of offenders who were denied such a placement,
- the length of time between initial consideration and the placement decision for each offender who was granted an extraordinary placement,
- the number of offenders granted an extraordinary medical placement who were later returned to total confinement, and
- the cost savings realized by the state.

Votes on Final Passage:

House	95	0	
Senate	45	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1304

C 268 L 99

Updating references to the transportation improvement board bond retirement account.

By House Committee on Transportation (originally sponsored by Representatives Hankins, Fisher and K. Schmidt; by request of Transportation Improvement Board).

House Committee on Transportation
Senate Committee on Transportation

Background: The Transportation Improvement Board (TIB) bond retirement account was created by the 1997 Legislature. The account is used to pay for the principal and interest on TIB bonds. Previously, the bond principal and interest payments for the TIB and the Department of Transportation were made from the highway bond retirement account.

The highway bond retirement account and the ferry bond retirement account retain 80 percent of interest earned; the other 20 percent is deposited into the treasury income account.

Summary: References to the highway bond retirement account contained within the Transportation Improvement Board (TIB) bond authorizations are changed to the TIB

HB 1310

bond retirement account. The TIB bond retirement account retains 80 percent of interest earned.

Votes on Final Passage:

House	96	0
Senate	49	0

Effective: July 25, 1999
September 1, 2000 (Section 5)

HB 1310

C 154 L 99

Changing the authority of public utility districts.

By Representatives Scott, Mulliken, Morris, Schoesler, Ericksen and Linville.

House Committee on Local Government
Senate Committee on State & Local Government

Background: Public utility districts (PUDs) are authorized to supply water to people within the county where the district is located, within or outside its district limits, and to sell, regulate, and control the use, distribution, and price of such services. The provision of water service outside the boundary of the public utility district is subject to review by the boundary review board.

PUDs may establish local assessment districts (known as local utility districts) to distribute water for domestic use, irrigation, and electric energy and for maintenance, extensions and improvements. PUDs may levy and collect special assessments and issue local improvement bonds to pay for building, operating, and maintaining water systems within the local improvement district.

A district may operate a sewage system through the creation of a local utility district, if the voters of the district approve by majority vote a referendum proposition authorizing a district to do so.

Summary: Public utility districts are authorized to provide water for public and private purposes outside the limits of the district or county.

Public utility districts are also authorized to establish local utility districts to provide water for all public and private purposes partly or entirely outside the district or the county where the district is located. The local utility districts may provide sewer facilities subject to the statutory election authorization process.

Votes on Final Passage:

House	92	3
Senate	44	0

Effective: July 25, 1999

EHB 1313

C 299 L 99

Revising rural development law.

By Representatives Schoesler, DeBolt, Doumit, Hatfield, Kessler, Pennington, Grant and Eickmeyer.

House Committee on Economic Development, Housing & Trade

Senate Committee on Agriculture & Rural Economic Development

Senate Committee on Ways & Means

Background: Washington's Rural Development Council was developed in 1990 as part of a national initiative designed to improve the delivery and accessibility of resources to meet the needs of rural communities. In 1997, the Washington State Rural Development Council (WSRDC) was established in statute. The council is governed by an 11 member executive committee appointed by the Governor. The members include representatives of business, natural resources, agriculture, environment, economic development, education, health, human services, counties, cities, and tribal governments. At least 90 percent of the members of the executive committee must reside in rural areas. The duties of the WSRDC include: (1) informing the Governor, Legislature, and state and federal agencies on rural community development issues; (2) identifying and recommending improvements to existing resource delivery systems; and (3) serving as a liaison between rural communities and public and private resource providers.

State agencies are encouraged to contribute financially to the council. Authority for the council expires June 30, 2003.

For one year after leaving state employment, the state ethics law prohibits a state employee from accepting employment with an employer if, in the immediately preceding two years, the employee was involved in negotiating or administering contracts with that employer on behalf of the state, and the duties of the new employment will include fulfilling or implementing the provisions of these contracts.

Summary: The WSRDC executive committee and the Department of Community, Trade, and Economic Development are authorized to establish a successor organization to the executive committee for the purpose of improving the delivery and accessibility of resources for meeting the needs of rural communities in Washington. The successor organization must be a private nonprofit corporation created specifically to assume responsibility for administering the funds provided to carry out this purpose. The organization must qualify as a tax-exempt nonprofit corporation under section 501(c)(3) of the federal Internal Revenue Code. The executive committee and the department are given authorization to take all steps necessary to effect the transfer of the committee to

the successor organization. The department may contract to provide funding to the successor organization, subject to appropriation.

The successor organization to the WSRDC executive committee is not considered an employer for the purposes of the future employment prohibitions contained in the state ethics law. (Thus, an employee of the council may accept employment with the successor organization without regard to the one-year waiting period.)

The expiration date for the existing WSRDC is accelerated to June 30, 2000. Authority for the successor organization expires June 30, 2002.

Votes on Final Passage:

House	96	0
Senate	42	1

Effective: July 25, 1999

HB 1321

C 200 L 99

Requiring stops at intersections with nonfunctioning signal lights.

By Representatives Ericksen, Fisher, K. Schmidt, Mitchell, Rockefeller, Carrell and McDonald; by request of Department of Transportation and Washington State Patrol.

House Committee on Transportation
Senate Committee on Transportation

Background: The basic right of way rule for a vehicle approaching an intersection is that when two vehicles from different roads approach an unmarked intersection at the same time, the vehicle on the left yields to the vehicle on the right. The right of way rule for a vehicle turning left is that the vehicle intending to turn left must yield to the vehicle approaching from the opposite direction. It is not clear who has the right of way when proceeding through an intersection with a traffic control device that is not functioning.

Summary: An intersection with a nonfunctioning traffic light is treated as an all-way stop. Except when directed to proceed by a flagger, police officer or firefighter, a driver of a vehicle approaching an intersection whose traffic signal is not functioning must stop and yield the right of way in compliance with the basic right of way rule for: (1) a vehicle approaching an intersection, and (2) a vehicle turning left at an intersection.

Votes on Final Passage:

House	88	10
Senate	49	0

Effective: July 25, 1999

HB 1322

C 201 L 99

Adding information to motorist information signs.

By Representatives Mitchell, Romero, Fisher and Murray; by request of Department of Transportation.

House Committee on Transportation
Senate Committee on Transportation

Background: State law authorizes the Department of Transportation to erect and maintain signs that provide information to the traveling public. The signs are placed on panels that include motorist service information on gas, food, recreation, or lodging that is off of an interstate, primary or scenic highway.

An information sign assembly consists of a back panel on which business panels are placed. Information panels can have up to six business signs on interchanges and up to four signs at intersections. The Department of Transportation is authorized to seek reimbursement for the businesses signs on these panels. However, the Department of Transportation is not authorized to charge fees for the erection and maintenance of the back panels.

Tourist oriented directional signs (TODs) is another category of informational signs that are only permitted on non-interstate highways. This is consistent with the federal Manual on Uniform Traffic Control Devices. State and federal law do not permit TODs on the interstate system. However, a recent committee on National Uniform Traffic Control Devices authorization of TODs is expected to permit this form of signing nationwide within the next two years.

Summary: State law relating to motorist information signs is clarified. The categories for the designation of motorist information signs are changed from an interstate system, primary system and scenic byway system to a "non-interstate" and "interstate" system.

The Department of Transportation is authorized to charge fees to defray the costs of installing and maintaining information sign panels. The fee is determined by administrative rule making.

Tourism oriented directional signs are permitted on the interstate system, pending a final Federal Highway Administration decision.

Votes on Final Passage:

House	89	8
Senate	47	0

Effective: July 25, 1999

SHB 1324

C 202 L 99

Planning for transportation safety and security.

By House Committee on Transportation (originally sponsored by Representatives Fisher, K. Schmidt, Mitchell and Hankins; by request of Department of Transportation).

House Committee on Transportation
Senate Committee on Transportation

Background: A rail fixed guideway system (RFGS) is a light, heavy or rapid rail system such as San Francisco's Bay Area Rapid Transit (BART) system, a monorail, trolley, or other high capacity transportation system, except for rail systems regulated by the federal railroad administration such as Burlington Northern Railroad.

Recent federal law requires that Washington, rather than the federal government, oversee and ensure the safe operation of these systems. Federal regulations require the state to: develop safety and security program standards; monitor the implementation of the safety and security programs at the local level; require reports when hazardous conditions, accidents, or security breaches occur; conduct on-site inspections at least every three years; ensure that safety and security audits are conducted; and that annual reports are submitted by the RFGS operator.

The Department of Transportation has been designated the lead agency for purposes of implementing these federal regulations.

Summary: The Department of Transportation (DOT) is directed to adopt administrative rules to oversee the safety and security of rail fixed guiding systems (RFGSs) in the state.

Cities, counties, public transportation benefit areas (PTBA), and regional transportation authorities (RTAs) that own or operate a RFGS must submit a system safety and security plan to DOT by September 1, 1999. Cities, counties, PTBAs, and RTAs are also required to prepare annual reports and notify DOT within 24 hours of an accident, an unacceptable hazardous condition, or security breach.

The DOT is required to conduct audits of these RFGSs once every three years. The DOT is also authorized (but not required) to perform a separate, independent investigation into any reportable accident, unacceptable hazardous condition, or security breach.

The DOT may establish timelines for implementation of safety and security programs, and may also establish sanctions for failure to submit plans on time. If the state loses any federal funds as a result of non-compliance by an owner/operator of a RFGS, the owner/operator is liable to the state for the loss of federal funds.

Votes on Final Passage:

House 96 0
Senate 44 0

Effective: May 7, 1999

HB 1330

C 155 L 99

Granting concessions or leases in state parks and parkways.

By Representatives Alexander, Sump, Buck, Regala, Anderson, Lantz, Doumit, G. Chandler, Pennington, Rockefeller, Benson and Mulliken; by request of Parks and Recreation Commission.

House Committee on Natural Resources
Senate Committee on Natural Resources, Parks & Recreation

Background: The State Parks and Recreation Commission is allowed to enter into leases and concessions in state parks. There are currently about 100 leases and concessions in state parks, which generate approximately \$500,000 a year. Most of these agreements are leases for campgrounds and food and beverage concessions. The three most profitable agreements are for Tillicum Village (a Native American cultural attraction) the Sun Lakes golf course and campground, and the Mount Spokane downhill ski area.

Leases and concession agreements may be no longer than 40 years in duration. Any lease or concession that has a duration of more than 20 years must be approved by an unanimous vote of the commission. The rates of all leases and concessions are renegotiated at five-year intervals.

A longer agreement term would enable the commission to attract private investment in the rehabilitation of historic structures, and would generally expand the pool of interested lessors and concessioners.

Summary: The State Parks and Recreation Commission is allowed to enter into leases of 50-year terms.

Votes on Final Passage:

House 98 0
Senate 43 0

Effective: July 25, 1999

HB 1331

C 59 L 99

Using volunteers at the state parks and recreation commission.

By Representatives Buck, Sump, Regala, Anderson, Lantz, Doumit, G. Chandler, Pennington, Hatfield, Rockefeller, D. Sommers, Koster, Benson, Wolfe and

Mulliken; by request of Parks and Recreation Commission.

House Committee on Natural Resources
Senate Committee on Natural Resources, Parks & Recreation

Background: The State Parks and Recreation Commission does not have explicit statutory authority to volunteers in a generalized manner. The commission is allowed to grant permits to individual volunteers or volunteer organizations who wish to undertake specific projects to improve state parks. In these circumstances, the commission is liable for certain expenses relating to these activities, including: insurance premiums, compensation of staff who assist volunteers, use of natural resources contained within the park, paint, incidental materials, and equipment. Prior to granting a permit for these activities, the commission is required to determine that the individuals are persons of good standing in the community in which they reside.

Summary: Provisions relating to the use of volunteers and related expenses are established under the commission's general duties. Expenses relating to the use of volunteers is limited to insurance premiums, compensation of staff who assist with volunteers, materials and equipment, training, reimbursement of authorized travel expense, and reasonable expenses relating to the recognition of such volunteers. The commission is allowed to waive fees, such as camping fees, that would otherwise be applicable to volunteers. Volunteers may not be used to replace or supplant parks employees and may not lead to the elimination of permanent positions.

The commission continues to have the authority to grant permits to individuals and organizations who wish to undertake projects to improve state parks. Language relating to expenses is removed, and expenses are addressed as with general volunteers. The commission is no longer required to determine whether permitted volunteers are persons of good standing in the community in which they reside.

Votes on Final Passage:

House	94	0
Senate	46	0

Effective: July 25, 1999

SHB 1345
C 203 L 99

Exempting certain low-income rental housing from property taxes.

By House Committee on Economic Development, Housing & Trade (originally sponsored by Representatives O'Brien, Radcliff, Ballasiotes, Tokuda, Van Luven, Pennington, McIntire, Sheahan, Kagi,

Sullivan, Cody, Veloria, Constantine, Edwards, Cooper, Rockefeller, D. Sommers, Campbell, McDonald, Edmonds, Ruderman and Dunn).

House Committee on Economic Development, Housing & Trade
House Committee on Finance
Senate Committee on Commerce, Trade, Housing & Financial Institutions
Senate Committee on Ways & Means

Background: All real and personal property in Washington is subject to property tax each year based on its value unless a specific exemption is provided by law. The amount of property tax due is determined by multiplying the assessed value of real property, including the land itself, and all buildings, structures, or improvements or other fixtures sitting upon such land, by the tax rate for each taxing district in which the property is located.

Several exemptions from property tax are provided in state law.

Summary: A property tax exemption for real and personal property is provided for rental housing for very low-income households that either: (1) are owned or used by a nonprofit; or (2) have the nonprofit as the general partner with a for-profit corporation. The property tax exemption applies to rental property that meets the following conditions:

- the benefit of the exemption goes to the nonprofit;
- at least 75 percent of the occupied dwelling units are occupied by households with incomes at or below 50 percent of the median income, adjusted for household size, for the county where the property is located; and
- the rental housing was insured, financed, or assisted in whole or in part through a federal or state program administered through the Department of Community, Trade, and Economic Development or through a local affordable housing levy.

If fewer than 75 percent of the units are occupied by very low-income households, a partial exemption from the property tax is available. The partial exemption is equal to the ratio of rental units occupied by very low-income households to the total number of occupied rental units.

The nonprofit may agree to make payments in-lieu of taxes to a local government for improvements, services, and facilities that are furnished and benefit the rental housing. The payments may not exceed the amount paid as an annual tax by the nonprofit to the local government.

Votes on Final Passage:

House	94	3
Senate	36	12

Effective: July 25, 1999

SHB 1371

C 172 L 99

Modifying provisions that concern the control and prevention of tuberculosis.

By House Committee on Health Care (originally sponsored by Representatives Ruderman, Alexander and O'Brien; by request of Department of Health).

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: According to the Department of Health's (DOH) Annual Communicable Disease Report for 1997, tuberculosis (TB) has reemerged as a serious communicable disease, after years of decline. The numbers of cases reported annually in Washington declined from 713 in 1960 to 207 in 1984. Between 1984 and 1991, that number increased from 207 to 309, a nearly 50 percent increase. Cases reported declined from 1991 through 1996. However, in 1997, the number of cases again increased. There were 305 reported cases 1997, an increase from the 285 cases reported in 1996.

The DOH and local health departments are responsible for protecting the public from the spread of TB. The laws, spread over four chapters of the state code, date back to 1899. Those laws authorize public health authorities to report and track cases of TB, investigate suspected cases and conduct examinations, and order treatment, isolation or quarantine. The current laws are crucial to the task of detecting and controlling the spread of TB. However, those laws also contain outdated language that does not reflect current practices.

Summary: Numerous sections of law are revised and consolidated while preserving the basic components for TB control and treatment.

Votes on Final Passage:

House	96	0	
Senate	45	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

HB 1372

C 38 L 99

Repealing the requirement to maintain a registry for handicapped children.

By Representatives Schual-Berke, Esser, Boldt and Keiser; by request of Department of Health.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: In Washington, birth defects occur in about 2.6 percent of live births. These conditions account for 20 to 30 percent of all infant deaths and numerous cases of

disability. While advances in science have contributed to the prevention of birth defects and its related disabilities, the Department of Health (DOH) continues to need accurate data to plan and provide services for these children.

Birth defects are reported to the DOH under the Registry for Handicapped Children statutes, which were first enacted in 1959. However, the state's "notifiable conditions" requirement, as expressed in rule, has changed substantially over the years, rendering the law redundant.

Summary: Redundant statutes relating to birth defect reporting are repealed, thus relying upon existing rules for authority to collect birth defect data.

Votes on Final Passage:

House	98	0
Senate	42	0

Effective: July 25, 1999

HB 1378

C 359 L 99

Regulating manufactured and mobile home landlord-tenant relations.

By Representatives Veloria, Dunn, Morris, Kastama, Van Luven, Ogden, Kenney, Bush, Santos, Fortunato, Hurst, Edwards, O'Brien, McDonald and Keiser.

House Committee on Economic Development, Housing & Trade
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: The Mobile Home Landlord-Tenant Act regulates the relationship between the owner of a mobile home park (landlord) and the owner of the mobile home (tenant). Key provisions of the act require the tenant to be offered a written agreement for a term of at least one year, prohibits certain action by the landlord, and specify the duties of the landlord and the tenant.

A landlord is required to give proper written notice to the tenant. The notice can be served to the tenant on behalf of the landlord: (1) by delivering a copy personally to the tenant; or (2) leaving a copy at the mobile home with a person of suitable age and discretion and sending a copy through the mail to the tenant's address; or (3) by affixing a copy in a conspicuous place on the mobile home if the tenant is absent and no one available of suitable age and discretion is present.

A landlord may require a tenant to pay a deposit as security for performance of the tenant's obligations in a rental agreement. The security deposit must be deposited by the landlord into a trust account maintained by the landlord for the express purposes of holding security deposits. Any interest earned on the tenant's security deposit is retained by the landlord.

Summary: The Mobile Home Landlord-Tenant Act is revised to: (1) reflect current terminology regarding manufactured homes, mobile homes, and park models; (2) require park management to make reasonable efforts to notify tenants of their intention to enter the mobile home lot; (3) require landlords to place security deposits that exceed an amount greater than two months' rent into an interest-bearing account, with interest paid to the tenant; and (4) require local governments to send to the mobile home park owner a copy of any permit issued to either move or install a unit.

The following terms are defined: (1) "manufactured home" means a single-family home built after 1976 and to the standards of the federal Manufactured Home Construction and Safety Standards Act; (2) "mobile home" means a factory-built dwelling built prior to 1976 and to standards other than the federal Manufactured Home Construction and Safety Standards Act; and (3) "park model" means a recreational vehicle intended for permanent or semi-permanent installation and habitation. These definitions are incorporated throughout existing statutes and replace the single term "mobile home."

A mobile home park owner may: (1) prohibit entry or require the removal of an individual unit if it presents a fire or safety concern; and (2) require that the individual unit meet applicable fire and safety standards as a condition of transferring a rental agreement in the sale of the individual unit to another person.

The mobile home park management must make a reasonable effort to notify the tenant of their intention to enter the land on which the individual unit is located. This provision does not apply to an emergency situation in which a danger to people or property exists.

The landlord's written notice requirements are revised to remove the provision allowing the notice to be left with a person of suitable age and discretion and then a copy to be mailed to the tenant's address if the tenant is absent. The other notice requirements remain in effect.

A landlord is required to pay interest on deposits required as security for performance of the tenant's obligations in a rental agreement. The security deposit must be deposited by the landlord into an interest-bearing trust account maintained by the landlord for the express purposes of holding security deposits. All interest earned on the tenant's security deposit, minus fees charged to administer the account, must be paid annually to the tenant.

All local governments are required to send to the mobile home park landlord a copy of any permit issued to a tenant or the tenant's agent to either move or install a unit in a mobile home park.

Votes on Final Passage:

House	98	0	
Senate	32	16	(Senate amended)
House			(House refused to concur)
Senate			(Senate refused to recede)
House			(House refused to concur)
Senate	31	11	(Senate receded)

Effective: July 1, 1999

HB 1388

C 349 L 99

Clarifying the state's jurisdiction over crimes committed in the airspace over the state.

By Representatives Keiser, Ballasiotes, Schual-Berke, Mitchell, Hurst, O'Brien, Lovick and Delvin.

House Committee on Criminal Justice & Corrections
Senate Committee on Judiciary

Background: Under Washington's Criminal Code, a person may be prosecuted in Washington if he or she commits any crime in this state, commits any crime outside of Washington, such as theft, and is found with the stolen property in this state, or while out of state aids, counsels, or causes another person to commit a crime in Washington. The state's criminal jurisdiction is also extended to hold persons liable for punishment when they are outside of Washington but commit such crimes as: abducting or kidnaping by force or fraud another person and bringing or sending that person to Washington; criminal activity which affects any person or property within Washington, if the conduct would be a crime in Washington if committed here; or making a sworn statement, verification, or declaration which would be prosecuted as perjury.

The state's criminal jurisdiction does not include person committing crimes onboard a vehicle (i.e. plane or vessels) traveling through or within Washington.

Summary: The state's criminal jurisdiction is expanded to include holding a person liable for punishment if that person commits any act on board any vehicle within Washington, including airplanes flying over the state of Washington, that subsequently have to land, dock, or stop within the state, and the act, if committed within the state, would be a crime.

Votes on Final Passage:

House	97	0
Senate	47	0

Effective: July 25, 1999

HB 1394

C 60 L 99

Making the defense of duress unavailable for the crime of homicide by abuse.

By Representatives Hurst, Constantine, Lambert, Sheahan, McDonald, Lovick, H. Sommers, Dickerson, Kenney and Esser.

House Committee on Judiciary
Senate Committee on Judiciary

Background: A person is guilty of homicide by abuse if, under circumstances manifesting an extreme indifference to human life, the person causes the death of a child or person under the age of 16, a developmentally disabled person, or a dependent adult and the person has previously engaged in a pattern of assault or torture of the victim. Homicide by abuse is a class A felony.

Even when all of the elements of a crime have been established against a defendant, the defendant may raise certain defenses that excuse his or her conduct. One example of such a defense is the defense of duress.

Under the defense of duress, a defendant's criminal act is excused if the defendant participated in the crime under the compulsion of another person. The other person must have created a reasonable apprehension in the mind of the defendant that in case of refusal, the defendant or another would be subject to immediate death or immediate grievous bodily injury. A defendant does not establish the defense solely by a showing that he or she acted at the command of his or her spouse. The defendant has the burden of proving the elements of duress by a preponderance of the evidence.

The defense of duress is not available in prosecutions for murder or manslaughter. The defense of duress is also not available if the defendant intentionally or recklessly placed himself or herself in a situation in which duress was likely.

Summary: The defense of duress is not available in prosecutions for homicide by abuse.

Votes on Final Passage:

House 97 0
Senate 47 0

Effective: July 25, 1999

ESHB 1407

C 173 L 99

Changing adoption provisions.

By House Committee on Judiciary (originally sponsored by Representatives Lambert, Benson, Dickerson, Sheahan, Tokuda, Hurst, G. Chandler, Mulliken, Boldt, Koster, Schindler, Ogden, Dunn and Kessler).

House Committee on Judiciary
Senate Committee on Human Services & Corrections

Background: In an adoption, the legal parent-child relationship is created between persons who do not have a biological parent-client relationship related. Any person may be adopted, although a child 14 years of age or older must consent to an adoption. Any person who is legally competent and 18 years of age or older may become an adoptive parent. In all adoption matters, the best interests of the child are paramount.

Before an adoption may take place, the biological parents must give up their parental rights to control and have custody of their child. This can be done voluntarily or involuntarily by court order. The biological parents must also give their free and knowing consent to the adoption. The biological parents may revoke their consent until the consent is approved by the court. The consent of either parent is not required if a court of competent jurisdiction has terminated the parent's relationship with the child.

If all the statutory provisions are met and the court has found that the placement is in the best interests of the child, the court must enter a decree of adoption. When the adopted child is a Native American, the adoptive parents must be within the placement preferences of the federal law relating to the placement of Native American children before the court may issue a decree of adoption.

In the context of a dependency hearing, before the court may order the filing of a petition to terminate a parent and child relationship, reasonable efforts to unify the family must be made. However, if aggravating circumstances exist, a court may order the filing of a petition to terminate a parent and child relationship without reasonable efforts to unify the family.

Summary: The consent of an alleged father, birth parent, or parent to a proposed adoption is not required if he or she was found guilty of rape or incest where the child was the victim or was born of the offense, and the court finds that the proposed adoption is in the child's best interest. This does not effect the parent's right to notice of the adoption as required by law.

If an alleged father, birth parent, or parent has voluntarily terminated his or her parental rights and has indicated his or her intention to make a voluntary adoption plan for the child, the Department of Social and Health Services (DSHS) must follow the wishes of the alleged father, birth parent, or parent as to the placement of the child. However, the DSHS does not have to follow the

wishes of the alleged father, birth parent, or parent if the prospective adoptive parents do not meet state statutory adoption qualifications, or if the court finds that the adoption is not in the best interest of the child. If the DSHS has filed a petition seeking termination of a parent and child relationship, it must give consideration to the placement wishes of an alleged father, birth parent, or parent.

Conviction of the parent of a sex offense or incest when the child is born of the offense is added as a factor a court must consider when determining whether aggravating circumstances exist that would allow the court to order the filing of a petition to terminate a parent and child relationship without reasonable efforts to unify the family. Aggravating circumstances must be proved by clear, cogent, and convincing evidence.

Votes on Final Passage:

House	97	0	
Senate	48	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 1413

C 102 L 99

Staggering the terms of the members of the Washington citizens' commission on salaries for elected officials.

By Representatives McMorris, Romero, Dunshee, Campbell, Haigh, D. Schmidt, Miloscia and Lambert; by request of Washington Citizens' Commission on Salaries for Elected Officials.

House Committee on State Government
Senate Committee on State & Local Government

Background: State voters approved Amendment 78 to the state Constitution in 1986, providing for an independent commission to set salaries for members of the Legislature, elected officials of the executive branch of state government, and judges of the supreme court, court of appeals, superior courts, and district courts. After the initial enactment of legislation establishing this independent salary commission, any amendment altering the composition of that commission must be approved by the favorable vote of two-thirds of the members elected to each house of the Legislature.

Legislation creating the Washington Citizens' Commission on Salaries for Elected Officials provides for a 16-member commission composed of one registered voter from each of the nine congressional districts in the state, each of whom is selected at random, and seven members with personnel management experience selected jointly by the speaker of the House of Representatives and president of the Senate. Of the persons selected by the speaker and president, one member must be selected from each of the following five sectors: private institutions of higher education; business; professional management; legal profession;

and organized labor. In addition, one member selected by the speaker and president must be a person recommended by the chair of the Washington Personnel Resources Board, and another person must be recommended by majority vote of the presidents of the state's four-year institutions of higher education. The names of all 16 persons who are so selected are forwarded to the Governor, who appoints these persons to the commission.

All 16 members serve four year terms of office, with each term ending at the same time.

Summary: The terms of members of the state salary commission are staggered so that every two years eight terms expire. This staggering is accomplished by terminating the terms of members who were appointed in 1999, effective July 1, 2002. New commission members are appointed by the Governor using the existing appointment process, and the Governor by lot selects four of the nine registered voters who are selected at random, and four of the appointees who were selected by the speaker of the House of Representatives and president of the Senate, to serve four-year terms. The other eight appointees serve two-year terms. Thereafter appointments are for four-year terms.

The names of persons who are selected using this process are forwarded to the Governor by no later than July 1 every two years.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: July 25, 1999

HB 1420

C 226 L 99

Providing a procedure for the state investment board to check the criminal history of prospective appointees and employees.

By Representatives H. Sommers, Huff, Benson, Hatfield, McIntire and Wolfe; by request of State Investment Board.

House Committee on Financial Institutions & Insurance
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: The Legislature created the Washington State Investment Board (SIB) in 1981 to administer public trust and retirement funds. Washington law requires the SIB to establish investment policies and procedures that are designed to maximize return at a prudent level of risk. The SIB manages 27 funds which total approximately \$49 billion.

Like other state agencies, the (SIB) may request a background check from the Washington State Patrol on applicants for certain employment positions.

HB 1421

Summary: In addition to a criminal background check through the Washington State Patrol, the Washington State Investment Board may require a criminal history record check through the Federal Bureau of Investigation for candidates of certain positions of authority. The use of this information is limited and is exempt from public disclosure.

Votes on Final Passage:

House	97	0
Senate	47	0

Effective: July 25, 1999

HB 1421

C 227 L 99

Authorizing the state investment board to establish additional commingled trust funds.

By Representatives Huff, H. Sommers, Hatfield, Benson and McIntire; by request of State Investment Board.

House Committee on Financial Institutions & Insurance
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: The Legislature created the Washington State Investment Board (SIB) in 1981 to administer public trust and retirement funds. Washington law requires that the SIB establish investment policies and procedures that are designed to maximize return at a prudent level of risk. The SIB manages 27 funds which total approximately \$49 billion.

A commingled trust fund is established in the State Treasury for the SIB. The SIB may commingle investment funds, and establish accounts in this fund for specific investment programs.

Summary: The Washington State Investment Board is authorized to establish more than one commingled trust fund in the State Treasury. Commingling funds does not change the nature, character, or purpose of the investment funds being commingled.

Votes on Final Passage:

House	95	0
Senate	49	0

Effective: July 25, 1999

HB 1422

C 228 L 99

Authorizing the state investment board to directly order actions relating to securities.

By Representatives H. Sommers, Huff, Benson, Hatfield and McIntire; by request of State Investment Board.

House Committee on Financial Institutions & Insurance
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: The Legislature created the Washington State Investment Board (SIB) in 1981 to administer public trust and retirement funds.

The State Treasurer may register the SIB's securities in the name of a nominee, often a custodian bank. The nominee acts, with respect to the securities, only upon the order of the State Treasurer, who in turn acts only at the direction of the SIB.

Summary: The State Investment Board will directly order a nominee in whose name SIB securities are registered to take action regarding the securities.

Votes on Final Passage:

House	97	0
Senate	47	0

Effective: July 25, 1999

HB 1425

C 61 L 99

Addressing municipal water or sewer utilities.

By Representatives Linville, Mulliken, Ericksen and Scott.

House Committee on Local Government
Senate Committee on State & Local Government

Background: The United States Constitution specifies that states must have the consent of the United States Congress to enter into agreements or compacts with another state or with a foreign government. While this constitutional provision was initially interpreted as an unqualified prohibition on any compacts or agreements without express congressional consent, later courts have upheld interstate compacts involving either minor matters or matters for which Congress later enacted a general authorization to compact.

Cities and towns are authorized under Washington law to operate utilities, including water and sewer facilities. Cities and towns also may acquire, maintain and operate out-of-state facilities for water service in cooperation with municipalities of bordering states which authorize such agreements.

Washington water-sewer districts contiguous to Canada are authorized by statute to contract with Canadian corporations for water service and facilities.

Summary: Cities and towns contiguous with Canada are authorized to contract with Canadian corporations for water or sewer facilities.

Votes on Final Passage:

House	96	0
Senate	42	0

Effective: July 25, 1999

HB 1432

C 300 L 99

Expanding the powers and duties of the dairy commission.

By Representatives Stensen, G. Chandler, Linville, Koster, Cooper, Dunshee, Reardon and Wood.

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic Development

Background: The Washington State Dairy Products Commission is an agricultural commodity commission that has been created directly by statute. Among the authorities of the commission are: conducting scientific research designed to improve milk production, quality, transportation, processing, and distribution; and developing uses and markets for dairy products and promoting their sale.

Summary: The Dairy Products Commission is expressly authorized to: participate in federal and state agency hearings, meetings, and other proceedings relating to dairies and dairy products; provide educational meetings and seminars for the dairy industry on such matters; and expend funds for these purposes.

Votes on Final Passage:

House	97	0
Senate	49	0 (Senate amended)
House	97	0 (House concurred)

Effective: July 25, 1999

HB 1442

C 328 L 99

Extending protection of transit employees and customers.

By Representatives Edwards, Radcliff, Scott, Wolfe, Reardon, Sheahan, Lovick, Fisher, O'Brien, Santos, Romero, Kenney, Conway, Ogden, Dickerson, Haigh and Keiser.

House Committee on Criminal Justice & Corrections
Senate Committee on Judiciary

Background: The Washington criminal code divides the crime of assault into four degrees, and into some specific separate crimes. The various crimes are distinguished by the state of mind of the offender, the extent of injury done to the victim, whether or not a weapon was used, and who the victim was.

Fourth-degree assault, sometimes called "simple assault," is a gross misdemeanor. Any assault that does not fall within the definition of one of the other degrees or definitions of the crime is fourth-degree assault. Third-degree assault, the lowest level of felony assault, is a class C felony. Generally, to amount to third-degree assault, an assault must involve causing some bodily harm with a weapon, or must involve otherwise causing bodily harm that is "accompanied by substantial pain that extends for a period sufficient to cause considerable suffering."

The Legislature has also provided, however, that with respect to certain victims, an assault that would otherwise be a gross misdemeanor will be a felony. With respect to these victims, there is no need to show bodily harm caused by a weapon, or accompanied by substantial pain, for the crime to be a felony. A fourth-degree assault becomes a class C felony if committed against:

- a person employed by a public or private transit company as an operator or driver;
- a public or private school bus driver;
- a firefighter or other person employed by a fire department;
- a law enforcement officer; or
- a nurse, physician, or health care provider.

An otherwise misdemeanor assault against one of these victims becomes a felony only if the victim is engaged in his or her job-related duties at the time of the assault.

Summary: An assault that would otherwise be a misdemeanor fourth-degree assault becomes a felony third-degree assault if committed against:

- a transit operator or driver that is employed by a contracted transit service provider;
- the immediate supervisor of a transit operator or driver, a mechanic, or a security officer employed by a public or private transit company or a contracted transit service provider while that person is performing his or her official duties; or
- the immediate supervisor of a driver, a mechanic, or a security officer employed by a school district transportation service or a private company under contract for transportation services with a school district while that person is performing his or her official duties.

Votes on Final Passage:

House	67	30	
Senate	32	14	(Senate amended)
House	79	18	(House concurred)

Effective: July 25, 1999

SHB 1448
FULL VETO

Allowing the department of ecology to assume primary responsibility for the cleanup of state aquatic lands.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Linville, G. Chandler, Cooper, Ericksen, Anderson and Morris).

House Committee on Agriculture & Ecology
House Committee on Appropriations
Senate Committee on Natural Resources, Parks & Recreation

Background: The state Model Toxics Control Act (MTCA) and the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) require sites contaminated with hazardous materials to be cleaned up by liable parties. The combined effect of CERCLA and MTCA is to ensure that the vast majority of sites at which hazardous substances have been released are cleaned up.

Contaminated sites are found on land and under water. The state owns about two million acres of aquatic lands; that is, the bedlands, shorelands, and tidelands of navigable waters. These lands are managed for the public by the Department of Natural Resources. Many of these lands are leased to ports, businesses, and municipalities for water-dependent uses. Over the years, state-owned aquatic lands have become contaminated in many of these leased areas by hazardous releases and spills. As of 1996, there were 49 CERCLA and MTCA sites on state-owned aquatic lands. Most of the CERCLA sites are found in the large urban embayments of Puget Sound and adjacent to military facilities. The MTCA sites are smaller and more dispersed. The cleanup method used most frequently for contaminated sediments is "capping" in the nearshore areas where the contaminants are most often found, or burial in deeper underwater excavations.

The Department of Natural Resources has two principal roles in the cleanup of contaminated sediments: it is a "potentially liable party" (PLP) under MTCA and CERCLA because it owns or manages state-owned aquatic lands, and it is authorized to make property management decisions under the Aquatic Lands Act.

The Department of Ecology (DOE) has primary responsibility for hazardous waste cleanup under MTCA. Its duties include: (1) investigating and prioritizing sites; (2) providing technical assistance to PLPs desiring to perform cleanups; (3) setting cleanup standards for hazardous

substances; and (4) requiring or undertaking cleanups where appropriate. The DOE also has enforcement authority, including the ability to enter property, enter into settlements, file actions or issue orders to compel cleanup, and impose civil penalties and seek recovery of state cleanup costs.

Summary: The DOE is provided with primary responsibility, on behalf of the state, for working with local communities in cleaning up contaminated sediments in urban harbors on state-owned aquatic lands. The DOE's decisions on cleanup of state-owned aquatic lands are binding on all other state agencies.

The use of state-owned aquatic land for the disposal of contaminated sediments or for mitigation projects conducted by third parties is authorized. In examining whether to use state-owned aquatic land for disposal or for mitigation, the DOE is directed to evaluate a range of disposal alternatives and to consider habitat impacts, impacts to navigation and water-borne commerce, cost, and the benefits of prompt cleanup.

The DOE's authority to site disposal of contaminated sediments on state-owned aquatic lands is limited to the use of a multi-user confined aquatic disposal site, or to other aquatic lands only when the following conditions are met: such disposal is the most environmentally protective option among a reasonable range of upland, nearshore, or deep-water disposal options; the DOE finds no significant adverse environmental impacts from the loss of nearshore habitat; and the normal use of harbor areas for commerce and navigation is not impaired. In examining disposal options, Ecology is required to consult with affected state agencies, federal agencies, local governments, and port districts.

Within 60 days of a decision by the DOE to dispose of contaminated sediments on state-owned aquatic lands pursuant to MTCA or in concurrence with a disposal decision under CERCLA, the Department of Natural Resources is required to issue a use authorization. The use authorization must contain the provisions needed to expeditiously allow the use of state-owned aquatic lands for disposal, and may contain measures deemed necessary to indemnify and hold the state harmless from additional liability arising from disposal. This provision is not intended to affect the powers and responsibilities of the Department of Natural Resources under the Aquatic Lands Act.

The Aquatic Lands Act is amended to include "habitat mitigation" in the definition of "water-dependent use."

Votes on Final Passage:

House	71	27	
Senate	33	14	(Senate amended)
House	66	30	(House concurred)

VETO MESSAGE ON HB 1448-S

May 18, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute House Bill No. 1448 entitled:

“AN ACT Relating to clarifying state agency responsibility for cleaning up contaminated sediments;”

The legislature’s intent in Substitute House Bill No. 1448 was valid, as it is necessary to encourage effective decision-making on the cleanup of contaminated aquatic lands. Yet despite its title, the bill does not clarify agency responsibility; instead it shifts responsibility from an agency experienced in and knowledgeable about proprietary management and transfers it to a regulatory agency.

There are valid concerns about protracted delays in reaching resolution on the appropriate way to clean up contaminated aquatic lands at several sites in Puget Sound. However if it can possibly be avoided, permanently substituting the decision-making authority of one agency for another is not a desirable remedy for these problems – in either the short-term or the long-term. Both agencies cited in the bill, the Department of Natural Resources (DNR) and the Department of Ecology (DOE), have legitimate perspectives, expertise and missions. Both must work together, along with other state, local, tribal and federal agencies and affected interests to successfully resolve cleanup issues.

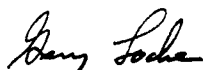
I am respectfully requesting the Commissioner of Public Lands to commit herself and her agency to working with other state agencies to find mutually acceptable solutions for these long-standing disputes. DNR must adopt practical and reasonable policies in consultation with other resource agencies that will allow regulatory, proprietary and permitting decisions to be timely made. Such policies must recognize that the use of state-owned aquatic lands may be the most appropriate sites for certain activities, including wastewater discharge and sediment disposal.

In particular, I request all state agencies working on the Bellingham Bay pilot project – DOE, DNR, the Department of Transportation, the Department of Fish and Wildlife, and the Puget Sound Water Quality Action Team – to reach agreement on a single state preferred alternative to solving contamination problems before the 2000 regular legislative session. If the parties cannot agree by that time, I will be prepared to sign legislation that accomplishes the objectives of SHB 1448.

I also note that Section 3 of this bill asserts that “aquatic habitat mitigation” is a water-dependent use as that term is defined in RCW 79.90.465. While I agree with that assertion, this provision is flawed because the bill does not define the term. It is possible that the term could be confused with “aquatic disposal,” which should not be given a blanket preference in leasing decisions.

For these reasons I have vetoed Substitute House Bill No. 1448 in its entirety.

Respectfully submitted,



Gary Locke
Governor

EHB 1459

PARTIAL VETO

C 62 L 99

Allowing reduced rate utility service for low-income citizens.

By Representatives Poulsen, Crouse, Reardon, Ruderman, Cooper, Wolfe, Kastama, Constantine, Murray, Rockefeller, Dickerson, Lantz, Kenney, McIntire, Lovick, Wood and Edmonds.

House Committee on Technology, Telecommunications & Energy
Senate Committee on Energy, Technology & Telecommunications

Background: In 1998, the Legislature authorized municipal utilities and public utility districts to offer rate discounts to low-income utility customers. Prior to 1998, low-income rate discounts from consumer-owned utilities were authorized only for low-income senior citizens or disabled persons.

Low-income rate discounts may be offered at the discretion of the utility, so long as the discounts are uniformly available to all eligible low-income customers served by the utility. Participating local governments may define the income eligibility standards through an appropriate ordinance or resolution of their governing bodies. Participating public utility districts must apply the same income eligibility standards that are used in qualifying customers for low-income residential weatherization services, which is a household income that is at or below 125 percent of the federally established poverty level.

Private utilities that are regulated by the Washington Utilities and Transportation Commission (WUTC), including gas companies, electrical companies, and water companies are prohibited from offering free or reduced rates except to “indigent and destitute persons” (among others). No definition of “indigent and destitute persons” is provided, and no tariffs are currently in place offering such discounts. Gas, electric, and water companies must charge “just, fair, reasonable, and sufficient” prices for the services they provide.

Additionally, gas, electric, and water companies may not grant any undue or unreasonable privilege or advantage to any person or provide or price services in a discriminatory manner except as allowed by law.

Summary: Investor-owned gas and electric companies may, upon approval by the WUTC, provide discounts in rates, charges, provision of services, and provision of physical facilities to low-income senior customers and low-income customers. An example of provision of physical facilities is the conversion of a heating system from electric power to natural gas. Expenses and lost revenues resulting from these discounts will be recovered in the rates paid by other customers.

HB 1463

Votes on Final Passage:

House	96	1
Senate	41	1

Effective: July 25, 1999

Partial Veto Summary: Sections that clarified certain requirements such as: services and rates should be just and reasonable; that utilities not terminate services during winter months; that utilities notify customers of their duties in the event of potential shutoff; the availability of budget billing or equal payment plans; the safety of facilities; and water conservation goals are vetoed. Further, sections that allow prohibited utilities from charging rates different than those filed with the UTC, nor grant preferential or discriminatory rates to any like or contemporaneous person, corporation or locality are vetoed.

VETO MESSAGE ON HB 1459

April 21, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 2, 3, 4, and 5, Engrossed House Bill No. 1459 entitled:

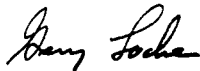
“AN ACT Relating to reduced rate utility services for low-income citizens;”

This bill will allow the Utilities and Transportation Commission to approve rate discounts for low-income customers of investor-owned electric and gas companies. Section 1 of the bill provides all of the authority necessary for the Commission to do so. Sections 2 through 5 of the bill appear to have been added to clarify the legislature’s intent. However, those sections add legal ambiguities and are not necessary to fulfill the policy intent of the legislation.

For this reason, I have vetoed sections 2, 3, 4, and 5 of Engrossed House Bill No. 1459.

With the exception of sections 2, 3, 4, and 5, Engrossed House Bill No. 1459 is approved.

Respectfully submitted,



Gary Locke
Governor

HB 1463

C 204 L 99

Adjusting deadlines for reports to the secretary of transportation.

By Representatives Mitchell, Fisher, K. Schmidt, Ogden, Mielke, Haigh and Schual-Berke.

House Committee on Transportation
Senate Committee on Transportation

Background: The Washington State Department of Transportation requires cities, towns, and counties to report revenue and expenditure information on streets and roads. This requirement is to comply with federal statutes,

and to assist the Department of Transportation in responding to legislative and governmental requests for information.

The required reporting date for this information is March 31 of each year. The State Auditor’s office also requires cities, towns, and counties to report similar types of information by May 31 of each year.

Summary: The reporting dates to the Department of Transportation for city, town, and county revenue and expenditure information for streets and roads are changed to May 31 of each year.

Votes on Final Passage:

House	97	0
Senate	47	0

Effective: July 25, 1999

ESHB 1471

C 156 L 99

Prohibiting deceptive telephone directory listings.

By House Committee on Commerce & Labor (originally sponsored by Representatives Conway, Crouse, Wood, Poulsen, Kessler and Thomas).

House Committee on Commerce & Labor
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: The Consumer Protection Act prohibits unfair methods of competition and unfair or deceptive practices in commerce. The act may be enforced by private legal action, or through a civil action brought by the attorney general. A court may award private individuals injured by an unfair or deceptive practice actual damages, court costs, and additional damages up to triple the actual damages amount. In addition, a court may order that the business refrain from conducting further unfair practices.

In state actions filed by the attorney general, damages may also be awarded if the state has been injured by unfair or deceptive practices. Otherwise, the state may seek a court order to restrain the business from further practices.

Washington courts have held that false advertising, false representations, and trademark or trade name infringements may constitute unfair and deceptive practices. One type of business activity that may violate the Consumer Protection Act is the practice of out-of-state firms pretending to be local businesses in the telephone directory and serving customers who think they are doing business with a local firm.

These firms list their names in local directories as local businesses and list local numbers. The firm may even use the name of local cities in their business names to indicate a local affiliation. However, customers who call the local number are forwarded to operators in another state who

take their order. The firms bill these customers for processing and take a percentage off the top. They then contact local businesses to fill the order. The local businesses take their percentage and the customer receives goods worth the amount remaining after these charges.

Nine states have enacted laws classifying this type of business activity as an unfair business practice.

Summary: The Consumer Protection Act is applied to certain business practices in the floral industry. Businesses that sell, deliver, or solicit cut or arranged flowers may not list a local phone number in a directory if calls to the number are forwarded outside the area covered by the directory and the listing does not disclose the business location. This limitation does not apply to toll-free and 900 telephone numbers.

In addition, businesses in the floral industry may not list in a directory a business name that misrepresents the location of the business without giving its actual location.

These requirements may be enforced according to the Consumer Protection Act.

Votes on Final Passage:

House	95	0
Senate	43	2

Effective: July 25, 1999

E2SHB 1477
PARTIAL VETO
C 315 L 99

Revising school district organization provisions.

By House Committee on Education (originally sponsored by Representatives Haigh, Bush, Talcott, Linville, Santos and Edmonds; by request of Board of Education).

House Committee on Education
House Committee on Appropriations
Senate Committee on Education

Background: The Legislature enacted the “city or town districts” statute in 1909, primarily to ensure that each city or town is served by a single school district. Over the years, the Legislature has added several provisions regarding changing school district boundaries. Generally, citizens and school districts may petition to change school district boundaries through forming a new school district, consolidating school districts, or changing the territory of a school district. The Legislature created regional committees in each of the nine educational service districts (ESD) to review proposals on school district boundary changes. A regional committee may consider a school district boundary change on its own initiative, at the recommendation of the ESD superintendent, or when it receives a citizen petition. If the regional committee recommends a boundary change, the recommendation goes to the State Board of Education for approval. There are

statutory guidelines and agency rules to be considered in recommending and approving boundary changes.

Typically, the regional committee and ESD implement the boundary changes based on statutory provisions, such as reapportioning assets and obligations.

Special elections generally must be held when at least 10 percent of the students are affected by a proposed boundary change or a new district is being formed, or when bond debt is being adjusted or transferred. If voters reject either the proposal to form a new district or adjust bond debt, the regional committee may modify the proposal and resubmit it to the State Board of Education for reconsideration.

Summary: The provisions in current law regarding forming school districts and changing school district boundaries are significantly modified. The “city or town districts” statute, which generally provides that each city or town is served by a single school district, is repealed. When a city or town changes boundaries, any proposed school district boundary changes will follow the general statutory process for such changes.

School district boundary changes generally are proposed by citizen petitions, educational service districts (ESDs), and school districts. When a petition is received by the ESD, the ESD notifies the affected school districts who must then negotiate to see if an agreement can be reached regarding the petition. Mediation is provided for. If agreement is reached between the school districts, the ESD implements it; if no agreement is reached, the petition is forwarded to the regional committee. If the regional committee approves the submitted proposal, the ESD implements it unless the approval is appealed to the State Board of Education. A decision by the regional committee to approve a proposal may be appealed to the State Board on the basis that the decision did not follow required procedures or was arbitrary and capricious. A school district or citizen petitioner may appeal the final decision of the regional committee to the court.

Current law requiring special elections in certain cases is retained; however, if voters reject either the proposal to form a new district or adjust bond debt, the proposal is defeated, rather than allowing the proposal to be resubmitted to the State Board of Education for reconsideration.

The statutory guidelines regarding factors to be considered in reviewing proposals to change school district boundaries are modified. Proposals for school boundary changes initiated prior to the effective date of this act are to be under current law; proposals initiated after the effective date of this act are processed under the changes made by this act.

Local school districts, educational service districts, and regional committees are reimbursed for costs relating to proposals to change school district boundaries as appropriated in the budget. Training is provided through the superintendent of Public Instruction to the extent funds are appropriate.

E2SHB 1484

Votes on Final Passage:

House	95	0	
Senate	48	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

Partial Veto Summary: The provision requiring emergency rules is vetoed.

VETO MESSAGE ON HB 1477-S2

May 14, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 807, Engrossed Second Substitute House Bill No. 1477 entitled:

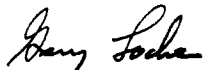
“AN ACT Relating to school district organization;”

Section 807 of Engrossed Second Substitute House Bill No. 1477 would require the State Board of Education to adopt emergency rules to implement the changes made as a result of this bill. This bill deals with complicated laws and processes, and was crafted with the extensive input and collaborative efforts of many individuals and groups throughout the education community. Many parties, including the State Board, would prefer to continue that open and thoughtful process, with adequate opportunity for public input, while developing the rules necessary to implement this bill. Emergency rules would provide inadequate time for valuable public input.

For these reasons, I have vetoed section 807 of Engrossed Second Substitute House Bill No. 1477.

With the exception of section 807, Engrossed Second Substitute House Bill No. 1477 is approved.

Respectfully submitted,



Gary Locke
Governor

E2SHB 1484

C 353 L 99

Modifying property valuation methods for reimbursing nursing facilities.

By House Committee on Health Care (originally sponsored by Representatives Parlette, Cody, Alexander, Conway and Edwards).

House Committee on Health Care
House Committee on Appropriations
Senate Committee on Health & Long-Term Care
Senate Committee on Ways & Means

Background: Nursing facilities receive payment from the state at a rate that factors in the costs of capital, buildings, and equipment. These capital costs are recognized in three components of the total rate: property, financing allowance, and variable return. These three components comprise about 11 percent of the overall nursing home

payment rate, and will result in about \$65 million of Medicaid expenditures in the 1999 state fiscal year.

The property rate covers the allowable cost of depreciation on nursing facility assets. Payment of the property component is calculated as depreciation from the prior year divided by total resident days, or resident days at 85 percent occupancy, whichever is greater.

The financing allowance provides for interest expense on debt used to finance facility construction, improvements, and equipment purchases. It also factors in interest on working capital, which is calculated as 5 percent of the rest of the rate. Payment for interest and other financing expenses is calculated at a 10 percent rate specified in statute, rather than based on actual interest expense. The property and financing components of the rate have grown an average of 9.6 percent per year during the 1990's.

The variable return portion of the capital payment system provides a 1 percent to 4 percent supplement to the rest of the rate to provide an opportunity for profit, and to cover operating costs not recognized within other components of the Medicaid payment system. The variable return is also intended to provide an efficiency incentive, since nursing facilities with the lowest cost per resident day receive the 4 percent add-on, while those with the highest costs receive 1 percent.

If the statewide average nursing facility payment rate begins to exceed the rate budgeted in the biennial budget act, the Department of Social and Health Services must reduce all rates by the percentage by which expenditures would otherwise exceed the budgeted level.

The nursing home payment system governing variable return, property, and financing allowance payments sunsets June 30, 1999.

Summary: Changes are made in the capital components of the nursing facilities payment rate, without changing the method for determining the variable return.

For new construction or major renovation projects, fixed equipment (wiring, plumbing, heating and air conditioning systems, etc.) is depreciated using the same life as the building to which it is affixed. Major assets acquired after the effective date of the act are depreciated over at least 40 years.

The financing rate is no longer applied to working capital. The 10 percent financing rate is retained for all existing facility assets, and also for those that have received a certificate of need approval or exemption, or that have submitted working drawings to the Department of Health, prior to the date of enactment. The financing allowance for other new assets is set at 8.5 percent.

A “capital portion” of the rate and a “non-capital portion” of the rate are defined. If expenditures for either of these portions begin to exceed the level established for that portion in the biennial budget act, all facilities have that portion of their rate reduced by the percentage by which expenditures would otherwise exceed the budgeted level.

Beginning July 1, 1999, if a contractor experiences an increase in property taxes as a result of new or replacement construction or a substantial addition that requires land acquisition, the Department of Social and Health Services adjusts rates to cover state and county increases in real estate taxes, effective the first day on which the increased tax is due.

Provisions related to variable return, property, and financing rate-setting are repealed June 30, 2001.

Votes on Final Passage:

House	95	0	
Senate	45	0	(Senate amended)
House	96	0	(House concurred)

Effective: May 17, 1999 (Section 11)
July 1, 1999

SHB 1485

C 205 L 99

Prohibiting the sale of the Whidbey Island game farm.

By House Committee on Capital Budget (originally sponsored by Representatives Barlean and Anderson).

House Committee on Capital Budget
Senate Committee on Natural Resources, Parks & Recreation

Senate Committee on Ways & Means

Background: The Whidbey Island game farm encompasses approximately 170 acres. About 120 acres of the game farm are located inside the Ebey's Landing National Historical Reserve established by Congress in 1978.

The former Department of Game, using revenue from the sale of hunting licenses, purchased the Whidbey Island game farm in 1945 from a private party for the purpose of developing and operating a game farm. The department raised pheasants on the property for recreation there and elsewhere in the state. Over the past three biennia, the Legislature has appropriated \$2,175,000 in the Capital Budget to consolidate the department's game farms operations into Lewis County. Since then, the Whidbey Island property has been used for a game bird holding and distribution center.

The Department of Fish and Wildlife has proposed selling 130 acres of the former game farm that is surplus to the department's needs to address a shortfall in receipts to the Wildlife Account. The department's proposal retains 30 acres for game farm operations and 10 acres of native prairie habitat and its buffer.

Summary: The Department of Fish and Wildlife must endeavor to sell the Whidbey Island game farm located in Island County. If the sale takes place within one year after the effective date of this act, the department may only sell the game farm to a nonprofit corporation, consortium of nonprofit corporations, or a municipal corporation for pur-

poses of undeveloped open space and historical preservation. If the sale takes place more than one year after the effective date, this condition does not apply. In addition, the State Treasurer is directed to loan \$694,000 from the state general fund to the Department of Fish and Wildlife if the property is not sold by June 30, 1999, to address a shortfall in receipts to the Wildlife Account. The loan shall be repaid by June 30, 2001, or when the department sells the property, whichever occurs earlier.

Votes on Final Passage:

House	97	0
Senate	44	1

Effective: May 7, 1999

SHB 1490

C 103 L 99

Allowing the landing of salmon caught in other states' offshore waters in Washington ports.

By House Committee on Natural Resources (originally sponsored by Representatives Hatfield, Doumit, Buck and Kessler).

House Committee on Natural Resources
Senate Committee on Natural Resources, Parks & Recreation

Background: Commercial fishers must obtain a license from the Washington Department of Fish and Wildlife to deliver food fish or shellfish, that have been taken in offshore waters to a port in the state. "Offshore waters" are marine waters of the Pacific Ocean outside the territorial boundaries of the state, including the marine waters of other states and countries.

In addition, a salmon delivery license is required to deliver salmon taken in offshore waters to a port in the state. Such a license must be obtained in addition to a regular fishing license, and does not authorize the actual harvesting of fish. The fee for a salmon delivery license is \$380 for a resident, and \$685 for a nonresident. An additional \$100 is charged and dedicated to the regional fisheries enhancement group account. If a person holds a nonlimited entry delivery license, that fee may be applied to the fee for a salmon delivery license.

Persons holding a salmon troll license need not obtain a separate delivery license.

Summary: Washington citizens who hold California or Oregon salmon troll license may land legally taken salmon into Washington ports without obtaining a separate salmon delivery license. The exception only applies to salmon caught south of Cape Falcon, Oregon, in marine waters of the Pacific Ocean which are outside the territorial limits of Washington.

The Washington Department of Fish and Wildlife must adopt rules, including provisions identifying appropriate

HB 1491

methods verifying that salmon were in fact taken south of Cape Falcon.

Votes on Final Passage:

House	97	0
Senate	40	1

Effective: July 25, 1999

HB 1491

C 63 L 99

Regulating the use of dredge spoils in Cowlitz County.

By Representatives Hatfield and Doumit.

House Committee on Transportation

Senate Committee on Natural Resources, Parks & Recreation

Background: Following the eruption of Mount St. Helens in 1980, emergency dredging of the Cowlitz and Toutle Rivers was undertaken. Initially, the U.S. Army Corps of Engineers obtained sites from property owners who were willing to donate their land in order to get the sediment removed from the rivers. These sediments are known as dredge spoils.

In 1982, the Legislature directed the Department of Transportation (DOT) to obtain additional lands due to its expertise in real estate acquisition. Two of the sites are known as LT-1 and Cook Ferry Road.

In 1991, Washington conveyed the LT-1 and Cook Ferry Road sites to Cowlitz County under the Mount St. Helens Recovery Program. The county must reinvest any funds from the sale of dredge spoils directly into the two sites for recreational purposes. The conveyance did not permit the use of dredge spoil funds for recreational activities throughout the county.

Within the sites there is a 200-foot shoreline restriction on development (a buffer zone) that supports both riparian habitat and public recreation. Additionally, the Army Corps of Engineers has determined that both sites may still be needed as future dredge disposal areas.

Summary: The Legislature declares that the Washington conveyance agreement be amended to enable Cowlitz County to use the dredge spoil revenues for recreational purposes throughout Cowlitz County.

The DOT must execute sufficient legal releases to allow dredge spoils revenue to be dedicated for recreational facilities and recreational administration throughout the county and to require that any mining excavation must meet the requirements of the Shoreline Management Act. In addition, the DOT must further execute a legal release to provide that the sites be preserved as a long-term dredging facility.

Both sites must remain preserved as long-term dredge facilities. Finally, the sites remain subject to any agreements with the federal government and with the other

provisions of the conveyance between Washington and Cowlitz County.

Votes on Final Passage:

House	97	0
Senate	44	0

Effective: July 25, 1999

E2SHB 1493

C 267 L 99

Establishing a collaborative effort to address the housing needs of homeless children and their families.

By House Committee on Children & Family Services (originally sponsored by Representatives Tokuda, Boldt, Edwards, Lovick, Veloria, O'Brien, Barlean, Ogden, Conway, Schual-Berke, Murray, Dickerson, Kenney, Regala, Cooper, Stensen, Cody, Anderson, Santos, Rockefeller, Kagi, Edmonds, Lantz and Wood).

House Committee on Children & Family Services

House Committee on Appropriations

Senate Committee on Human Services & Corrections

Senate Committee on Ways & Means

Background: The Department of Social and Health Services (DSHS) was sued by the Washington Coalition for the Homeless over the department's role in delivering services to homeless children and their families. In December 1997, the Washington Supreme Court ruled in favor of the plaintiff and determined, based on language in the state child welfare statute, that the department had a responsibility to devise and implement a "coordinated and comprehensive" plan for the care and protection of homeless children and their families. The court's ruling only applied to homeless children and their families, not to a broader population of homeless children without parental care or support. The court also ruled that juvenile court judges have the authority to order the department to offer housing assistance to a child's family when homelessness is the primary reason for placing a child in foster care or continuing a foster care placement.

The Governor directed the Department of Community, Trade, and Economic Development (DCTED) and the DSHS to jointly develop the "coordinated and comprehensive" plan required by the Supreme Court's ruling.

Summary: The DCTED is the principal state agency responsible for the state's activities for developing a coordinated and comprehensive plan to serve homeless children and their families. The DSHS must coordinate with the DCTED on the plan to serve homeless children and their families and must modify its programs and services to address the needs of homeless children and their families. In dependency cases, the judge must determine whether the DSHS used reasonable efforts, including

housing assistance, to avoid out-of-home placements or shorten the duration of an out-of-home placement.

The DSHS is directed to license and establish up to 75 HOPE Center beds across the state for short-term crisis residential services, and up to 75 "Responsible Living Skills Program" beds for dependent youth. Subject to available funds, these beds are to be established at a rate of 25 percent per year, beginning in the year 2000, and will be fully implemented by 2003.

The DSHS must link with the Missing Children's Clearinghouse and make sure that efforts are made to reunify runaway youth served in its programs with parents who are looking for them.

The Institute for Public Policy is required to evaluate and report to the Legislature on the HOPE Centers and Responsible Living Skills Centers, and to evaluate procedures used by DSHS to link with the missing children's clearinghouse to reunite them with parents who are looking for them.

Votes on Final Passage:

House	98	0	
Senate	48	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	48	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

January 1, 2000 (Sections 12 and 13)

SHB 1494

C 229 L 99

Clarifying the duties of the director of general administration.

By House Committee on State Government (originally sponsored by Representatives Miloscia, Kenney, Veloria, Romero, Barlean, Ogden and Wolfe; by request of Department of General Administration).

House Committee on State Government
Senate Committee on State & Local Government

Background: The Department of General Administration is organized into divisions, including the division of capitol buildings, division of purchasing, division of engineering and architecture, and division of motor vehicle transportation service.

A director of General Administration is appointed by the Governor, with consent of the Senate, who holds office at the pleasure of the Governor.

The director of General Administration is: (1) given charge and general supervision over the department; (2) authorized to appoint a deputy director and such clerical and other assistants that are necessary for the administration of the department; and (3) given express authority to adopt rules relating to some, but not all, of the varied au-

thorities granted to the department, especially authorities granted to the division of purchasing.

Summary: Statutes relating to the Department of General Administration are revised to clarify the authority of the director of that department.

The director is declared to be the executive head of the Department of General Administration, with complete charge and supervisory powers over the department and the authority to create administrative structures deemed appropriate and to employ personnel under the civil service laws. The director is granted specific authority to:

- administer and supervise the department;
- enter into contracts to carry out the department's responsibilities;
- accept gifts and grants related to the purposes of the department;
- appoint a deputy director, assistant directors, and special assistants to administer the department, who are exempt from civil service laws.
- adopt rules;
- delegate powers and duties; and
- establish advisory groups.

Votes on Final Passage:

House	97	0
Senate	46	0

Effective: July 25, 1999

HB 1495

C 230 L 99

Regarding refunding bonds.

By Representative Fisher.

House Committee on Capital Budget
Senate Committee on Ways & Means

Background: State and local governments are authorized to issue and sell several types of bonds according to a uniform procedure in state and federal law. One type of the bonds issued by governments is a refunding bond. Refunding bonds are bonds issued to refinance high cost debt or to restructure debt. This usually occurs when a government entity is able to issue bonds at a lower interest rate to redeem, or pay off, bonds that have a higher interest rate. There are two types of refunding bonds: advance refunding and current refunding. Advance refunding bonds are issued one year or more before the original bonds mature, and current refunding bonds are issued to replace bonds that are eligible for redemption. Although both types of refunding bonds are issued in this state, current law defines advance refunding but makes no reference to current refunding. The current definition of advance refunding bonds is also inconsistent with the federal Internal Revenue Code.

ESHB 1514

Governments are also authorized to issue revenue bonds. Revenue bonds are any bonds that are payable from a designated revenue source or special assessment. Revenue bonds are not a general obligation debt of the issuing entity. Payment is only secured by the specific revenues pledged to pay the interest and principal on the bonds.

Summary: The distinction between advance refunding and current refunding is eliminated. The term refunding bonds is redefined to conform with the Internal Revenue Code. Any public body is authorized to refund general obligation bonds with revenue refunding bonds, and local governments, rather than just the state, are authorized to refund revenue bonds with general obligation bonds.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: July 25, 1999

ESHB 1514

C 174 L 99

Changing provisions relating to modification of a parenting plan or custody order.

By House Committee on Judiciary (originally sponsored by Representatives Kastama and Wolfe).

House Committee on Judiciary
Senate Committee on Judiciary

Background: Under Washington's family law statutes, divorcing couples with children must establish a parenting plan that includes: (1) a dispute resolution process for future disagreements; (2) an allocation of decision-making authority; and (3) a residential schedule.

A court may make both major modifications and minor modifications to a parenting plan. However, there is a strong presumption in favor of custodial continuation and against modification.

Criteria for Making Major Modifications. Generally, a court may make major modifications to the parenting plan only if: (1) there has been a substantial change in circumstances of the child or the nonmoving parent (the parent not requesting the modification) based upon facts that were not in existence or unknown when the original plan was entered; and (2) the modification is necessary to serve the child's best interest.

With regard to the residential schedule, the court may make major modifications only if: (1) both parents agree; (2) both parents have already acquiesced in a deviation from the parenting plan that has resulted in the child being integrated into the petitioner's family; (3) the present environment is detrimental to the child's physical, mental, or emotional health and the benefit of changing the child's residential schedule outweighs the harm likely to be

caused by a change; or (4) the nonmoving parent has been in contempt of court at least twice within three years for failure to comply with the residential time provisions in the parenting plan, or the parent has been convicted of custodial interference.

Criteria for Making Minor Modifications. A court may make minor modifications to a parenting plan upon a showing of a substantial change in circumstances of either parent or the child if the proposed modification is only: (1) a modification in the dispute resolution process; or (2) a minor change in the residential schedule that does not change the primary residential placement of the child and that either does not exceed 24 full days per year or five full days per month, or is based on a change of residence or involuntary change in work schedule by a parent that makes the residential schedule in the parenting plan impractical.

Factors Considered to Limit or Preclude Residential Time with a Child. In establishing a parenting plan, the court may limit decision-making authority and limit or preclude residential time based upon child abuse, neglect, abandonment, or a history of domestic violence. The court may also limit or preclude residential time if the parent's conduct may have an adverse effect on the child. Factors to be considered include: neglect or substantial nonperformance of parenting functions, the parent's long-term emotional or physical impairment, the parent's long-term substance abuse, the absence of emotional ties, an abusive use of conflict which creates a danger to the child's psychological development, a parent's withholding the child from the other parent without good cause, and any other factor the court finds adverse to the child's best interest.

Summary: The circumstances under which a court may make minor modifications to the residential schedule in a parenting plan are expanded. The court may order a minor modification in the residential schedule upon a showing of a substantial change in circumstances to either parent or the child when the modification does not change the primary residence of the child and: (1) the modification does not result in a schedule over 90 overnights per year in total; (2) the court finds that the parenting plan does not provide reasonable time with the nonprimary residential parent; and (3) it would be in the best interest of the child. The criteria used for major modifications do not apply, unless the person seeking a minor modification under this new provision has already received a modification under the same provision within the past 24 months. A nonprimary residential parent who is required to complete a treatment or parenting classes or whose residential time is already limited due to inappropriate conduct, may not seek a minor modification under this new provision unless the parent has completed treatment or classes or has made significant changes related to the inappropriate conduct. Modification of any child support may not be based solely

on the modification of the residential schedule under this provision.

If the nonprimary residential parent voluntarily fails to exercise residential time for an extended period, the court may make adjustments to the parenting plan.

The court may reduce or restrict contact between the child and the nonprimary residential parent if it finds that the reduction or restriction would serve and protect the best interest of the child. The court must consider the same factors established for limiting or precluding decision making and residential time when entering into a parenting plan.

The court may order adjustments to any nonresidential aspects of the parenting plan upon a showing of a substantial change of circumstances of either parent or of the child if the adjustment is in the best interest of the child.

Votes on Final Passage:

House	95	2	
Senate	42	2	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

HB 1524
C 394 L 99

Expanding the workers' compensation obligation of out-of-state employers.

By Representatives Doumit, Pennington, Conway, Clements, Alexander, Cooper, Hatfield, Mielke, Carlson, Poulsen, Mulliken, Scott and Rockefeller.

House Committee on Commerce & Labor
Senate Committee on Labor & Workforce Development

Background: The Washington industrial insurance law, with certain exemptions, covers all workers employed in Washington. However, a business from another state, other than a construction contractor, is subject to penalties for failure to comply with Washington requirements only after one of its workers is injured while working in Washington.

Under legislation enacted in 1998, out-of-state contractors who are employing workers in Washington in work that requires the contractor to be registered or licensed, or prequalified on transportation projects, must provide workers' compensation coverage under Washington law by:

- insuring with the Department of Labor and Industries;
- being self-insured in Washington; or
- filing a certificate of coverage from the other state, if permitted by a reciprocal agreement with the contractor's state.

The industrial insurance law authorizes the Department of Labor and Industries to enter into reciprocal agreements with other states and provinces of Canada. These agree-

ments govern jurisdiction over claims that involve a contract of employment in one jurisdiction and an injury in another. The 1998 legislation modified the department's authority to enter into reciprocal agreements with other states. If the other state's law requires Washington employers to be covered under the other state's workers' compensation law for work that in Washington would require the employer to be a registered contractor or a licensed electrical contractor, or be pre-qualified for transportation projects, then employers domiciled in that other state must purchase coverage in Washington when their workers are engaged in that kind of work in Washington.

The department has reciprocal agreements with Idaho, Montana, North Dakota, Nevada, Oregon, South Dakota, and Wyoming.

The 1998 legislation also required the Workers' Compensation Advisory Committee to review the new law and make recommendations by January 15, 1999. The study group recommended that changes be made in the provisions addressing reciprocal agreements.

Summary: The authority of the Department of Labor and Industries to enter into industrial insurance reciprocal agreements with other states and provinces of Canada is modified. Under these agreements, all out-of-state employers, not just contractors, must secure workers' compensation coverage under Washington law while working in Washington if the other state's or province's law requires Washington employers to purchase coverage for that kind of work in the other state or province.

Votes on Final Passage:

House	96	0	
Senate	44	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1525
C 360 L 99

Authorizing mediation in guardianship proceedings.

By House Committee on Judiciary (originally sponsored by Representatives Dickerson, Constantine and Lambert).

House Committee on Judiciary
Senate Committee on Judiciary

Background: A court may appoint a guardian to help an "incapacitated" person manage his or her personal or financial affairs. A person may be "incapacitated" because of old age, disability, or youth. To establish a guardianship, a person must file a petition with the superior court. Upon the filing of such a petition, the court must appoint a guardian ad litem to represent the best interests of the alleged incapacitated person. The guardianship proceeding.

Once a guardianship has been established, a person may apply to the court to have the guardianship modified

SHB 1535

or terminated. After the application has been filed, the court may (1) schedule a hearing, (2) appoint a guardian ad litem to investigate the issues raised by the application or protect the incapacitated person until the hearing, or (3) deny the application. In a hearing to modify or terminate a guardianship, the court may grant any relief it deems just and in the best interests of the incapacitated person.

Summary: In a guardianship proceeding, whenever it appears that the incapacitated person or incapacitated person's estate could benefit from mediation and such mediation would likely result in overall reduced costs to the estate, the court may order the parties subject to its jurisdiction into mediation upon a motion of certain parties. Before the appointment of the guardian, the incapacitated person of the guardian ad litem may make a motion for mediation. After the appointment of the guardian, any interested person may make a motion for mediation. The court must establish the terms for the mediation and allocate the costs of the mediation among the parties and the estate of the incapacitated person as justice requires.

Votes on Final Passage:

House	98	0	
Senate	48	0	(Senate amended)
House			(House refused to concur)
Senate	45	0	(Senate receded)

Effective: July 25, 1999

SHB 1535

C 64 L 99

Reimbursing podiatric physicians and surgeons.

By House Committee on Health Care (originally sponsored by Representatives Parlette, Cody, Schual-Berke, Romero, Ruderman, Esser, Hatfield, Boldt, Campbell, Pflug and Alexander).

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: Health maintenance organizations are registered by the Insurance Commissioner to provide comprehensive health care services to their enrolled participants on a group practice per capita prepayment basis or on a prepaid individual practice plan. Health maintenance organizations either provide these services directly through their own health care panels, or they may contract with an independent network of providers, reimbursing them for their services.

Foot care services are traditionally included in the array of health care benefits provided by health maintenance organizations.

State law prohibits traditional indemnity insurers, including disability carriers, group disability carriers, and health care service contractors, from discriminating in reimbursement between physicians, osteopathic physicians,

and podiatric physicians. However, there is no such law applying to health maintenance organizations.

Summary: A health maintenance organization that exclusively contracts with an independent network of providers for the provision of foot care services to its enrolled participants may not discriminate in terms, conditions, and reimbursement between physicians, osteopathic physicians, and podiatric physicians.

Obligations under existing contracts are not affected.

Votes on Final Passage:

House	97	0	
Senate	42	0	

Effective: July 25, 1999

HB 1539

C 334 L 99

Clarifying medicare supplement policies.

By Representative Parlette.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: Medicare Supplements (commonly called Medigap policies) are health insurance policies that provide ways to fill the coverage gaps left by Medicare. In 1992, federal regulations set uniform standards for this coverage with ten standard supplements—A through J, with J being the most comprehensive.

Medicare Supplements were not included in the definition of "health plan" adopted in 1993 and, therefore, are not covered by the "insurance reforms:" preexisting condition limitations, portability, and guaranteed issue/renewability.

In 1995, portability protections were extended to this coverage so a person could purchase a Medigap policy "without evidence of insurability" if the policy being replaced were more comprehensive. However, there was an error on the wording referencing ". . . more comprehensive coverage than the *replaced* policy." It should have referenced "the *replacing* policy."

Summary: Language relating to portability requirements for purchasing Medigap coverage is changed to reference "replacing policy."

Votes on Final Passage:

House	97	0	
Senate	47	0	(Senate amended)
House			(House refused to concur)
Senate	42	0	(Senate receded)

Effective: July 25, 1999

HB 1542

C 39 L 99

Recording surveys.

By Representatives Ericksen, D. Schmidt, Romero and McMorris.

House Committee on Local Government
Senate Committee on State & Local Government

Background: The statutory process for filing a record of survey for replacing corners was last amended in 1973. Specific details are included, such as map size, ink type, width of margins, and material of map as required by the county auditor where the map is filed. Size standards for filing preliminary records of corner information set by the Bureau of Surveys and Maps (now the Department of Natural Resources) are listed.

Two copies of each record of survey and record of monuments and accessories must be filed with the county auditor, and the county must file one with the Bureau of Surveys and Maps.

County auditors are required to keep original copies of all records of surveys and records of corner information in secure books, which are indexed by section, township and range. They are also required to maintain a counter reference of maps for the public.

Summary: The process for filing a record of survey is updated to reflect current mapping and copying standards, including microfilming, scanning, and electronic files with certified digital signatures where compatible.

Filing Process. All records of survey must be on a mylar map and suitable for copying legible prints through scanning, microfilming or other copying procedures. Records of surveys may be filed in lieu of standard maps using: (1) photo mylar with original signatures; (2) electronic files with a certified digital signature if the county has the capability; or (3) any standard material compatible with the county auditor's recording and storage system for counties not required to store permanent versions of surveys. County auditors must reject any record of survey not suitable for producing legible prints.

Reporting of records of corner information is updated to reflect the agency name change to the Department of Natural Resources (DNR). The use of electronic filing with certified digital signatures is authorized.

The county auditor may require only an original copy of the record, instead of two, if the county uses imaging systems.

County Auditor Responsibilities. County auditors must accept surveys that are in compliance with the recorder's checklist as jointly developed by a committee consisting of the survey advisory board (an advisory board appointed by the Commissioner of Public Lands) and two representatives of the Washington State Association of County Auditors. The DNR is required to adopt this checklist.

County auditors are required to keep indexes of records of survey by quarter-quarter section.

County auditors and the DNR are authorized to process an electronic version in place of the original surveyor's print. Counties may be exempted from keeping a physical book of records if they have the ability to keep permanent archival records that meet or exceed standards set in administrative code by the Division of Archives and Records Management. The county auditor must keep a copy or image of the original for public reference and must be able to produce full size copies upon request.

Counties are authorized to accept digital signatures issued by a licensed certification authority if the capability exists.

Votes on Final Passage:

House	96	0
Senate	45	0

Effective: July 25, 1999

HB 1544

C 352 L 99

Making corrections to sentencing laws.

By Representatives O'Brien, Ballasiotes, Kastama, Cairnes and Keiser; by request of Sentencing Guidelines Commission.

House Committee on Criminal Justice & Corrections
Senate Committee on Judiciary

Background: Technical Corrections

- The Crimes of Murder in the Second Degree and Setting off Explosives. The 1997 Legislature enacted two bills affecting sentencing at seriousness level XIII. The unintended interaction of the two bills has created an inconsistency in the state's statute.

Senate Bill 5938 (Chapter 365 of the Laws of 1997) brought the upper end of the sentence range for second degree murder closer to the lower end of the sentence range for first degree murder, reflecting the sometimes slight difference in mental state between the two degrees (premeditation). However, where the maximum term of a standard sentence range is more than one year, the minimum term in the range cannot be less than 75 percent of the maximum term. The minimum term of the new range created by the 1997 Legislature in Senate Bill 5938 was less than 75 percent of the maximum and, as a result, Senate Bill 5938 was amended to allow that in the particular case of second degree murder, the minimum term must be no less than 50 percent of the maximum term.

In the same year, the Legislature also passed Substitute House Bill 1069 (Chapter 120 of the Laws of 1997) which amended felony statutes relating to explosives and placed the new explosive offenses at a seriousness level XIII with second degree murder.

However, the Legislature did not change the sentence ranges for the explosive offenses in level XIII to comply with the 75 percent rule where the maximum term of a standard sentence range is more than one year, then the minimum term in the range cannot be less than 75 percent of the maximum term.

Because Senate Bill 5938 exempted second degree murder from the 75 percent width rule within seriousness level XIII, that ratio continues to apply to the two explosive offenses (malicious explosion 2 and malicious placement of an explosive 1). Since all three crimes (murder 2, malicious explosion 2, and malicious placement of an explosive 1) are placed in the same level XIII seriousness level, the unintended interaction of several of the bills passed in 1997 has created an inconsistency with the state's current statute.

- Distribution of Methamphetamine to Persons under 18 Years Old. The 1996 Legislature enacted Substitute House Bill 2339 (Chapter 205 of the Laws of 1996), which increased the penalty for distributing methamphetamine to persons under age 18. However, the Legislature did not to amend the Sentencing Reform Act grid to change the seriousness level for the offense from a seriousness level IX to a seriousness level X, which is necessary to allow for imposition of the appropriate sentence range for that offense.
- Sex Offender and Kidnapper Registration. In 1997, the Legislature passed legislation requiring certain kidnappers to register and made it a felony not to register. However, since the registration procedure that had applied before only related to sex offenders, failure to register was itself a sex offense. As a result, a kidnapper who now fails to register is deemed to have committed a sex offense, irrespective of whether the kidnapping was sexually motivated.
- Manslaughter as a Serious Violent Offense. Under the Sentencing Reform Act, manslaughter in the first degree is committed when a person recklessly causes the death of another person or intentionally and unlawfully kills an unborn child by assaulting the mother. In 1997, first degree manslaughter was increased from a class B felony to a class A felony and it was also added to the list of "serious violent offenses."

"Serious violent offense" is a subcategory of violent offense and, prior to 1997, the list of serious violent offenses included the following eight crimes: aggravated murder in the first degree; homicide by abuse; murder in the second degree; manslaughter in the first degree; assault in the first degree; kidnapping in the first degree, or rape in the first degree; assault of a child in the first degree, or an attempt, criminal solicitation, or criminal conspiracy to commit one of these felonies; or any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a serious violent offense.

The Sentencing Reform Act states that prior convictions of any of the "serious violent" offenses listed above count as three points in the offender score when the current offense is one of the eight "serious violent" offenses. The 1997 law made manslaughter in the first degree a "serious violent" offense, but did not require scoring this serious violent offense as three points on the sentencing grid which is required in all other cases. As a result, prior convictions of first degree manslaughter do not count as three points in the offender score when the current offense is one of the eight enumerated "serious violent" offenses, and conversely, prior convictions of any of the eight enumerated "serious violent" offenses do not count as three points in the offender score when sentencing first degree manslaughter as the current offense.

- DUI-related Vehicular Homicides. In 1998, the Legislature enacted Engrossed Substitute Senate Bill 6166 (Chapter 211 of the Laws of 1998) to increase the penalties for DUI (driving while under the influence). The bill amended the motor vehicle statute to add a two-year enhancement for each prior DUI-related offense when the current offense is vehicular homicide while under the influence.

The same bill also amended the Sentencing Reform Act statute to exclude prior DUI-related convictions from consideration in the computation of the offender score when the current offense is vehicular homicide while under the influence (because each prior DUI-related conviction should already result in a two-year sentence enhancement). The bill had an unintended effect of preventing the consideration of prior non-DUI-related serious traffic offenses when computing the score for the current offense of vehicular homicide while under the influence. The result is that some offenders convicted of vehicular homicide while under the influence will find it to their advantage if they have a DUI-related conviction in their criminal history.

- Multiple Weapon Offenses. In 1998, the Legislature enacted Engrossed Senate Bill 5695 (Chapter 235 of the Laws of 1998), clarifying how sentences for weapon-related offenses are to be served, with relation to concurrent and consecutive sentences, to sentence enhancements, to earned early release time, and to statutory maximum sentences. The bill amended the Sentencing Reform Act to provide that sentences must be served consecutively for the multiple offenses of unlawful possession of a firearm in the first or second degree and possession of a stolen firearm or theft of a firearm, but that current weapon-related offenses may not be considered in criminal history when calculating the offender score to determine the sentence range. The language of the bill had an unintended effect of preventing the consideration of any current offense when calculating the offender score.

Unranked Offenses. The act makes a number of technical corrections to the state's sentencing laws as well as provides seriousness level ranking for several felony offenses that are currently unranked under the Sentencing Reform Act.

The state's sentencing guidelines provide a classification of most felonies by their "seriousness level," from level I, punishable by 0 days to 29 months imprisonment, to level XV, punishable by life imprisonment without parole or by death. An adult offender is also assigned an "offender score," based on a number of factors, including prior convictions. The seriousness level of the crime and the offender score determine what sentence the offender will receive, unless the court determines that the conditions for imposing an exceptional sentence are met.

"Unranked" felonies are those offenses that are not assigned a seriousness level. The standard sentence range for an unranked felony is 0-12 months, unless the court finds that there are substantial and compelling reasons for imposing an exceptional sentence. In 1997, the Legislature directed the Sentencing Guidelines Commission to review conviction data for the previous 10 years and submit a proposed bill that appropriately ranked all unranked felony offenses for which there had been convictions. Legislation was proposed, but not enacted, in 1998.

Other Issues

- **Malicious Injury to Railroad Property.** The crime of malicious injury to railroad property occurs when a person endangers the safety of any railroad property or person thereon, and is punishable by up to 25 years imprisonment. Because it is considered a class A felony, it also falls within the definition of "most serious offense" for the purposes of the persistent offender ("3 strikes") legislation.
- **Incendiary Devices.** A person who knowingly possesses, manufactures, or disposes of an incendiary device is guilty of a felony, punishable by up to 25 years imprisonment. Because it is considered a class A felony, it also falls within the definition of "most serious offense" for the purposes of the persistent offender ("3 strikes") legislation.
- **Theft of Rental or Leased Property.** Theft of rental, leased, or lease-purchased property is a class B felony (ranked seriousness level II) if the property is valued at \$1,500 or more and a class C felony (ranked seriousness level I) if the property is valued between \$250 and \$1,500.
- **Alphabetization.** The crimes within each seriousness level in the Sentencing Reform Act are not listed in any particular order.

Summary: Technical Corrections

The following are technical corrections to the state's sentencing laws.

- **Murder in the Second Degree.** A conflict is resolved between two 1997 laws (Chapter 365 and 120) by creating a new seriousness level in the sentencing grid for Murder 2 with the same range set in 1997.

A new seriousness level XIV is created for Murder 2 with the same ranges set in 1997, but separate from the new (explosive) crimes added to level XIII in 1997. This clarifies the Sentencing Reform Act rule that requires the minimum term of a presumptive range to be no less than 75 percent of the maximum term except in cases of murder in the second degree. In these particular cases the minimum term must be no less than 50 percent of the maximum term.

- **Distribution of Methamphetamine to Persons under 18 Years Old.** Delivering methamphetamine to someone under the age of 18 is included in the Sentencing Reform Act grid at a seriousness level X allowing it to be consistent with legislation passed in 1996.
- **Sex Offender and Kidnapper Registration.** The failure of a kidnapping offender to register will not be a sex offense unless the kidnapping was sexually motivated.
- **Manslaughter as a Serious Violent Offense.** The triple scoring rule is applied to manslaughter in the first degree, the same rule that applies to other serious violent offenses. Rather than listing the offenses individually, a general reference is made to "serious violent offenses," so that triple-scoring will be automatic for any crimes added to the "serious violent" list in the future. The new wording will ensure that any other offenses added to the "serious violent" category in the future will score three points in the offender's history when determining the sentence range.
- **DUI-related Vehicular Homicides.** Prior DUI-related convictions may not be considered when computing the offender score for the current offense of vehicular homicide while under the influence (because a two-year sentence enhancement will result from each prior DUI-related offense), but other prior non-DUI-related serious traffic offenses will continue to be included in the offender score when the current offense is vehicular homicide while under the influence.
- **Multiple Weapon Offenses.** All current offenses, other than current weapon-related offenses, are considered as prior offenses when calculating an offender's score to determine the sentences for multiple weapon-related offenses.
- **Unranked Offenses.** The following unranked felony offenses are ranked at the seriousness levels noted:
 - Level VII (15-116 months): Use of a Machine Gun in the Commission of a Felony
 - Level V (6-96 months): Stalking (effective on and after July 1, 2000)
 - No-Contact Order Violation: Domestic Violence Pre-trial Condition (effective on and after July 1, 2000)

No-Contact Order Violation: Domestic Violence Sentence Condition (effective on and after July 1, 2000)
 Protection Order Violation: Domestic Violence Civil Action (effective on and after July 1, 2000)

- Level IV (3-84 months): Indecent Exposure to Person Under Age Fourteen (subsequent sex offense)
- Level III (1-68 months): Maintaining a Dwelling or Place for Controlled Substances
 Malicious Injury to Railroad Property
 Possession of Incendiary Device
 Possession of Machine Gun or Short-Barreled Shotgun or Rifle
 Telephone Harassment (subsequent conviction or threat of death)
 Unlawful Use of Building for Drug Purposes

Other Issues

- Malicious Injury to Railroad Property. The penalty for malicious injury to railroad property is reduced from a maximum of 25 years to a maximum of 10 years imprisonment, which also removes it from the definition of “most serious offense.”
- Incendiary Devices. The penalty for the felony of possessing, manufacturing, or disposing of an incendiary device is reduced from a maximum of 25 years to a maximum of 10 years imprisonment, which also removes it from the definition of “most serious offense.”
- Theft of Rental or Leased Property. The designations for the crime of theft of rental, leased, or lease-purchased property (class B and C felonies) are modified to make them easier to locate. The seriousness levels are not changed.
- Alphabetization. The Code Reviser is required to alphabetize the offenses within each seriousness level.

Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

2SHB 1546

C 175 L 99

Modifying provisions related to long-term care of adults.

By House Committee on Health Care (originally sponsored by Representatives Cody, Parlette, Doumit, Ballasiotes, Conway, D. Schmidt, Dickerson, Campbell, Wolfe, Kenney, Ogden, Radcliff, Kessler, Veloria, Ruderman, Linville, Santos, Haigh, Cooper, Miloscia, Edmonds, Keiser, Lantz, Hurst, Schual-Berke, Quall, Van Luven, Rockefeller, O’Brien, Wood, Murray, Fortunato and McIntire).

House Committee on Health Care
 House Committee on Appropriations
 Senate Committee on Health & Long-Term Care
 Senate Committee on Ways & Means

Background: In 1995, the Washington Legislature passed House Bill 1908, making many changes in Washington’s long-term care programs. Included were changes to encourage the use of community based care over nursing home care, moving case management responsibility for the under 60 disabled population to the Area Agencies on Aging (AAAs), and reorganizing service authorization and client responsibilities between the DSHS and the AAAs. These changes resulted in the greater utilization of in-home care services. Over the past eight years, the in-home care program has increased 160 percent. There are approximately 20,000 persons in Washington receiving the Department of Social and Health Services (DSHS) in-home personal care services.

Two types of the DSHS in-home care programs are available. One option is to receive services from a home care agency, which recruits, hires, supervises, schedules, and monitors the assistance provided to the client (contracted program). The other option is for clients to use an Individual Provider Program (IPP). Under this state-funded program, the client becomes the employer and is directly responsible for all aspects of the work provided — from hiring to supervising the caregiver.

Home care agencies are licensed by the Department of Health (DOH), and have contracts through the AAAs to provide in-home care services. Home care agencies are monitored annually by AAAs for contract compliance and are required to maintain standards of care for the program. A recent study by the Joint Legislative Audit and Review Committee found the quality assurance controls within the IPP are a cause for concern. The study indicated that “little external oversight authority exists to monitor individual provider performance, either within DSHS or the AAAs.” Unlike the agency caregiver in the contracted program, the client is the only one who directly supervises the performance of the IPP employee and his/her on-going ability to deliver quality care. In contrast, agency supervisors are required to accompany their caregivers on home visits at least twice a year and evaluate the caregiver’s performance, and check the client’s situation. This is in addition to the annual AAA case manager visit.

Summary: The DSHS must expand the scope of oversight to include the assessment of the quality of case management services being provided by the AAAs and must develop specific oversight assessments, monitoring requirements, and quality indicators for the AAAs providing case management services for clients receiving in-home care services.

Comprehensive new oversight responsibilities are established for the AAAs to enhance quality of care, improve safety for clients, and create more uniform and documented verification of the services that have been

provided for consumers receiving care under the Medicaid Personal Care Program, Community Options Program Entry System, Chore Services Program, or the IPP. The AAAs are required to develop a plan of care for each consumer of service. The terms of the plan of care are specified, including the requirement that the plan be distributed to the primary care provider, the individual care provider, and other relevant providers. Consumers are given the opportunity to waive the right to case management services.

The AAAs and the DSHS are given the authority to terminate the contract between the department and the individual provider if it is found that the individual provider is performing inadequately, is unable to provide services, or is jeopardizing the health, safety, or well being of the client. The AAAs are also given the authority to reject a request to have a family member be the paid caregiver if the AAA believes that the family member will be unable to appropriately meet the needs of the client.

Votes on Final Passage:

House	95	0
Senate	43	0

Effective: This act is null and void since no appropriation was made in the budget.

ESHB 1547
C 104 L 99

Authorizing a sales and use tax for zoo and aquarium purposes.

By House Committee on Local Government (originally sponsored by Representatives Mitchell, Lantz, Thomas, Dunshee, Campbell, Sullivan, Bush, Kastama, Conway, Scott, Regala, Miloscia, Fisher, McDonald and Huff).

House Committee on Local Government
Senate Committee on State & Local Government

Background: A metropolitan park district is authorized to manage parks, parkways and boulevards. A metropolitan park district may be created in a city with a population of at least 5,000. One metropolitan park district, the Metropolitan Park District of Tacoma, currently exists in the state.

A metropolitan park district may impose two separate regular property tax levies on all property located in the district: (1) a levy not to exceed \$0.50 per \$1,000 of assessed valuation; and (2) a levy not to exceed \$0.25 per \$1,000 of assessed valuation. The metropolitan park district levies are subject to the constitutional 1 percent limitation on property taxes that applies to all taxing district levies.

Counties are authorized to impose both general and special purpose sales and use taxes. Special purpose sales and use taxes may be imposed for a variety of purposes, including criminal justice, public facilities districts, public

sports facilities, and, in distressed counties, public facilities.

Summary: If a metropolitan park district and a city with a population greater than 150,000 request, the legislative authority of any county with a population greater than 500,000 and fewer than one million may submit a ballot proposition to the voters relating to a new local sales and use tax for zoo and aquarium purposes. The ballot proposition must be submitted to voters no later than one year after request and is approved by majority vote.

The maximum rate for the new local sales and use tax is 1/10 of 1 percent. Revenues may be used only for specified costs related to zoo, aquarium and wildlife preservation and display facilities accredited by the American Zoo and Aquarium Association. Specified costs include finance, design, acquisition, construction, equipment or reequipment, operation, maintenance, remodeling, repair, or improvement of such facilities. The Department of Revenue is required to collect the new tax revenues on the county's behalf at no cost to the county.

When the ballot proposition for the new tax is approved, the county is required to establish a zoo and aquarium advisory authority with the following board members:

- three members appointed by the county legislative authority to represent unincorporated areas;
- two members appointed by the legislative authority of the city with the largest population within the county; and
- two members jointly appointed by the legislative authorities of the remaining cities representing at least sixty percent of the combined populations of those cities.

The board members' terms are specified by the appointing authorities and must be between one and three years.

The zoo and aquarium advisory authority is authorized to expend funds raised by the local sales and use tax consistent with any limitations in the local government agreement which initiated the tax. The zoo and aquarium advisory authority also may exercise the following powers consistent with the local government agreement:

- acquire, construct, expand, improve, replace, repair, maintain and operate zoo, aquarium and wildlife preservation and display facilities;
- regulate use of such facilities;
- participate in legal actions;
- contract with public or private entities for such facilities or their operation; and
- fix rates and charges for use of such facilities.

Votes on Final Passage:

House	82	15
Senate	42	6

Effective: July 25, 1999

HB 1549

C 400 L 99

Requiring the department of ecology to extend the time for work under a permit if water use has been prevented or restricted due to federal or state laws.

By Representatives G. Chandler, Linville, Mastin, Schoesler, Koster and Fortunato.

House Committee on Agriculture & Ecology
Senate Committee on Environmental Quality & Water Resources

Background: If a person applies for a water right and the Department of Ecology (DOE) issues a water right permit, the permit will contain a deadline by which construction required for the water use is to be completed and beneficial use of the water is to take place. This deadline may be extended by the DOE with due regard for good faith of the applicant and the public interests affected. If the water use is perfected under the terms of the permit, the DOE issues the permit holder a water right certificate.

Summary: If federal or state laws prevent or restrict water use otherwise authorized under a water use permit issued for a federal reclamation project, the DOE must extend the deadlines set in the permit for commencing work, completing work, and applying water to beneficial use.

Votes on Final Passage:

House	96	0	
Senate	48	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 1550

C 301 L 99

Extending Milwaukee Road corridor franchise negotiations.

By Representatives G. Chandler, Fisher, K. Schmidt and Hankins.

House Committee on Transportation
Senate Committee on Transportation

Background: In 1980, the Milwaukee Road (railroad) declared bankruptcy, sold some of its properties, and salvaged its track. During those bankruptcy proceedings, the railroad offered to sell Washington most of its right of way in eastern Washington.

In 1981, the Legislature appropriated \$3.5 million to purchase the right of way. Over the next several years, the state acquired approximately 213 miles of right of way, stretching from Easton near Snoqualmie Pass, to the Idaho state line at Tekoa. There is a 35 mile segment from Royal City Junction to Warden that remained in use as a

railroad, and is currently operated by the Washington Central Railroad Company (WCRC) providing freight service.

The right of way owned by the state was eventually put under the management and control of three different state agencies: State Parks, Department of Natural Resources, and the Department of Transportation (DOT). It was originally envisioned that the entire right of way would form a cross-state recreational trail.

In 1994 the Freight Rail Policy Advisory Committee, consisting of public and private entities with an interest in improving freight transportation, recommended that the old Milwaukee Road corridor's potential for relieving freight congestion be explored. During the 1995 legislative interim, the Legislative Transportation Committee convened a Freight Rail and Freight Mobility Task Force to examine these and other issues. The task force recommended reinstating freight rail service over the portion of the old Milwaukee Road railroad running from Ellensburg to Lind.

In order to reinstitute rail service, a unified transportation corridor was created. State-owned portions of land running from Ellensburg to Lind were consolidated into a single owner, the Department of Transportation. The DOT was charged with management and control of the corridor, and was directed to negotiate a franchise agreement with a qualified rail carrier to operate service over the line.

Since the new transportation corridor would interfere with the cross-state trail use, the State Parks Commission was directed to establish a "replacement trail" once the DOT entered into a franchise agreement for the provision of rail service in the new corridor.

If the Department of Transportation did not enter into a franchise agreement by June 30, 1999, the legislation creating this consolidated transportation corridor would sunset, and management of the trail between Ellensburg and Lind would revert back to the three state agencies.

Since 1996 when the authorizing legislation was passed, the intermodal container freight traffic at the Puget Sound ports of Seattle and Tacoma has decreased slightly, contrary to earlier freight projections. This is due in large part to the economic crisis in eastern Asia. As a result, the need for additional freight rail capacity between Ellensburg to Lind has not materialized as expected, and presently no freight rail companies have expressed an interest in obtaining an operating franchise over this rail corridor.

Without legislation extending the date for a franchise agreement to be reached, the prior authorizing legislation will sunset and the transportation corridor will no longer be under the management of the DOT for freight rail use.

Summary: The deadline for the Department of Transportation (DOT) to enter into a franchise agreement for rail service over the Ellensburg to Lind portion of the old Milwaukee Road corridor is extended five more years.

If an agreement is not entered into by July 1, 2006, the transportation corridor will revert to the prior ownership and management by the DOT, State Parks and the Department of Natural Resources.

Votes on Final Passage:

House	97	0	
Senate	48	0	(Senate amended)
House	97	0	(House concurred)

Effective: May 13, 1999

HB 1554

C 206 L 99

Clarifying status of HOV lane violations as traffic infractions.

By Representatives Murray, McDonald, Constantine, Mitchell, Dickerson, Ballasiotes, Scott, Radcliff, Poulsen and Romero; by request of Washington State Patrol.

House Committee on Transportation
Senate Committee on Transportation

Background: District courts have ruled that reserving portions of highways for High Occupancy Vehicles (HOV) lanes is unenforceable, because the law does not provide for enforcement action by police officers. The law was written to give authority to the Department of Transportation and local authorities to build, designate, or sign highway lanes as high occupancy use only. Wording must be added to the statute to allow law enforcement agencies to properly enforce these lane restrictions.

Summary: It is a traffic infraction to use HOV lanes in violation of restrictions placed on the use of such lanes by the proper authority.

Votes on Final Passage:

House	87	10
Senate	33	6

Effective: July 25, 1999

HB 1556

C 231 L 99

Increasing timeliness of fire death reports.

By Representatives Hatfield, Bush, Romero, McDonald, Dickerson, Ballasiotes, Scott, Radcliff, Poulsen, Delvin, Constantine, Mastin and Murray; by request of Washington State Patrol.

House Committee on Local Government
Senate Committee on State & Local Government

Background: The Director of Fire Protection, within the Washington State Patrol, is charged with fire protection throughout the state. Statistical information and data regarding each fire that occurs within the state must be sent

to the state fire protection office. The Chief of the Washington State Patrol, through the Director of Fire Protection, collects, analyzes, and reports statistical fire data, which is compiled into a report published by May 1 of each year and distributed to each chief fire official in the state.

Summary: All fire-related deaths must be reported within two business days to the Director of Fire Protection for the purposes of compiling the statistical report. The deadline for releasing the report is extended from May 1 to July 1 of each year.

Votes on Final Passage:

House	96	0	
Senate	42	0	(Senate amended)
House	95	2	(House concurred)

Effective: July 25, 1999

SHB 1558

FULL VETO

Tightening requirements for release of impounded vehicles.

By House Committee on Transportation (originally sponsored by Representatives Mitchell, Hatfield, McDonald, Poulsen, Bush, Constantine and Radcliff; by request of Washington State Patrol).

House Committee on Transportation
Senate Committee on Transportation

Background: A vehicle operated by a person with a suspended driver's license is subject to impound by a law enforcement officer. To redeem the vehicle, the registered owner must establish with the agency ordering the impound that all penalties, fines, or forfeitures have been satisfied. The court will give the registered owner a notice of adjudication which demonstrates payment of all penalties and fines. The vehicle will not be released without proof of payment.

Summary: An impounded vehicle operated by a registered owner with a suspended driver's license will not be released until the owner establishes with the court of jurisdiction or agency ordering the impound that any penalties, fines, or forfeitures relating to the impound have been satisfied.

Votes on Final Passage:

House	97	0	
Senate	46	0	(Senate amended)
House	97	0	(House concurred)

VETO MESSAGE ON HB 1558-S

May 13, 1999

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

SHB 1559

I am returning herewith, without my approval, Substitute House Bill No. 1558 entitled:

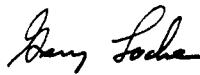
"AN ACT Relating to release of impounded vehicles;"

Substitute House Bill No. 1558 attempted to provide an alternative means of verifying that a driver whose car was impounded for driving with a suspended license has paid the necessary penalties to recover the car. However, the bill was flawed in drafting.

SHB 1558 would have made the necessary amendments to one subsection of the relevant statute, but failed to do so in another subsection. That drafting error defeats the intent of the legislation. Fortunately, the goal of SHB 1558 is achieved in another bill, Engrossed Senate Bill No. 5649, which I plan to sign into law.

For these reasons I have vetoed Substitute House Bill No. 1558 in its entirety.

Respectfully submitted,



*Gary Locke
Governor*

SHB 1559

C 207 L 99

Repealing redundant law on transporting explosives.

By House Committee on Transportation (originally sponsored by Representatives Fortunato, Murray and McDonald; by request of Washington State Patrol).

House Committee on Transportation
Senate Committee on Transportation

Background: In 1955, the Legislature established the marking and equipment safety requirements for vehicles transporting explosives. The vehicle must be marked with the word "Explosives" on each side and the rear, and a red flag with the words "Danger" in white letters must be displayed on the rear of the vehicle. In addition, the vehicle must be equipped with two fire extinguishers.

In 1975, the state of Washington adopted the Code of Federal Regulations that governs the transportation of hazardous materials. The federal rules are more stringent than the 1955 statute and apply to the transportation of hazardous materials in intrastate, interstate, and foreign commerce by rail, car, aircraft, motor vehicle, and vessel. A universally-recognized placarding system has been implemented that is used in the USA, Canada, and Mexico. The type and number of fire extinguishers to be carried in the vehicle depends on the type of hazardous material being transported. Emergency flares, lanterns, reflectors, and reflective triangles are also required.

Summary: The obsolete statute that established the vehicle marking and equipment safety requirements for the transportation of hazardous materials is deleted.

Votes on Final Passage:

House	91	4
Senate	45	0

Effective: July 25, 1999

SHB 1560

C 40 L 99

Enabling the bureau of forensic laboratory services.

By House Committee on State Government (originally sponsored by Representatives McMorris, Scott, Ballasiotes, Mitchell, Romero, Dickerson, McDonald, Poulsen, Bush, Constantine, Fortunato and Murray; by request of Forensic Investigation Council).

House Committee on State Government
Senate Committee on State & Local Government

Background: The State Toxicology Laboratory exists in conjunction with the University of Washington Medical School, and performs all necessary toxicological procedures requested by all coroners, medical examiners, and prosecuting attorneys. The toxicology lab is funded by disbursements from full service restaurant, full service private club, and sports club entertainment facility license fees. The state crime lab within the state patrol provides laboratory services to analyze and scientifically handle any physical evidence related to any crime.

The Forensic Investigations Council is actively involved in oversight and preparation of the budgets of both the crime lab and toxicology lab, and approves both budgets prior to their formal submission to the Office of Financial Management.

Summary: All powers, duties, functions, and employees of the State Toxicology Laboratory are transferred to the Bureau of Forensic Laboratory Services, which is created within the Washington State Patrol to combine the toxicology lab and crime lab as of July 1, 1999.

The Forensic Investigations Council will be involved in oversight and assistance with the preparation of the bureau's budget, and must approve the budget prior to formal submission to the Office of Financial Management. The council will submit three names to the chief of the Washington State Patrol to serve as possible director of the Bureau of Forensic Services. The council will further appoint a state toxicologist, and establish the policies, objectives and priorities of the Bureau of Forensic Laboratory Services.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: July 1, 1999

HB 1561

C 208 L 99

Allowing solid rubber tires on farm machinery.

By Representatives Schoesler, Grant, McMorris, Mastin, G. Chandler, Lisk, Parlette, Mulliken, Delvin and Cox.

House Committee on Transportation
Senate Committee on Transportation

Background: A vehicle operating on a public highway must be equipped with pneumatic rubber tires (filled with compressed air), except when equipped with temporary spare tires that meet federal standards. Farm machinery with pneumatic tires and protuberances that do not damage the roadway may be moved along a state highway without a permit. The Department of Transportation (DOT) may issue special permits for the movement of vehicles with movable tracks, farm tractors, and farm equipment.

Farm equipment is currently being manufactured that is equipped with solid rubber tracks that allow the operator to transverse any type of terrain while keeping the tractor weight evenly distributed. These tracks place less pounds per square inch on the surface than a conventional tire.

The DOT is authorized to prohibit the use of vehicles with solid rubber tracks that cause damage to the highway.

Summary: Farm machinery equipped with solid rubber tracks may be moved along a state highway, without a special permit, as long as the tracks do not damage the highway.

Votes on Final Passage:

House	97	0
Senate	46	0

Effective: July 25, 1999

ESHB 1562

C 302 L 99

Changing provisions relating to the adoption of regulations by airport operators.

By House Committee on Transportation (originally sponsored by Representatives Scott, Mulliken and G. Chandler).

House Committee on Transportation
Senate Committee on Transportation

Background: Airports are generally owned and operated by port districts, cities, and counties. Airport operators may adopt regulations necessary for use of airport facilities and collecting airport charges.

The regulations allow airport personnel to take reasonable measures to secure an aircraft in the airport to prevent its removal if the owner fails to pay airport charges after

60 days. When the aircraft is impounded, personnel must attach a notice to the aircraft and mail a copy of the notice to the owner's last known address by both registered mail and by first class mail.

If the account is not paid in full within 180 days from the date the notice was attached, the aircraft may be sold at a public auction to satisfy the airport charges. The notice must state the time and place of the sale.

The airport may adopt regulations that allow airport personnel to place aircraft in an area for storage. Reasonable costs for any such procedure must be paid by the aircraft's owner.

The aircraft is be considered abandoned if it has not been released to the owner under the bonding provisions within 180 days after the owner is notified.

Before the aircraft is sold, the owner must be given at least 20 days notice of the sale by registered mail and by newspaper. The notice must include a reasonable description of the aircraft to be sold, the time of sale, and that the airport operator may become a purchaser at the sale.

The airport regulations, including any and all impoundment rules for delinquent charges, must be posted in the airport manager's office.

Under current revenue distribution laws, 90 percent of the excise tax collected for aircraft registration is deposited in the general fund and 10 percent is deposited in the Aeronautics Account of the Transportation Fund. There is a \$4 fee attached to every aircraft registration which is dedicated to the Aeronautics Account. Despite the imbalance of current revenue distribution, the aircraft registration program is entirely administered by the Department of Transportation Aviation Division.

Summary: Airport personnel may take reasonable measures to secure an aircraft if the owner fails to pay the airport charges or fails to commence legal proceedings after being notified that: (1) the charges are owing, and (2) the owner has a right to contest those charges. The 60-day waiting period before an aircraft may be impounded is removed.

If an aircraft owner's address is unknown, the airport operator must make a reasonable effort to notify the owner before securing the aircraft.

The airport owner must make a reasonable attempt to send a copy of the notice that the aircraft has been secured to the owner's last known address by registered mail, and a reasonable attempt to send an additional copy by first class mail.

The 180-day waiting period for payment that must lapse before an aircraft may be secured is reduced to 90 days after the notice was posted. The original notice no longer must state the time and place of the auction.

Procedures for airport personnel to move aircraft are clarified. An aircraft may be moved to areas under the operator's control for storage purposes. The requirement that moving costs be reasonable is eliminated.

To regain possession of an aircraft, an owner may post money in a trust account which terminates following either a judicial resolution in court or upon a written agreement.

The 20-day notice of sale by registered mail must be made only if the owner's name and address are known.

Before the aircraft is sold, any person seeking to redeem an impounded aircraft may commence a lawsuit to contest the validity of the impoundment or the airport charges owed. The lawsuit must begin within 10 days from the date of notification under the statute. If not commenced within 10 days then the right to a hearing is waived and the owner is liable for any airport charges owed to the airport operator. If there is litigation, the prevailing party is entitled to attorneys' fees and costs.

The airport operator gains title to an impounded aircraft if no one purchases the aircraft at a sale, if the aircraft is not removed from the premises, or if other arrangements are not made within 10 days of the sale, then the airport operator shall gain title to the aircraft.

The current \$4 aircraft registration fee is increased to \$8.

Airplanes housed at airports jointly owned or operated by governmental entities from two or more states, and whose owners are nonresidents of Washington, are exempt from paying Washington's aircraft registration excise tax if they can show proof that they have paid all taxes, license fees, and registration fees required by the state in which they reside. (Example: Idaho residents whose planes are housed at the Pullman Moscow airport are exempt from Washington's aircraft registration excise tax.)

Votes on Final Passage:

House	96	0	
Senate	42	3	(Senate amended)
House			(House refused to concur)
Senate			(Senate refused to recede)
House	89	7	(House concurred)

Effective: July 25, 1999

SHB 1569

C 347 L 99

Establishing an excellence in mathematics grant program.

By House Committee on Education (originally sponsored by Representatives Keiser, Talcott, Schual-Berke, Carlson, Quall and Regala).

House Committee on Education
House Committee on Appropriations
Senate Committee on Education

Background: A number of reports have suggested that the mathematics instruction provided to elementary and middle school students in Washington and throughout the rest of the country needs to be improved. The Third International Mathematics and Science study shows that,

although fourth grade students scored above average in mathematics, eighth grade students scored well below average. The study also found that the mathematics curriculum in middle and junior high schools may be a weak link in public education throughout this country.

In addition to the findings of these studies, reports from the Commission on Student Learning indicate that Washington's fourth and seventh grade students scored poorly on the mathematics component of the 1998 assessment of student learning. Students who took the assessment, on average, had their lowest scores on the mathematics component of the test. Fewer than 31 percent of the students met the fourth grade proficiency standard. Of the students who took the seventh grade trial mathematics assessment in 1998, only 20 percent met or exceeded the state proficiency standard.

Summary: The Excellence in Mathematics Training Program is established. The purpose of the program is to improve the mathematics skills of elementary, middle, and junior high school students by providing their teachers with training in effective, research-based instructional methods. The Office of the Superintendent of Public Instruction (OSPI) will develop and implement the training programs in mathematics instruction and assessment. In selecting teachers to participate in the program, OSPI will give priority to teachers from schools and school districts in which a significant portion of the students performed below standard on one or more mathematics assessments.

Votes on Final Passage:

House	98	0	
Senate	47	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

HB 1584

C 105 L 99

Allowing unincorporated territory adjacent to a fire protection district to be annexed.

By Representatives Hurst, Mulliken, Scott, Stensen and O'Brien.

House Committee on Local Government
Senate Committee on State & Local Government

Background: Fire protection districts are created to provide fire prevention, fire suppression and emergency medical services within a districts' boundaries. Fire protection districts are governed by a board of commissioners consisting of either three or five members.

Fire protection districts serve residents outside of cities or towns, except when cities and towns have been annexed into a fire protection district or when the district continues to provide service to a newly incorporated area. The districts finance their activities and facilities by im-

posing regular property taxes, excess voter-approved property tax levies, and benefit charges.

A fire protection district may annex territory under various methods. For property contiguous to the fire protection district and not within the boundaries of any city, town or other fire protection district, a district may use the election method. An annexation process commences with a petition to the district signed by 15 percent of the qualified registered voters residing within the territory proposed for annexation. If the fire protection district commissioners concur, the petition is submitted to the county legislative authority or boundary review board and, if approved, to the voters of the territory proposed for annexation at a special election.

Summary: For unincorporated property annexed according to the election method, the type of property subject to fire protection district annexation is changed. A fire protection district may annex territory under this method if that property is adjacent to the district and not within any city, town or other fire protection district by the statutory procedures.

Votes on Final Passage:

House	96	0
Senate	43	0

Effective: July 25, 1999

SHB 1592

C 157 L 99

Updating write-in voting laws.

By House Committee on State Government (originally sponsored by Representatives D. Schmidt, Bush, Miloscia and Dunshee; by request of Secretary of State).

House Committee on State Government
Senate Committee on State & Local Government

Background: Write-in voting is allowed in Washington. An eligible person may file a declaration of candidacy as a declared write-in candidate not later than the day before the primary or general election. Voters may cast a write-in vote for a declared write-in candidate or for a person who has not filed a declaration of candidacy as a write-in candidate.

The requirements to cast a write-in vote for a person who has not filed a declaration of candidacy as a write-in candidate are somewhat greater than to cast a write-in vote for a person who has filed a declaration of candidacy as a write-in candidate. If the person who receives write-in votes filed a declaration of candidacy as a write-in candidate, a vote cast for that person is counted if the voter writes that person's name in the appropriate place on the ballot. However, if the person who receives write-in votes has not filed a declaration of candidacy to be a write-in candidate, a vote for that person is counted only if the

voter writes that person's name in the appropriate place on the ballot and also designates the office sought and position number or political party, if applicable.

Statutes conflict regarding whether a person who files a declaration of candidacy as a write-in candidate must pay the normal filling fee for the office that is sought.

Write-in votes are counted separately from votes and need not be tallied if, assuming all of the write-in votes were cast for the same person, the write-in votes could not have altered the outcome of the primary or general election.

Summary: A variety of changes are made relating to write-in voting.

If an optical scan system of voting is used, a voter desiring to cast a write-in vote must complete the proper mark next to the write-in line for that office.

It is clarified that a person who files a declaration of candidacy as a write-in candidate must pay the regular filing fee for the office.

The number of write-in votes cast for each office must be recorded and reported with the canvas of the election.

In the case of offices where the district encompasses more than a single county, write-in votes for an individual candidate must be tallied if the Secretary of State, or another auditor in multi-county districts, notifies the county auditor that it appears the write-in votes could alter the outcome of the primary or general election.

In the case of offices where the district encompasses more than a single county, the auditor must tally the write-in votes cast for an office if the total number of write-in votes cast for that office is greater than the number of votes cast for a candidate apparently nominated or elected, and the auditor must notify the Secretary of State and other county auditors that the write-in votes should be tallied.

Votes on Final Passage:

House	96	1
Senate	43	2

Effective: July 25, 1999

SHB 1593

C 158 L 99

Regulating poll-site ballot counting devices.

By House Committee on State Government (originally sponsored by Representatives Edmonds, Bush, Miloscia and Dunshee; by request of Secretary of State).

House Committee on State Government
Senate Committee on State & Local Government

Background: Statutes provide details about how elections are conducted, including requirements for the use of paper ballots, voting machines, and electronic voting

devices. These requirements include protocols for checking voting devices and counting ballots.

Summary: A number of requirements are established for poll-site ballot counting devices, and various provisions providing for voting devices are altered or eliminated.

Requirements for voting precincts. Requirements for precincts using voting machines or electronic vote counting devices are altered. These precincts must have an adequate number of devices, rather than at least one voting machine for every 300 active registered voters or major fraction thereof during a primary or general election held in an even-numbered year. The auditor may determine the number of poll-site counting devices at these precincts.

The requirement is eliminated that at least one voting booth be provided for every 50 active registered voters in a precinct where paper ballots are used.

Invalidation of ballots. Absentee ballots, like ballots cast at polling places, are invalid if they are marked so as to identify the voter.

Procedures for election officers at precincts. Procedures and requirements for using poll-site ballot counting devices are established, and procedures for using voting machines are eliminated.

- Testing of devices. Procedures are provided for election officers to determine if each poll-site ballot counting device is set at "000."

Ballots may only be processed through a poll-site ballot counting device if a zero report is produced. The inspector and at least one of the judges must verify that zero ballots have been run through the machine and that all totals for each office are zero. If the totals are not zero, the inspector either resets the device to zero or contacts the elections department to reset the device and allows voting to continue using the auxiliary or emergency device.

- Use of poll-site ballot counting device. Voters are provided with instructions on how to use poll-site ballot counting devices. Each poll-site ballot counting device must be programmed to return a blank ballot or an overvoted ballot to the voter for private examination. Steps must be taken to ensure that the secrecy of the ballot is maintained. If a ballot is returned by a poll-site ballot counting device, the voter may re-mark the original ballot, request a new ballot, or complete a special ballot envelope and return the ballot as a special ballot.
- Failure of a poll-site ballot counting device. If a poll-site ballot counting device fails to operate during polling hours, voting must continue and ballots are deposited for later tabulation in a secure ballot compartment separate from the tabulated ballots.
- Programmed memory pack. The programmed memory pack for each poll-site ballot counting device must be sealed into the device during final preparation and testing. Except when a device breaks down, the mem-

ory pack must remain sealed in the device until after the polls have closed and all reports and telephonic transfer of results have been completed. The precinct election officers who are responsible for transferring the sealed voted ballots must ensure that the memory pack is returned to the elections department.

- Transmission of accumulated tally. The accumulated tally from each poll-site ballot counting device may be telephonically or electronically transmitted to a central reporting location after the close of the polls. A printed record must be made of the results of the election for that poll site before any transmission is made. Procedures are established to reconcile the results established by the central accumulator with the transmitted results or reports produced at a polling site.
- Return of ballots. All ballots tallied by poll-site counting devices must be returned to the elections department in sealed ballot containers on election day. However, ballots in a county that is composed entirely of islands, and ballots from an island in any other county, must be collected within 24 hours of the close of polls. These ballots are sealed by two of the election precinct officers at the polling place. Protocols are established for transporting ballots to the elections department.

Counted ballots may be picked up prior to the close of polls and may be counted at the counting center prior to the close of the polls, but the election returns must be held secret.

- Provisions relating to voting machines. Various laws relating to voting machines are repealed.

Votes on Final Passage:

House	94	0
Senate	48	0

Effective: July 25, 1999

HB 1599

C 303 L 99

Creating an account to reimburse counties for extraordinary costs in the criminal justice system.

By Representatives McMorris, Doumit, Clements, Constantine, Sheahan, Grant, G. Chandler, Linville, Rockefeller, D. Schmidt, Kessler and Schoesler.

House Committee on Local Government
House Committee on Appropriations
Senate Committee on Ways & Means

Background: Each county in Washington operates a superior court with jurisdiction to adjudicate civil and criminal cases. Counties elect superior court judges and prosecuting attorneys and establish programs for indigent defense and systems for sheriffs to provide law enforcement and investigate crimes.

Summary: A process is created for counties to seek reimbursement of extraordinary criminal justice costs which are costs associated with investigation, prosecution, indigent defense, jury impanelment, expert witnesses, interpreters, incarceration, and other adjudication costs of aggravated murder cases.

Counties may submit petitions for relief to the Office of Public Defense (OPD). The OPD, in consultation with the Washington Association of Prosecuting Attorneys and the Washington Association of Sheriffs and Police Chiefs, is required to develop procedures for:

- processing the petitions;
- auditing the veracity of the petitions; and
- prioritizing the petitions.

Factors considered in prioritizing petitions include disproportionate impact relative to the county budget, efficient use of resources, the extraordinary nature of the costs, and the county's ability to accommodate and anticipate the costs in its normal budget process.

Before January 1st of each year the OPD, in consultation with the Washington Association of Prosecuting Attorneys and the Washington Association of Sheriffs and Police Chiefs, is required to develop and submit to the Legislature a prioritized list of petitions recommended for funding by the Legislature.

Votes on Final Passage:

House	95	0	
Senate	48	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1619

PARTIAL VETO

C 338 L 99

Changing the liability insurance of foster parents.

By House Committee on Children & Family Services (originally sponsored by Representatives McDonald, Kagi, Boldt, Lovick, Tokuda, Wood, Clements, Carrell, D. Schmidt, Linville, Dickerson, O'Brien, Mielke, Kenney and Haigh).

House Committee on Children & Family Services
 House Committee on Appropriations
 Senate Committee on Human Services & Corrections
 Senate Committee on Ways & Means

Background: The Department of Social and Health Services provides liability insurance to licensed foster parents. The coverage includes injury and property damage claims filed against foster parents. The total amount that may be expended is \$500,000 per biennium.

Summary: The Department of Social and Health Services must reimburse foster parents for damage caused by foster children. The department must reimburse foster

parents for the replacement value of the item damaged or destroyed. The reimbursement of damaged property at replacement value is limited to a maximum payment to be established by the department. If the value of damaged property is reimbursed through an insurance policy, the department must reimburse foster parents for the deductible associated with the claim.

Votes on Final Passage:

House	94	0	
Senate	48	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

Partial Veto Summary: The Governor vetoed the July 1, 1999 effective date.

VETO MESSAGE ON HB 1619-S

May 14, 1999

To the Honorable Speaker and Members,
 The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 4, Substitute House Bill No. 1619 entitled:

"AN ACT Relating to foster parents;"

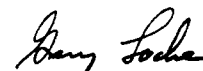
Substitute House Bill No. 1619 requires the Department of Social and Health Services (DSHS) to reimburse foster parents for the replacement value of property damaged or destroyed by foster children in their care. It requires DSHS to develop rules regarding the maximum amount that may be reimbursed for each occurrence.

Section 4 of the bill would have required the program to begin by July 1, 1999. Unfortunately, there is not adequate time between now and July 1, 1999 for DSHS to make the rules necessary to implement this legislation.

For these reasons I have vetoed section 4 of Substitute House Bill No. 1619.

With the exception of section 4, Substitute House Bill No. 1619 is approved.

Respectfully submitted,



Gary Locke
 Governor

SHB 1620

C 176 L 99

Protecting vulnerable adults.

By House Committee on Health Care (originally sponsored by Representatives Conway, Parlette, Cody, Miloscia, Poulsen, Hatfield and Keiser; by request of Department of Social and Health Services).

House Committee on Health Care
 Senate Committee on Health & Long-Term Care

Background: Elder abuse is widespread in the United States. It is a national problem with a frequency and rate approximate to that of child abuse. Based on two national

studies on elder abuse, 48 percent of the incidents investigated are substantiated. However, only one in five incidents of abuse or neglect are ever reported and substantiated by Adult Protective Services. In general, there appears to be a higher rate of female abuse victims. The National Elder Abuse Incident Study found that almost 90 percent of the elder abuse and neglect incidents are with a known perpetrator, who most often is a family member. Two-thirds of the perpetrators are adult children or spouses. Rates of reported abuse to the state's Adult Protective Services Program have increased approximately 60 percent in the last three years.

The protections for vulnerable adults in Washington are for:

- adults over the age of 60 who lack the functional, mental, physical ability to care for himself or herself;
- adult clients of the Division of Developmental Disabilities;
- dependent adults with a legal guardian;
- adults receiving in-home care services; and
- adults living in a nursing home, adult family home, boarding home.

There are three separate statutes direct the reporting requirements of abandonment, abuse, exploitation, and neglect of vulnerable adults, investigating those elements, and protecting vulnerable adults from further abuse. The three statutes contain overlapping client populations, separate and different sets of definitions, different lists of professionals required to report incidents of abuse, different criteria for reporting suspected criminal activity to law enforcement, different requirements for investigating incidents, and different provisions for providing protective services.

Summary: The three statutes that require the reporting and investigation of incidents of abuse are consolidated. One statutory reference is created to be applicable to law enforcement, prosecutors, mandated reporters, medical professionals, licensing authorities, other agencies that are involved in services provision for vulnerable adults, the Department of Social & Health Services (DSHS) social workers and investigators of abandonment, abuse, financial exploitation, and neglect, and anybody wishing to report.

The definition of abandonment, abuse, financial exploitation, and neglect are made uniform for all vulnerable adults.

The three overlapping lists of those responsible for reporting suspected cases of abuse and neglect are combined into one list and the reporters are given the same reporting requirements for vulnerable adults. The items that must be reported are specified. Immunity and confidentiality is provided for the reporter. Whistleblower, protection order, injunction, and civil penalty provisions are amended to correspond with changes in definitions.

Language is added to guide the DSHS in the disclosure of public records, responding to reports, reporting to law enforcement when a crime is suspected, and for reporting to the appropriate licensing authority. The department is given the authority to expand its ability to interview other individuals, such as neighbors or landlords, not just family members. The department may develop separate rules relating to the investigation of vulnerable adults in in-home settings. The department must provide a report on the feasibility of developing a registry of perpetrators of abuse.

Votes on Final Passage:

House	96	1
Senate	45	0

Effective: July 25, 1999

SHB 1623

C 358 L 99

Updating the tax code by making administrative clarifications, correcting oversights, and deleting obsolete references.

By House Committee on Finance (originally sponsored by Representatives Haigh, Cairnes, Reardon and Thomas; by request of Department of Revenue).

House Committee on Finance
Senate Committee on Ways & Means

Background: Amounts received by nonprofit organizations for fund-raising activities are exempt from business and occupation (B&O) tax and sales tax. Fund-raising activities are activities involving the direct solicitation of money or property or the anticipated exchange of goods or services for money between the organization and the person solicited. Fund-raising activities do not include the operation of a regular place of business in which sales are made during regular hours.

Sales of watercraft to nonresidents or to residents of foreign countries for use outside the state are exempt from sales tax. An exemption certificate must be signed by the purchaser. A copy must be filed with the Department of Revenue, and a duplicate must be retained by the dealer.

Sales of machinery and equipment used to generate electricity using wind, sun, or landfill gas are exempt from sales and use tax. For the sales tax exemption, the purchaser must provide the seller with an exemption certificate and provide the Department of Revenue with a duplicate copy of the exemption certificate or a summary of exempt sales. An exemption certificate or an annual summary of exempt sales must be provided to the department for the use tax exemption.

Sales of amusement, recreation, and other personal services by nonprofit youth organizations are exempt from sales tax. However, no corresponding use tax exemption exists.

The B&O tax does not apply to ride sharing for the elderly and the handicapped, and ride-sharing vehicles for the elderly and the handicapped are not subject to sales and use tax. In 1996, the terms “elderly” and “handicapped” were replaced in the ride-sharing statutes with “persons with special transportation needs.” However, the tax exemption statutes were not updated.

In 1997, legislation changed the amount of interest paid on excise tax refunds, recoveries, and credits. Interest was computed at a variable rate defined as the average federal short-term rate plus 1 percent. After January 1, 1999, the interest accrues at the variable rate plus 2 percent. However, the interest rate for court-ordered recoveries was applied to recoveries beginning January 1, 1992, rather than January 1, 1999.

Cogeneration facilities that have a B&O tax credit are exempt from property tax for seven years. However, the B&O tax credit program was terminated in 1984.

Section 1034 of the federal Internal Revenue Code, which provided for the nonrecognition of gain on the sale of a principal residence and the purchase within two years of a new residence, was repealed by Congress when it exempted the first \$250,000 of gain on the sale of a principal residence.

Summary: For the B&O tax and sales tax exemption for fund-raising, fund-raising is redefined as either accepting contributions of money or other property or activities involving the anticipated exchange of goods or services for money. The exemption does not apply to the operation of a regular place of business from which services are provided or performed during regular hours such as the provision of retail, personal, or professional services. Sales of used books, used videos, used sound recordings, or similar used information products in a library are eligible for the fund-raising exemption, if the proceeds of the sales are used to support the library.

The requirements to send duplicate exemption certificates to the Department of Revenue for exempt watercraft sales and on sales of machinery and equipment used to generate electricity using wind, sun, or landfill gas are eliminated.

A use tax exemption is provided for sales of amusement, recreation, and other personal services by nonprofit youth organizations.

The B&O and sales and use tax exemption statutes for ride sharing for the elderly and the handicapped are changed to refer to persons with special transportation needs.

The interest rate for court-ordered recoveries is applied to recoveries beginning January 1, 1999, rather than January 1, 1992.

References to the federal Internal Revenue Code are updated to refer to the code as it exists on January 1, 1999, rather than January 1, 1998, for purposes of the estate tax and the probate code.

The following technical corrections are made to excise and property tax statutes:

- Obsolete provisions referring to the terminated B&O tax credit for cogeneration facilities are removed.
- The seven-year property tax exemption for cogeneration facilities that have a B&O tax credit is repealed.
- Obsolete references to section 1034 of the federal Internal Revenue Code are eliminated.
- The three 1998 session laws that amended the B&O wholesaling tax statute without reference to each other are integrated.
- A redundant reference to amusement and recreation services is removed.
- The property tax exemption for sheltered workshops and the definition of sheltered workshop are incorporated into one section.

Notes on Final Passage:

House	81	16	
Senate	47	0	(Senate amended)
House	88	9	(House concurred)

Effective: August 1, 1999 (Sections 1 and 3-19)
July 1, 2001 (Section 2)

HB 1642
C 232 L 99

Changing surface water permit and rights provisions.

By Representatives Grant and Mastin.

House Committee on Agriculture & Ecology
Senate Committee on Environmental Quality & Water Resources

Background: In general, a water right permit is issued for the purpose of developing the beneficial use for a water right. Once that use has been developed in accordance with the provisions of the permit, a water right certificate is issued for the use. Both the surface water code and the groundwater code allow for “transfers” of rights, through the approval of transfers, changes, or amendments regarding water rights. In recent decisions, the Washington Supreme Court has distinguished between transfers of surface water rights and transfers of groundwater rights. The court has found that the groundwater code does authorize, but the surface water code does not authorize, an unperfected permitted right to be transferred under the general transfer sections of the codes.

In certain circumstances, the surface water code expressly allows a person to use a natural stream or lake in this state as a conveyance system to convey the water to which the person has a water right to a diversion point from which the water will be used.

SHB 1647

Summary: The Department of Ecology may approve a change in the point of diversion prescribed in a permit to appropriate water to a point that is located downstream and is an existing approved intake structure with capacity to transport the additional diversion. This authority is granted if the ownership, purpose of use, season of use, and place of use of the permit remain the same.

The water may be conveyed to such an intake structure in a neighboring state in order to accomplish the modification in the permit, if the approval of the neighboring state is documented to the satisfaction of the department.

Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House	94	0	(House concurred)

Effective: July 25, 1999

SHB 1647

C 233 L 99

Amending recording statutes.

By House Committee on Local Government (originally sponsored by Representatives Mulliken, Dunshee and Scott).

House Committee on Local Government
Senate Committee on State & Local Government

Background: County auditors record deeds and other written instruments, and are authorized to copy, preserve, and index documents filed with the county. County auditors are required to charge fees for services and to act as clerk for the board of county commissioners.

Summary: Numerous outdated language references are changed, processes are streamlined, and some processes applicable to the standardization process that applies to recorded documents are clarified. Substantive changes include the following:

- County auditors are authorized to keep a separate tax lien index listing from the general index provided by the county commissioners.
- The recording statutes are updated to add the definition of “legible and capable of being imaged,” which means documents must be suitable to produce a readable image, effectively updating for technology.
- The definition of an abbreviated legal description used when recording is expanded to include quarter/quarter sections.
- The document for a recording must be sufficiently clear enough to image the document, and only bar codes or address labels may be affixed to the pages.
- Certain documents are exempt from recording format requirements.

- The county auditor is authorized to charge “appropriate recording fees” to record the liens on real estate replacing the 50 cent charge.
- County auditors authority to accept non-standard recording documents is added under certain circumstances, for a \$50 fee.

Votes on Final Passage:

House	94	0	
Senate	44	1	(Senate amended)
House	96	1	(House concurred)

Effective: August 1, 1999

SHB 1653

C 106 L 99

Raising the limit on agency direct buy authority without competitive bids.

By House Committee on State Government (originally sponsored by Representatives Kenney, Miloschia, Romero, D. Schmidt, Clements and Wolfe; by request of Department of General Administration).

House Committee on State Government
Senate Committee on State & Local Government

Background: State agencies and institutions purchase personal property following three different procedures, depending on the value of the items that are purchased, as follows:

- Small-valued purchases may be made without competitive bids based upon buyer experience and knowledge of the market in achieving maximum quality at minimum cost, if the value of items purchased does not exceed \$400.
- Medium-valued purchases may be made using an informal competitive procedure where telephone or written quotations are secured from at least three vendors. At least one quotation must be solicited from a certified minority and a certified women-owned vendor. This procedure may be used by state agencies when the value of the items that are purchased are from \$400 to \$35,000 and may be used by institutions of higher education for purchases between \$2,500 and \$35,000.
- High-valued purchases of items must be made using a formal sealed bidding procedure. This procedure must be used by state agencies for purchasing items with a value of more than \$35,000 and by institutions of higher education for purchasing items with a value of \$35,000 or more.

These dollar figures have been adjusted for inflation by the Office of Financial Management since July 1, 1995, but the \$400 figure may not be increased to more than \$800.

Certain exceptions are made from these purchasing procedures, such as emergency purchases, purchases

2SHB 1661

C 159 L 99

clearly and legitimately limited to a single source of supply, purchases involving special facilities, services, or market conditions.

Summary: The direct buy minimum dollar value of purchases that may be made by state agencies and institutions of higher education, without using any procedure, is increased from \$400 to \$3,000.

The minimum dollar value of a purchase that may be made using the informal competitive bidding procedure, in which at least three quotations must be solicited from vendors, is increased from \$400 to \$3,000 for state agencies and from more than \$2,500 to more than \$3,000 for institutions of higher education.

These \$3,000 figures may not be increased for inflation to more than \$5,000.

Votes on Final Passage:

House	95	0
Senate	44	1

Effective: July 25, 1999

HB 1654

C 65 L 99

Revising definition of veteran.

By Representatives Kessler and Hatfield.

House Committee on State Government
Senate Committee on Ways & Means

Background: A veteran is defined as having served during a war or in the direct theater of armed conflict. A war is described as World War I, World War II, the Korean Conflict, the Vietnam Era, the Persian Gulf War, or any future war as determined by the Congress. A direct theater of armed conflict is described as the crisis in Lebanon, Panama, Somalia, Haiti, Bosnia, and others.

World War II (WWII) merchant marines and U.S. army transport and naval transportation service vessel veterans are defined as having served during the period of armed conflict from December 7, 1941, to August 15, 1945.

Federal legislation was passed in 1998 that lengthened the official time period of WWII for qualifying merchant marine and U.S. army and naval transport service vessel veterans from August 15, 1945, to December 31, 1946.

Summary: The definition of a WWII merchant marine veteran and an army and navy transport civil service veteran is altered to delete the requirement that the veteran served during an armed conflict, and to lengthen the dates of service from August 15, 1945, to December 31, 1946 (consistent with the federal definition of a WWII veteran).

Votes on Final Passage:

House	95	0
Senate	43	0

Effective: July 25, 1999

Creating Washington scholars-alternates awards.

By House Committee on Higher Education (originally sponsored by Representatives Edmonds, Carlson, Kenney, Kagi, Esser, Wood, Lantz and Ogden).

House Committee on Higher Education
House Committee on Appropriations
Senate Committee on Higher Education
Senate Committee on Ways & Means

Background: The Washington Scholars program was established by the 1981 Legislature. The program purposes include: recognizing and honoring the accomplishments of three high school seniors from each legislative district; encouraging and facilitating privately-funded scholarship awards; and stimulating recruitment of outstanding students to Washington public and independent colleges and universities. High school principals nominate the top one percent of the graduating senior class based upon academic accomplishments, leadership, and community service.

Scholars may receive a grant for undergraduate study at Washington public or independent colleges and universities. Renewal each year is contingent upon maintaining a 3.30 GPA. The state grant for scholars attending independent schools is contingent upon the institution's agreement to match the award with either money or a tuition waiver. The maximum yearly grant amount is limited to the full-time, resident, undergraduate tuition and fees at the University of Washington. For 1998-99, the maximum grant amount is \$3,396.

The total appropriation for the Washington Scholars program for the 1997-99 biennium is \$2,276,000. This appropriation level reflects a usage pattern of about 65 percent, meaning that typically about 65 percent of Washington scholars choose to enroll in Washington schools and use their scholarships.

Summary: The Washington Scholars program is modified to include the identification of one Washington scholars-alternate from each legislative district, beginning in the year 2000. The alternate is in addition to the three Washington scholars currently identified. Recipients of the Washington scholars' awards who, after receiving their awards in the spring, do not demonstrate in a timely manner that they will use their grants to enroll in a Washington state college or university during the subsequent fall term or who withdraw from college during their first year lose their grants. The forfeited grants may be awarded to the Washington scholars-alternate from the same legislative district. Washington scholars-alternates who receive grants must also demonstrate in a timely manner that they will enroll in a Washington college or university during the next available term. The Higher Education Coordinating Board administers the program and may grant

SHB 1663

waivers to the enrollment requirements based on exceptional mitigating circumstances.

Votes on Final Passage:

House	93	0
Senate	48	0

Effective: July 25, 1999

SHB 1663

C 397 L 99

Creating a unified family court.

By House Committee on Judiciary (originally sponsored by Representatives Lambert, Constantine, McDonald, Kagi, Carrell, Edwards, Kastama and Santos).

House Committee on Judiciary
House Committee on Appropriations
Senate Committee on Judiciary
Senate Committee on Ways & Means

Background: The juvenile court and the family court are both divisions of the superior court. The juvenile and family courts are established to hear specific types of related matters.

The juvenile court hears cases involving juvenile offenses and infractions, dependencies, termination of parental rights, family reconciliation (such as at-risk youth petitions) interstate compact on juveniles, and emancipation.

The family court hears domestic relations proceedings, including dissolutions, parenting plans, child custody, establishment and modification of child support, paternity, adoption, and domestic violence protection orders. If a majority of the superior court judges of the county authorize it, the family court may have concurrent jurisdiction with the juvenile court over proceedings that the juvenile court may hear.

A party making a demand for a jury of six persons in a civil action in superior court must pay a fee of \$50. If the demand is for a jury of 12, the fee is set at \$100. If, after a party demands a jury of six and pays the required fee, any other party to the action who subsequently requests a jury of 12 must pay an additional fee of \$50. In a criminal action, the court has the option of imposing such fees.

Arbitration is a non-judicial method for resolving disputes in which a neutral party is given authority to decide the case. An award by an arbitrator may be appealed to the superior court. The superior court hears the "de novo;" that is, the court will conduct a trial on all issues of fact and law as though the arbitration had not occurred. In certain counties, arbitration is mandatory for certain civil cases where the sole relief sought is less than a specified dollar amount.

There is no fee required for requesting a trial de novo of an arbitration award.

Summary: A unified family court pilot program is established to be conducted by the Office of the Administrator for the Courts (OAC). The site for the pilot program must be selected using a request for proposal process. The site must be established in no more than three superior court judicial districts that each have statutory authority for at least five judges.

The OAC must develop criteria for the pilot program. The pilot program must include:

- cases involving (1) juvenile offenses; (2) child dependency and termination; (3) family reconciliation, such as at-risk youth petitions and children in need of services petitions; (4) interstate compact on juveniles; (5) emancipation; (6) dissolution of marriages; (7) establishment and modification of parenting plans; (8) third-party child custody; (9) child support; (10) paternity; (11) adoption; (12) domestic violence prevention; and (13) truancy;
- judges and judicial officers who volunteer for the program and who meet certain training requirements established by local court rule;
- case management that provides a flexible response to diverse needs and helps reduce redundancies;
- a court facilitator to provide assistance; and
- an emphasis on nonadversarial methods of dispute resolution.

The OAC must publish a state-approved listing of nonadversarial methods of dispute resolution. The OAC must also provide the selected districts with the computer resources necessary to implement the program.

Judges of the superior court districts selected for the program must adopt local court rules to direct the program. The court rules must include a training program requirement and a continuing education requirement, case management based on the practice of one judge or judicial team handling all matters relating to a family, and programs that provide for record confidentiality.

The OAC must study and evaluate the pilot program, and report to the Governor, chief justice of the state supreme court, and the Legislature on a biennial basis. The initial report is due by July 1, 2000, and the final report is due by December 1, 2004.

Family courts within each superior court have concurrent jurisdiction with the juvenile court over all juvenile and truancy proceedings. The requirement that a majority of the superior court judges in the county authorize such jurisdiction is removed.

The fee for requesting a six-person jury in a civil action is increased from \$50 to \$125, and the fee for a 12-person jury is increased from \$100 to \$250.

Counties are required to impose a fee, not to exceed \$250, for filing a request for a trial de novo of an arbitration award.

Votes on Final Passage:

House	93	0	
Senate	44	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 1664

C 209 L 99

Preventing the use of step transactions to avoid real estate excise tax.

By Representatives Dickerson, Thomas and Dunshee; by request of Department of Revenue.

House Committee on Finance
Senate Committee on Ways & Means

Background: The real estate excise tax (REET) is imposed on each sale of real property. The state tax rate is 1.28 percent. Additional local taxes are allowed. Cities and counties may impose an additional 0.25 percent tax for capital improvements. Cities and counties may also impose a second 0.25 percent tax for capital projects specified in a city or county's comprehensive plan. An additional tax of 0.5 percent is available for cities and counties not imposing the second 0.5 percent of the local sales tax. A county may impose an additional 1 percent tax for acquisition and maintenance of conservation areas if this rate is approved by voters.

The seller of real property pays REET, except the 1 percent county conservation rate which is paid by the buyer.

REET applies when a sale occurs. A sale is defined as any conveyance, grant, assignment, quitclaim, or transfer of the ownership of or title to real property. A sale of a controlling interest in a partnership or corporation is generally treated as a sale of the real estate owned by the partnership or corporation for the purposes of REET. However, REET does not apply to real property transfers resulting from the formation, liquidation, dissolution, or reorganization of entities if the transactions do not result in federal income tax liability.

It is possible to transfer effective control of real estate without REET liability using a "step transaction." A buyer can contribute capital to a corporation or partnership to dilute the current owner's interest to less than 50 percent. The buyer can then purchase the minority interest and liquidate the business. Since real property transfers involving formation, liquidation, dissolution, or reorganization of entities are not subject to the real estate excise tax, the result is the transfer of real property without payment of the tax.

Summary: The exemption from the real estate excise tax for real property transfers involving the formation, liquidation, dissolution, or reorganization of partnerships and

corporations is narrowed. Under this narrower exemption, the tax applies if all of the following conditions are met:

- there is more than one of these formation, liquidation, dissolution, or reorganization transactions within a 12-month period;
- the result is the transfer of a controlling interest in any entity with an interest in real property in this state; and
- one or more persons previously holding a controlling interest in the entity receive cash or property for the interest.

When these conditions are met, real estate excise tax is due from the person who previously held the controlling interest in the entity.

However, tax does not apply to a person who receives real property that the person originally contributed to the entity, a person who did not contribute real property to the entity, or a person that did not have an interest in the entity when real property was purchased.

Votes on Final Passage:

House	96	0
Senate	47	2

Effective: July 25, 1999

SHB 1668

C 160 L 99

Providing foster parents with first aid/CPR and HIV/AIDS training.

By House Committee on Children & Family Services (originally sponsored by Representatives McDonald, Kagi, Boldt, Tokuda, Dickerson and Santos).

House Committee on Children & Family Services
House Committee on Appropriations
Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means

Background: Foster parents are required to meet minimum licensing requirements prior to being licensed by the Department of Social and Health Services. One of the minimum licensing requirements is the completion of first aid/CPR and HIV/AIDS training. Foster parents must pay for their own training.

Summary: The Department of Social and Health Services must pay for the first aid/CPR and HIV/AIDS training required for foster parents.

Votes on Final Passage:

House	96	0
Senate	47	0

Effective: July 1, 1999

SHB 1671

C 107 L 99

Eliminating a maximum amount threshold for pleadings in actions arising from public works contracts.

By House Committee on Judiciary (originally sponsored by Representatives Constantine, Radcliff, Kessler, Mastin, Sullivan, Grant, G. Chandler, Reardon, Lisk, Esser, Alexander, McMorris and Mitchell).

House Committee on Judiciary
Senate Committee on Judiciary

Background: In a civil action for damages of not more than \$10,000, certain procedures apply when a party makes an offer of settlement prior to trial. If the case goes to trial after an offer of settlement has been made, the "prevailing party" is awarded reasonable attorney fees and costs.

The prevailing party is determined by who bettered his or her position at trial when compared to the offer of settlement. The plaintiff is the prevailing party if he or she is awarded damages that at least equal the amount the plaintiff offered in settlement. The defendant is the prevailing party if the amount awarded is zero, or is not more than the defendant's offer of settlement.

Under a separate statute, disputes over public works contracts are made subject to the offer of settlement provision if the amount in dispute does not exceed \$250,000.

Summary: All public works contract disputes are subject to the offer-of-settlement and prevailing party attorney fees law. The \$250,000 limit is removed.

Votes on Final Passage:

House	97	0
Senate	47	0

Effective: July 25, 1999

SHB 1673

C 304 L 99

Penalizing false political advertising.

By House Committee on State Government (originally sponsored by Representatives Lambert, O'Brien, Thomas and Sullivan).

House Committee on State Government
Senate Committee on State & Local Government

Background: It is a violation of the state's public disclosure laws for a person to sponsor false political advertising in support of or opposition to a candidate, or a campaign in support of or opposition to a ballot proposition, if:

- the false political advertising is made with actual malice; and
- the violation is proven by clear and convincing evidence.

A person who is found by the superior court to be in violation of the public disclosure laws is subject to a civil penalty of not more than \$10,000 for each violation. In addition, the superior court may void an election if it finds that a violation of the public disclosure laws by a candidate or political committee probably affected the outcome of an election. If such a finding is made, a special election is held within 60 days of the finding.

The Washington Supreme Court, in split decisions, recently found this statute relating to false political advertising to be unconstitutional. Four separate decisions were issued, none of which had a majority of the court. Three justices found the statute to be facially unconstitutional. Two justices found the portion of the statute relating to false advertising about ballot propositions to be facially unconstitutional but indicated that constitutional legislation could be crafted relating to false advertising about candidates. Four justices indicated in two separate decisions that the statute was constitutional as it applied to both ballot measures and candidates.

Summary: The general prohibition on false political advertising is limited to campaigns involving candidates and does not apply to statements made by a candidate or the candidate's agent about the candidate himself or herself.

Votes on Final Passage:

House	93	0	
Senate	41	7	(Senate amended)
House			(House refused to concur)
Senate	41	3	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

SHB 1677

C 234 L 99

Changing irrigation district provisions.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives B. Chandler, Grant, G. Chandler, Linville, Mastin, Delvin and Parlette).

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic Development

Background: In 1989, the voters approved an amendment to the Washington Constitution to allow local governments engaged in the sale or distribution of water to provide assistance for the conservation or more efficient use of water. Cities, towns, counties, public utility districts, and water-sewer districts are authorized to provide assistance to owners of structures in financing the acquisition and installation of fixtures, systems, and equipment for the conservation or more efficient use of water under an adopted water conservation plan. The type of assistance that may be provided includes arranging or

providing financing for the purchase and installation of approved conservation fixtures, systems, and equipment. The fixtures, systems, and equipment must be purchased or installed by a private business, the owner, or the local government. Different forms of pay-back are authorized, including incremental additions to the utility bill. Irrigation districts are not authorized to provide this type of assistance.

Irrigation districts do not have to use competitive bidding procedures for purchases of materials, equipment, and supplies when these items are not included as part of a public works project.

Most units of local government are authorized to use a uniform process to award contracts for purchases instead of following formal sealed bidding requirements. The particular statutes pertaining to a unit of local government specify the maximum dollar threshold of the contracts that may be awarded. Under this process, the local government must obtain quotations from at least three different vendors whenever possible to assure that a competitive price is established, and then award the contract to the lowest responsible bidder. Irrigation districts are authorized to use small works rosters, but are not authorized to use this process to award contracts for purchases.

Summary: An irrigation district may assist the land owners receiving water from the district and persons discharging water from the land into irrigation district-maintained facilities in financing the leasing, acquisition, and installation of fixtures, systems, programs, and equipment for the conservation, improvement, or more efficient use of water. The assistance may include arranging or providing financing for the purchase and installation of approved conservation fixtures, systems, programs, and equipment. The fixtures, systems, programs, and equipment may be purchased, leased, or installed by a private business, the owner, or the irrigation district. The irrigation district may make an appropriate charge-back for the extension of the money or credit in providing the assistance. The board of directors of the irrigation district may fix rates or tolls and charges, levy an assessment, or both, from people in the district to whom the district made this assistance available.

Irrigation districts must use formal competitive bidding procedures when awarding contracts for purchases of materials, supplies, or equipment unless the board of directors adopts a resolution which establishes a policy for waiving these formal bidding requirements. The board of directors may, by resolution, waive these formal bidding requirements for purchases that do not exceed \$10,000. Exemptions that apply to purchases of items included as part of a public works project also apply to all purchases.

Irrigation districts may use the uniform process established for awarding contracts for purchases from a vendor list in lieu of following formal competitive bidding requirements when authorized in a resolution adopted by the

board. Contracts that may be awarded under this process may not exceed \$50,000 exclusive of sales tax.

Votes on Final Passage:

House	96	0	
Senate	49	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

2SHB 1681

C 363 L 99

Establishing a program to purchase and plant privately grown trout.

By House Committee on Natural Resources (originally sponsored by Representatives Buck, Grant, Sump, Schoesler, Boldt, Mastin and McMorris).

House Committee on Natural Resources
House Committee on Appropriations
Senate Committee on Natural Resources, Parks & Recreation
Senate Committee on Ways & Means

Background: In 1998 a private Washington-based fish farm supplied 60,000 rainbow trout to the Department of Fish and Wildlife, Colville Confederated Tribes, and various fishing and outdoor clubs. These fish were planted in Eastern Washington lakes, but can be planted in any fresh-water body that has sufficient water quality to support fish life.

Since the fish are sterile, having been bred with three chromosomes instead of two (triploid), they do not interbreed with wild stocks, and continue to grow throughout their lives. This continued growth along with aggressive feeding habits allow the fish to grow much larger than wild stocks. At the time of planting the fish ranged between one and two pounds.

These trout are being offered to the state at a price of \$2 per fish.

Summary: The Department of Fish and Wildlife is authorized to purchase and plant privately grown trout to supplant existing trout hatchery production. Planting may only occur in water bodies with water quality sufficient to support fish life and must not have an adverse impact on wild trout populations. The Fish and Wildlife Commission, in consultation with the department is required to determine the maximum number of fish to be planted. The department is required to geographically distribute the planting. In addition, the department must report to the Legislature by February 1, 2001, on implementation of the program.

The Fish and Wildlife Commission may only authorize the purchase of trout if the cost of the program will be recovered by increased license sales and federal funds attributable to the planting of these fish.

2SHB 1686

Votes on Final Passage:

House	94	1	
Senate	43	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	42	0	(Senate amended)
House	91	5	(House concurred)

Effective: May 17, 1999

2SHB 1686

C 108 L 99

Requiring cooperation with local economic development cooperatives.

By House Committee on Economic Development, Housing & Trade (originally sponsored by Representatives Kessler, DeBolt, Alexander, Mulliken, Morris, Linville, G. Chandler, Pennington, Wolfe, Hatfield, McMorris, Delvin, Romero, Sump, Clements, Ericksen, Schoesler, Campbell, D. Schmidt, Fortunato, Mielke, Radcliff, Cox, Mastin, Murray, Cooper, Lisk, Crouse, Hankins, Skinner, Thomas, B. Chandler, Koster, Parlette and Ruderman).

House Committee on Economic Development, Housing & Trade

House Committee on Appropriations

Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: The Department of Community, Trade, and Economic Development (DCTED) is the primary state agency charged with assisting communities or regional areas in their community with economic development efforts. The DCTED works directly with a variety of local economic development organizations to help communities attract businesses to their area, to help existing businesses expand, and to retain existing businesses.

The Community Development Finance program was created in 1984. The DCTED provides technical assistance to assist communities and businesses to access available federal, state, and private sources of community development or business financing.

An Associate Development Organization (ADO) is a local nonprofit corporation created for the purpose of encouraging economic development within an area. The ADO works with representatives in their service area to identify key economic and community development problems, development appropriate solutions, and mobilize broad support for recommended initiatives. The ADO then assumes the leadership role in the coordination of efficient delivery of services designed to implement the recommended initiatives. Thirty-three ADOs operate in Washington on either a county-wide basis or in a consortium consisting of two or more counties.

Summary: The Department of Community, Trade, and Economic Development must work with local economic councils to provide technical assistance to assist communities and businesses to access available sources of community development or business financing.

A regional business recruitment grant program is created within the DCTED. The purpose of the program is to assist local ADOs market the area to business on a national and international basis.

An application for assistance to the DCTED must: (1) be submitted by a local ADO or consortium of ADOs; (2) contain evidence of active participation between the public and private sector; (3) contain a description of how the proposed project will assist in business recruitment efforts; and (4) contain other information the director of the DCTED deems necessary.

In making awards, the DCTED must: (1) consider the degree of other funds, including in-kind match, committed to the project; (2) consider the degree of community support for the proposed project; and (3) consider the coordination of the proposed project with existing state and local business recruitment efforts.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: July 25, 1999

HB 1699

C 364 L 99

Establishing continuing education for dentists.

By Representatives Parlette, Cody, Schoesler, Barlean, Esser, Edmonds and Van Luven.

House Committee on Health Care

Senate Committee on Health & Long-Term Care

Background: The practice of dentistry is licensed by the Department of Health. The Dental Quality Assurance Commission qualifies applicants for licensure and acts as the disciplinary authority for unprofessional conduct under the Uniform Disciplinary Act.

Continuing education is a method of staying current with new developments in science and technology by taking approved courses or learning opportunities related to a field of expertise. A number of the regulated health professions require continuing education as a condition for the renewal of professional licenses.

The dental commission does not have authority to establish a program of continuing dental education.

Summary: The Dental Quality Assurance Commission is required to establish a continuing dental education program for applicants renewing their dental licenses. After July 1, 2001, dentists must meet requirements for continu-

ing education as a condition of renewing their dental licenses.

Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1701

C 341 L 99

Allowing for the use of funds to dredge marine recreation land.

By House Committee on Natural Resources (originally sponsored by Representatives Buck, Doumit, Radcliff, Kessler, Sump, Miloscia, Barlean, Regala, Schoesler, DeBolt, Hatfield, Tokuda, Eickmeyer, Mielke, Pennington, B. Chandler, Alexander, Clements and Mastin).

House Committee on Natural Resources
Senate Committee on Natural Resources, Parks & Recreation

Background: The motor vehicle fuel tax is paid on all motor vehicle fuel sold in the state. The director of the Department of Licensing is required to determine, at least once every four years, the proportion of the moneys collected from the tax which is on marine fuels. The rate is currently set at 1.139 percent. The marine fuel tax refund account is funded on a monthly basis, according to this rate.

The recreation resource account is funded from the marine fuel tax refund account. This account pays for the administrative and coordinative costs of the Interagency Committee for Outdoor Recreation. Additional funds are divided into two shares for the benefit of watercraft recreation in the state. The first share is used to provide grants to state agencies for the acquisition or capital improvement of marine recreation land. Such grants may be used to secure matching funds from federal programs which are dedicated to similar projects. The second share is used to provide grants to public bodies for the acquisition or capital improvements of marine recreation land. A public body may use grants along with its own funds in order to secure federal matching funds for such projects. "Public body" is defined to include counties, cities, towns, port districts, park and recreation districts, other municipal corporations, and Indian tribes recognized by the federal government for participation in the land and water conservation program.

Summary: Moneys from the recreation resource account granted to state agencies or public bodies for the capital improvement of marine recreation land may be used additionally for renovation. Such renovation may include

necessary periodic dredging to maintain or make a facility more useful. "Periodic dredging" is defined, and such dredging activities are limited to the removal of materials that have been deposited due to unforeseen events and such dredging should extend the expected usefulness of the facility for at least five years.

Votes on Final Passage:

House	97	0	
Senate	45	0	(Senate amended)
House			(House refused to concur)
Senate	40	0	(Senate receded)

Effective: July 25, 1999

HB 1703

C 210 L 99

Revising law governing the disposition of surplus real property.

By Representatives Cooper, Ericksen, Mitchell and Fisher.

House Committee on Transportation
Senate Committee on Transportation

Background: The Department of Transportation (DOT) often acquires land in anticipation of constructing highway or transportation projects. This is referred to as advance right of way purchase. This practice enables the DOT to save money by purchasing the land earlier, before the land appreciates.

Occasionally, these properties owned by the state are no longer needed for future transportation projects. State law specifies a process for the DOT to dispose of this surplus property. If the DOT determines that the property is no longer needed for transportation purposes, they may sell the property or exchange it for other land at fair market value to the following governmental entities or persons: (1) any other state agency; (2) the city or town where the property is situated; (3) any other municipal corporation; (4) the former owner of the property from whom the state acquired title; (5) if the property is used as a residence, to the tenant of the property, so long as the tenant has lived there at least six months and paid rent on time; (6) any abutting property owner, unless there is more than one abutting property owner, in which case the auction procedure applies; (7) any other person, through written solicitation of bids; (8) any other owner of real property, where that property is required for transportation purposes; or (9) if it is residential property, any non-profit organization dedicated to affordable housing, as further specified in state law.

The law does not specify which of these entities or persons has priority to acquire the DOT's surplus property. The proceeds from the sale of surplus properties must be deposited into the Motor Vehicle Fund.

Regional transit authorities do not fit any of the definitions of governmental entities or persons that have

2SHB 1716

standing to acquire surplus properties from the DOT, even though they are publicly-operated transportation providers.

Summary: Regional transit authorities are added to the list of entities approved to acquire the DOT surplus properties.

Votes on Final Passage:

House	97	0
Senate	33	13

Effective: July 25, 1999

2SHB 1716

C 235 L 99

Authorizing funding for the warm water fish culture project at Ringold.

By House Committee on Natural Resources (originally sponsored by Representatives G. Chandler, Doumit, Mastin, Mulliken and Grant).

House Committee on Natural Resources
House Committee on Appropriations
Senate Committee on Natural Resources, Parks & Recreation
Senate Committee on Ways & Means

Background: Warm water game fish in Washington include the sunfish, pike, catfish, and perch families. A 1986 survey concluded that more than half of Washington fishing license holders fished for warm water species. The amount of recreation provided by warm water species in 1986 was second only to trout fishing in lowland lakes, and ahead of steelhead and salmon angling.

The warm water game fish enhancement program was created in 1996 within the Department of Fish and Wildlife. The program was originally funded through a \$5 license surcharge that was required to fish for bass, walleye, channel catfish, tiger musky and crappie. This revenue was to be used exclusively to increase opportunities for warm water game fishing and not to be used to replace funding for these programs. In 1998, the Legislature revised the Department of Fish and Wildlife licensing structure, eliminating all surcharges.

Funds equal to 6.512 percent of the total funds received from the sale of freshwater licenses and freshwater, saltwater, and shellfish combination licenses are deposited into the warm water game fish account. This percentage is adjusted annually to reflect the actual number of warm water game fish license holders, which is determined by survey.

State law requires that money from the warm water game fish account not be used for the operation or construction of the warm water fish culture project at Ringold. In addition, the statute requires that funds from the sale of the warm water game fish surcharges are to be deposited into the warm water game fish account.

Summary: The name of the Ringold warm water facility is changed to the Rod Meseberg warm water fish production facility. An amount from the warm water game fish account not to exceed \$91,000 may be used for warm water fish culture at the Rod Meseberg warm water fish production facility, for the current biennium. This provision is null and void unless funding is provided in the budget. Language requiring that funds from the sale of the warm water game fish surcharges be deposited into the warm water game fish account is removed.

The Department of Fish and Wildlife must deposit \$1,250,000 into the warm water game fish account, as opposed to an amount equivalent to 6.512 percent of the funds received from the sale of each freshwater license and each freshwater, saltwater, and shellfish combination license. The department must deposit an additional amount which is adjusted on an annual basis according to a yearly survey of fishers. The department must conduct an initial survey in April 1999 as opposed to April 2000.

Votes on Final Passage:

House	95	0	
Senate	47	0	(Senate amended)
House	96	0	(House concurred)

Effective: May 10, 1999

SHB 1718

C 161 L 99

Conveying land to the city of Moses Lake.

By House Committee on Natural Resources (originally sponsored by Representatives G. Chandler, Murray, Mitchell and Mulliken).

House Committee on Natural Resources
House Committee on Capital Budget
Senate Committee on Natural Resources, Parks & Recreation

Background: Moses Lake State Park is located five miles west of the city of Moses Lake, in Grant County. The park consists of 78 acres with 862 feet of freshwater shoreline. The park is limited to day use only and in 1996, 376,282 visits were recorded. Activities available at the park include boating, fishing, ice skating, picnicking, scuba diving, swimming, and water skiing.

Summary: The State Parks and Recreation Commission must convey to the city of Moses Lake all property located within the city of Moses Lake that is developed for a state park. Prior to such action, the commission must obtain waivers or other legal assurances regarding the deed restrictions or reversionary clauses contained in the deed to the land.

The city of Moses Lake is required to take all measures necessary to accept ownership of the land. The city must maintain the land as a city park. If the city breaches this

covenant, the property will revert to the State Parks and Recreation Commission.

Votes on Final Passage:

House	95	0
Senate	47	0

Effective: April 30, 1999

2SHB 1729

C 177 L 99

Creating a teacher training pilot program.

By House Committee on Higher Education (originally sponsored by Representatives Kenney, Carlson, Lantz, Quall, Skinner, Reardon, Gombosky, Edwards, Anderson, Voloria, Edmonds, Dunn, Stensen, McIntire, Kagi, Conway, Regala, Lovick, D. Schmidt, Ogden, Keiser, Dickerson and Santos).

House Committee on Higher Education
House Committee on Appropriations
Senate Committee on Higher Education
Senate Committee on Ways & Means

Background: A need is predicted to recruit and train more than two million teachers nationwide during the next decade. According to the Office of the State Superintendent of Public Instruction, teacher attrition rates have increased by 70 percent since 1990. Additionally, between 1990 and 1996, the number of teachers with 25 or more years of experience grew by 28 percent. Increases in attrition and retirement rates have generated new efforts to attract and retain teachers in the profession.

Summary: The teacher training pilot program is created. The Higher Education Coordinating Board, in consultation with the State Board of Education will administer the program. Grants will be awarded on a competitive basis to institutions of higher education. Priority is given to proposals that involve shared facilities, shared resources and co-curricular planning.

Outcomes for the first year of the biennium are specified and include designing: (1) a college level course for high school students interested in teaching; (2) lower division courses that support K-12 education reform; (3) an educational studies minor; (4) mentoring and service learning activities at the community college level; and (5) a certification process that involves course work and internships.

Beginning on December 31, 2001, the Higher Education Coordinating Board is required to submit an annual status report to the Legislature, the State Board of Education, and the Office of the Superintendent of Public Instruction.

Votes on Final Passage:

House	96	0
Senate	48	1

Effective: July 25, 1999

HB 1734

C 66 L 99

Subjecting licensed psychologists to chapter 18.130 RCW, the uniform disciplinary act.

By Representatives Esser and Schual-Berke; by request of Department of Health.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: The practice of psychology is licenced by the Department of Heath. The Examining Board of Psychology qualifies applicants for licensure and serves as the disciplining authority for unprofessional conduct under the Uniform Disciplinary Act.

The requirements of the psychologist law do not apply to persons working in the following exempt settings: a person teaching, conducting research, or consulting in a college or university; a person holding a school psychologist credential from the state Board of Education; a person employed by a local, state, or federal agency; a person working in business not engaged in the practice of psychology; a bona fide psychology student; or a person qualified in sociology as a social psychologist.

It is unclear whether a licensed psychologist is subject to the Uniform Disciplinary Act when working in an exempt setting.

Summary: A person who is licensed as a psychologist is subject to the Uniform Disciplinary Act at all times.

Votes on Final Passage:

House	86	7
House	94	0 (House reconsidered)
Senate	45	0

Effective: July 25, 1999

HB 1741

C 357 L 99

Simplifying tax reporting by revising the active non-reporting threshold so that it parallels the small business credit.

By Representatives Fortunato, Lovick and Thomas; by request of Department of Revenue.

House Committee on Finance
Senate Committee on Ways & Means

Background: B&O Tax Reporting Threshold. Washington's major business tax is the business and occupation

(B&O) tax. This tax is imposed on the gross receipts of business activities conducted within the state. Deductions for the costs of doing business are not allowed.

The principal B&O tax rates and categories are as follows:

Type of Business	Tax Rate
Manufacturing, wholesaling, and extracting	0.484%
Retailing	0.47%
Services	1.5%

A small business credit is provided for the B&O tax. The maximum amount of tax credit is \$420 per year. The \$420 credit offsets any tax liability. The credit is phased out dollar-for-dollar by the amount the B&O tax liability exceeds \$420. If the tax liability is more than \$420 but less than \$840, the tax credit is equal to \$840 minus the initial tax liability.

The maximum amount of gross receipts exempted by the small business credit varies based on the B&O tax rate. The lower the B&O tax rate, the more benefit received by the taxpayer from the credit. The maximum gross receipts amounts exempted by the credit are as follows:

Type of Business	Maximum Gross Receipts Exempted By Small Business Tax Credit
Manufacturing, wholesaling, and extracting	\$86,777
Retailing	\$89,172
Services	\$28,000

A taxpayer whose gross receipts exceed \$28,000 may have a tax liability in excess of the small business credit.

Non-retailing businesses with gross receipts of \$24,000 per year or less must register with the Department of Revenue (DOR) but do not need to file tax returns. When this provision was originally enacted, the threshold at which a taxpayer's tax liability may have exceeded the small business credit was \$24,000. This threshold amount has risen to \$28,000 from \$24,000 as a result of some tax surcharges that expired and legislative changes that were made to B&O tax rates in 1997.

Filing Tax Returns and Remittances. The DOR collects the state's major excise taxes, such as retail sales and B&O taxes. The taxes collected by the DOR are reported on the combined excise tax return. Taxpayers who report on the combined excise tax form with annual tax liability of \$240,000 or more must pay taxes through an electronic funds transfer process. Although funds are transferred electronically, the tax return document itself still must be delivered or mailed to the DOR.

There is no express statutory authority for the DOR to accept remittances from other taxpayers who voluntarily choose to remit electronically or to accept returns from any taxpayer who wishes to transfer this information electronically.

Summary: B&O Tax Reporting Threshold. Non-retailing businesses with gross receipts of \$28,000 per

year or less must register with the DOR but do not need to file tax returns.

Filing Tax Returns and Remittances. The DOR may allow electronic filing of returns or remittances from any taxpayer. The return or remittance is deemed filed according to procedures to be set forth by the department.

Votes on Final Passage:

House	96	0	
Senate	48	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 1, 1999

SHB 1744

C 162 L 99

Changing lake outflow regulation.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Schoesler and G. Chandler).

House Committee on Agriculture & Ecology
Senate Committee on Environmental Quality & Water Resources

Background: Ten or more owners of land abutting on a lake may petition the superior court of the county in which the lake is situated for an order to provide for regulating the outflow of the lake to maintain a specified lake level. The court is required to hold a hearing and hear any testimony provided on the issue. If the order is granted, the court also directs the Department of Ecology to regulate and control the outflow of the lake so as to maintain the lake level.

Orders to control lake levels may be requested only on meandered lakes. A "meander line" is a term used when lands in Washington were originally surveyed. Lands were sold in blocks of forty acres, but when a lake or other water body was situated on the land, the block would be short of forty acres and would extend to the meander line. Lakes today may no longer resemble lakes as they were surveyed 100 years ago. Some have disappeared and some have increased in size.

Summary: When there are fewer than ten owners of land abutting on a lake, a majority of the owners are authorized to petition a superior court for an order fixing the water level. The court must notify the Department of Fish and Wildlife before issuing an order fixing the lake level (regardless of the number of owners). The term "meander" is deleted.

Votes on Final Passage:

House	95	0
Senate	49	0

Effective: July 25, 1999

SHB 1747

C 305 L 99

Changing conservation district provisions.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Linville and G. Chandler; by request of Washington State Conservation Commission).

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic
Development

Background: A conservation district may be initiated by filing a petition with the Conservation Commission that is signed by 25 or more persons who live in the affected area. Similarly, annexation of territory to a conservation district may be initiated by the occupiers of the lands to be included in the district. After a district has been organized for five years, 100 occupiers of lands within the district may file a petition with the commission to dissolve the district.

A conservation district is dissolved if a majority of votes cast at an election favor dissolution. If two-thirds of the votes cast at an election oppose dissolution of the district, the commission must determine whether the continued existence of the district is practicable. If a conservation district is dissolved, there is no requirement for the proceeds from the sale of district property to be applied to the debts of the district.

A dissolution of a conservation district does not affect any contracts or obligations of the district. The Conservation Commission is required to assume all duties, liabilities, and powers of the district supervisors. If a petition to dissolve a district is rejected, no new petition for the dissolution of a district may be submitted for a period of five years.

There is no process for withdrawing a city or town from a conservation district. As new cities and towns incorporate, or as cities and towns annex territory, there is a greater likelihood of city or town property being included within a conservation district's boundaries.

Conservation districts administer programs which provide federal cost-share assistance to occupiers of land. The conservation district supervisors are unable to participate in these programs because it would constitute a violation of the municipal officer's ethics law.

Summary: The number of property owners required to sign a petition to initiate a conservation district, to annex territory to an existing conservation district, or to dissolve a conservation district, is 20 percent of the registered voters occupying land within the area.

Language is removed that requires the Conservation Commission to consider whether the continued existence of a conservation district is practicable after a ballot measure to dissolve the district fails. If a district is dissolved, proceeds from the sale of district property must be used to

pay any debts of the district and the remaining balance is paid to the State Treasurer.

The requirement that the Conservation Commission assume the liabilities of a dissolved conservation district is repealed. The prohibition against filing a petition for the dissolution of a district within five years after a dissolution election fails is repealed.

A process is created to allow a city or town to withdraw from a conservation district. The legislative authority of a city or town may approve a petition to withdraw from the district by a majority vote. The petition must be submitted to the conservation district for its approval. If the conservation district approves the petition, it is submitted to the Conservation Commission. The Conservation Commission must notify the Secretary of State if the petition is approved in order to adjust the boundaries of the district. If a city and a conservation district disagree over the city's withdrawal from the conservation district, the petition is forwarded to the Conservation Commission to decide whether the city may withdraw from the district. The decision must be based upon criteria the commission has adopted by rule to address petitions in dispute.

District supervisors who are also land occupiers may participate in cost-share assistance provided to the district without violating the ethics law pertaining to municipal officers.

Votes on Final Passage:

House	93	0	
Senate	48	0	(Senate amended)
House			(House refused to concur)
Senate	43	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 1757

C 329 L 99

Expanding the number of inmates subject to mandatory DNA testing.

By Representatives Miloscia, O'Brien, Koster, Lovick, Haigh, Hurst and Radcliff.

House Committee on Criminal Justice & Corrections
Senate Committee on Human Services & Corrections

Background: In 1990, the Legislature provided that any adult convicted after July 1, 1990, of a felony sex or violent offense must have a blood sample drawn for purposes of deoxyribonucleic acid (DNA) identification analysis. In 1994, the Legislature extended the provision to juveniles adjudicated guilty of equivalent offenses after July 1, 1994. However, neither adults convicted on or prior to July 1, 1990, nor juveniles adjudicated guilty on or prior to July 1, 1994, are required to have blood samples drawn.

Blood samples taken from a convicted felon for the DNA Identification System must be used solely for the

purposes of providing DNA or other blood grouping tests for identification analysis and prosecuting sex or violent offenses. DNA identification analysis results are kept in a convicted felon identification data bank maintained by the Washington State Patrol. Any data obtained from DNA identification procedures cannot be used for any research or other purpose that is not related to criminal investigation or to improving the operation of the system.

Samples must be drawn prior to release by the county jail or detention facility, or a Department of Corrections facility or a Juvenile Rehabilitation Administration facility.

Summary: Three changes are made to the statutes governing DNA identification of certain offenders.

The statute is expanded to require that all adults convicted prior to, on, or after July 1, 1990, and all juveniles adjudicated guilty prior to, on, or after July 1, 1994, of an equivalent juvenile sex or violent offense have blood drawn for purposes of DNA identification analysis, if they are still incarcerated on or after the effective date of this act.

Adults and juveniles convicted of a felony sex or violent offense on or after the effective date of this act are required to have blood samples drawn as part of the intake process, rather than prior to release.

Adults and juveniles convicted of a felony sex or violent offense who are incarcerated prior to the effective date of this act and who have not yet had a blood sample drawn, are required to have blood samples drawn within a reasonable time after the effective date of this act, beginning with those individuals who will be released the soonest.

Votes on Final Passage:

House	83	10	
Senate	46	1	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	42	2	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 1761

C 387 L 99

Increasing the number of hours retired teachers and administrators can serve as substitute teachers or administrators without a reduction in benefits.

By Representatives Talcott, Carrell, Rockefeller, Wensman, Stensen, Thomas, Fortunato, Mulliken, Haigh, Schoesler, Bush and Esser.

House Committee on Education
House Committee on Appropriations
Senate Committee on Education

Background: The Teachers' Retirement System (TRS) Plan I includes teachers and school administrators hired prior to October 1, 1977. A retiree under this system may work 525 hours, or about 75 days, each year with no reduction in retirement benefits.

In a school district that has passed a resolution declaring a shortage of substitute teachers, a TRS Plan I retiree can work an additional 105 hours, for a total of about 90 days, as a substitute teacher. In a school district that has passed a resolution declaring an inability to find a replacement administrator to fill a vacancy, a TRS I retiree may serve as a substitute administrator for an additional 105 hours. The additional 105 hours is available only to those TRS Plan I retirees working as substitute teachers or administrators.

A resolution is valid only for the school year in which it is adopted. A copy of the resolution, with a list of retirees who have been hired, must be provided to the Department of Retirement Systems.

Summary: Retired teachers and administrators may work an expanded number of hours as substitutes before losing pension benefits in school districts that have declared a shortage of substitute teachers or principals. In addition to the original 525 hours, retired teachers and administrators working for school districts that have declared a shortage of substitute teachers may work for an additional 315 hours per school year as substitute teachers. Retired principals working for school districts that have declared a shortage of principals may work an additional 315 hours as substitute administrators.

Votes on Final Passage:

House	92	0	
Senate	48	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 1766

C 109 L 99

Requiring identification of subcontractors in bids on public works.

By Representatives Romero, McMorris, D. Schmidt, Dunshee, Miloscia, Conway, Campbell, Lambert and Haigh.

House Committee on State Government
Senate Committee on State & Local Government

Background: General contractors who bid on public works contracts expected to cost more than \$100,000 are required to submit as part of the bid, or within one hour after the published bid submittal time, the names of all

subcontractors whose subcontract amount is more than 10 percent of the contract price. Failure to list these subcontractors in the prescribed manner renders the bid void.

Summary: The dollar cost threshold for public works contracts in which general contractors are required to list the names of all subcontractors as part of the bid is raised from more than \$100,000 to \$1 million or more.

The general contractor is required has to list only subcontractors that contract directly with the general contractor for specific areas of work and may not list more than one subcontractor for each category of work. The specific areas of work are defined as heating, ventilation and air conditioning, plumbing, and electrical work.

Failure of the bidder to submit names of subcontractors, or to name itself to perform such work, or the naming of two or more subcontractors to perform the same work will render the bid void.

Votes on Final Passage:

House	96	0
Senate	46	1

Effective: July 25, 1999

SHB 1770
PARTIAL VETO
C 348 L 99

Adopting recommendations of the state board of education.

By House Committee on Education (originally sponsored by Representatives Stensen and Talcott; by request of Board of Education).

House Committee on Education
Senate Committee on Education

Background: During 1997 and 1998, the State Board of Education (SBE) convened a Mandate Review Committee to study all of the board's rules and their related laws. The committee recommended the revision or repeal of a number of existing state laws. The recommendations included the establishment of a linkage between an education center's program and the state's essential academic learning requirements and the reassignment of the responsibility to approve certain tests from the Office of the Superintendent of Public Instruction (OSPI) to the SBE. The committee recommended the revision of language on fees for education centers and kindergarten prescreening. The committee also recommended the repeal of outdated language on teacher testing and clarification of OSPI's administrative role in the implementation of rules adopted by the SBE. Finally, the committee recommended the consolidation of the SBE's certification authority into one chapter in the Revised Code of Washington.

Summary: Education Centers. The SBE approves tests used to determine a student's eligibility to enroll in an ed-

ucation center. In place of the current statutory fee limits, the Superintendent of Public Instruction (SPI) determines the amount it pays to education centers for diagnostic tests and student enrollments.

Fees for K-1 Pre-admission Screening. In place of the current statutory fee limit, school districts may establish the level of fees for screening certain students before they enroll in school. The affected students are those who request an exception to district rules for entry into kindergarten or first grade.

Recodified and Repealed Statutes. Statutory sections concerning joint school districts, divided school districts, school board members, and school district boundaries are recodified in a new RCW chapter. A decodified law concerning master in teaching degrees is repealed. The statute concerning an obsolete study on assessments for teacher candidates is repealed.

Votes on Final Passage:

House	93	0	
Senate	45	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

Partial Veto Summary: Language moving laws related to school district boundaries from one section of law to another is removed because those same sections were moved in another bill (HB 1477).

VETO MESSAGE ON HB 1770-S

May 17, 1999

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 7, 8, 9, and 10, Substitute House Bill No. 1770 entitled:

"AN ACT Relating to the recommendations of the state board of education based on its review of its statutory authority;"

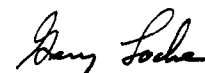
Substitute House Bill No. 1770 implements many of the recommendations of the Mandate Review Committee convened by the State Board of Education to study all of the Board's rules and related laws.

However, Sections 7, 8, 9, and 10 of the bill amend the same statutes as sections 803, 804, 805 and 806 of Engrossed Second Substitute House Bill No. 1477, which I signed on May 14, 1999. Also, sections 803 through 806 of E2SHB 1477 contain additional sections for recodification that were left out of sections 7 through 10 of SHB 1770.

For these reasons, I have vetoed sections 7, 8, 9, and 10 of Substitute House Bill No. 1770.

With the exception of sections 7, 8, 9, and 10, Substitute House Bill No. 1770 is approved.

Respectfully submitted,



Gary Locke
Governor

SHB 1774

C 272 L 99

Regulating occupational drivers' licenses.

By House Committee on Transportation (originally sponsored by Representatives Wolfe, Romero, Tokuda, Stensen, D. Schmidt, Ogden, Gombosky, Keiser, Dickerson and Santos).

House Committee on Transportation
Senate Committee on Transportation
Senate Committee on Judiciary

Background: A person whose license has been mandatorily suspended or revoked due to a criminal conviction other than vehicular homicide or vehicular assault may obtain an occupational driver's license if the person can show, among other things, that he or she is engaged in an occupation or trade that requires operation of a motor vehicle. A person whose license has been administratively suspended may not obtain an occupational license. People who have had their drivers' licenses administratively suspended due to failure to pay a fine are often not able to pay the fine because of financial constraints. Some assert that enrollment in an apprenticeship program could give such a person the skills to obtain a job, pay the fine, and in some cases, leave public assistance.

Summary: A person whose driver's license has been administratively suspended for failure to pay a traffic ticket, violation of financial responsibility laws, or multiple infractions within a specified period may apply for an occupational driver's license. To qualify, the applicant must show that he or she is in one of the following programs where a driver's license is required: (1) a member or an applicant for an apprenticeship program or on-the-job training program; (2) a program that assists persons who are enrolled in a WorkFirst program to become gainfully employed; or (3) undergoing substance abuse treatment or participating in a twelve-step program such as Alcoholics Anonymous.

The occupational driver's license is valid for the period of the suspension but in no case for more than two years except that the occupational license for a person who has only applied to be in an apprenticeship program is in effect no longer than 14 days. The Department of Licensing is required to cancel the license if the person is no longer enrolled in a qualifying program. If the license is canceled, the driver may obtain a new license at no cost by submitting evidence of enrollment in another qualifying program. A person who qualifies due to participation in a substance abuse or twelve-step program: (1) may not receive a license if able to receive adequate transit services; and (2) may only receive a license valid for specific times, days, and routes.

Votes on Final Passage:

House	95	0	
Senate	42	1	(Senate amended)
House			(House refused to concur)
Senate	46	3	(Senate amended)
House	96	0	(House concurred)

Effective: January 1, 2000

SHB 1777

C 236 L 99

Clarifying use of technical assistance documents.

By House Committee on State Government (originally sponsored by Representatives B. Chandler, Schindler, McMorris, Dunshee, Romero and Lantz).

House Committee on State Government
Senate Committee on State & Local Government

Background: Regulatory agencies are required to have technical assistance programs encouraging regulated parties to voluntarily comply with the law. These programs include technical assistance visits, printed information, information and assistance by telephone, and training meetings.

Technical assistance includes: (1) information on laws, rules, and compliance methods and technologies; (2) information on methods to avoid compliance problems; (3) assistance in applying for permits; and (4) information on the mission, goals, and objectives of the program.

A technical assistance visit must be requested, or voluntarily accepted, and the regulatory agency must declare the visit to be a technical assistance visit at the beginning of the visit. During a technical assistance visit, or a reasonable time after such a visit, the regulatory agency shall inform the owner or operator of the facility about any violations of law or agency rules that were identified during the visit.

The owner and operator must be given a reasonable period to correct violations that were identified during the visit before a civil penalty is imposed for these violations. However, civil penalties may be issued for violations that are observed during a technical assistance visit under certain circumstances.

Summary: A technical assistance document is defined as a document prepared to provide certain information and entitled as a technical assistance document by the agency head or its designee. Technical assistance documents do not include notices of correction, violation, or enforcement action. Technical assistance documents do not impose mandatory obligations or serve as the basis for a citation.

Votes on Final Passage:

House	97	0
Senate	44	0

Effective: July 25, 1999

ESHB 1798
PARTIAL VETO
 C 385 L 99

Enhancing coordination of special needs transportation.

By House Committee on Transportation (originally sponsored by Representatives K. Schmidt, Fisher, Mitchell, Ogden, Mielke, Cooper, Pflug, Hankins, Skinner, Fortunato, Wood, Haigh, Radcliff, Rockefeller, Kessler and Regala).

House Committee on Transportation
 Senate Committee on Transportation

Background: A number of agencies and programs are involved with providing and/or sponsoring transportation services for persons with special needs. At the state level, the Department of Social and Health Services and the Superintendent of Public Instruction play major roles in providing this transportation. At the local level, transit agencies, area agencies on aging, senior services, and county human services all provide transportation for special needs populations. Transportation provided by an agency or a program is often for selected groups of people that meet specific eligibility requirements for the particular agency or program. This creates a situation in which multiple transportation providers are running duplicate routes serving only their selected population, which can result in costly and inefficient service and reduced service levels or areas.

In 1998, the Legislature created the Agency Council on Coordinated Transportation (council), declaring its intent to coordinate transportation services and programs that provide those transportation services to achieve increased efficiencies and to provide a greater number of persons with special transportation needs.

The council consists of nine voting members and eight nonvoting legislative members. The nine voting members are the Secretary of Transportation, who serves as chair; the Secretary of the Department of Social and Health Services; the Superintendent of Public Instruction; and six members appointed by the Governor, representing consumers of special needs transportation, pupil transportation, the Community Transportation Association of the Northwest, the Community Action Council Association, and the State Transit Association. The eight nonvoting legislative members include four House members and four Senators, representing each caucus and the Transportation, House Appropriations, and Senate Ways and Means Committees.

The council is responsible for: (1) developing standards and strategies for coordinating special needs transportation; (2) identifying, developing, funding (as resources are available), and monitoring demonstration projects; (3) identifying barriers to coordinated transportation; (4) recommending statutory changes to the Legislature to assist in coordinated transportation; and (5)

working with the Office of Financial Management to make necessary changes for identification of transportation costs in executive agency budgets.

The council was directed to report to the Legislature on December 1, 1998, and every two years thereafter on council activities, including results of demonstration projects and associated benefits. The Department of Transportation provides support for the council. The council is dissolved on June 30, 2003.

Prior to creation of the council, in the 1997-99 transportation budget, \$1 million was appropriated to the Department of Transportation for grants to facilitate and demonstrate cooperation among transportation providers. Prior to the council, this effort was administered by a group appointed by the Secretary of Transportation, which mirrored the council. In 1997, grants were made to five local and private nonprofit agencies for six different contracts. The department provided updates on these projects as part of its December 1998 update.

Summary: The Agency Council for Coordinated Transportation (council) is modified to provide voting status to the eight legislative members. Three-year terms are specified for gubernatorial appointees to the council, and rules governing the council chair and vice chair are set forth. Council duties are expanded to include administering the program, managing grants, and providing assistance to local efforts. The sunset date for the council and its powers is extended from June 30, 2003, to June 30, 2007.

The objectives for the program for agency coordination are set forth. The council is directed to develop a process for working with local agencies to convene local forums to address coordination issues, provide a forum to address state coordination efforts, evaluate facility siting impacts, measure performance, provide staff and information support to stakeholders, and advocate for persons with special transportation needs.

County governments selected by the council may convene local planning forums and, if the county is to receive grant funds, must convene local planning forums to address coordination roles and responsibilities. The forums are to develop and implement such plans.

Persons with special needs and special needs coordinated transportation are defined and objectives for the program for agency coordinated transportation are set forth.

Votes on Final Passage:

House	95	0
Senate	47	0

Effective: July 25, 1999

Partial Veto Summary: The modifications to the council membership, including provisions providing legislative members with voting status, are vetoed.

VETO MESSAGE ON HB 1798-S

May 18, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 4, Engrossed Substitute House Bill No. 1798 entitled:

“AN ACT Relating to coordination of special needs transportation;”

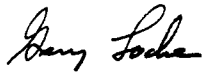
Engrossed Substitute House Bill No. 1798 expands the duties of the Agency Council on Coordinated Transportation (ACCT) to include administering the program, managing grants, and providing assistance to local efforts. It also directs ACCT to develop a process for working with local agencies.

Section 4 of the bill relates to the composition of ACCT and voting status of its members. While I applaud the participation of legislators on the Council, it is more appropriate to maintain the current statutory voting conditions. The users and providers of these services are in the best position to determine the merits of various grant proposals. The legislators already have a vote on these matters during their legislative deliberations.

For these reasons, I have vetoed section 4 of Engrossed Substitute House Bill No. 1798.

With the exception of section 4, Engrossed Substitute House Bill No. 1798 is approved.

Respectfully submitted,



Gary Locke
Governor

HB 1810

C 339 L 99

Amending the child abuse protection and treatment act.

By Representatives Boldt and Tokuda; by request of Department of Social and Health Services.

House Committee on Children & Family Services
Senate Committee on Human Services & Corrections

Background: The Department of Social and Health Services is required to disclose information regarding the abuse or neglect of a child, the investigation of the abuse or neglect, and any services related to the abuse or neglect under certain circumstances.

Summary: The Department of Social and Health Services must also disclose the abuse or neglect information in cases where the child is the victim of a near-fatality.

Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House			(House refused to concur)
Senate	48	0	(Senate receded)

Effective: July 25, 1999

SHB 1811
PARTIAL VETO
C 178 L 99

Revising provisions relating to supported employment for persons with severe disabilities.

By House Committee on Children & Family Services (originally sponsored by Representatives Tokuda, Boldt, D. Sommers, Kenney and Ogden; by request of Department of Social and Health Services).

House Committee on Children & Family Services
Senate Committee on Health & Long-Term Care

Background: The Department of Social and Health Services, in conjunction with the Department of Personnel and the Office of Financial Management, identifies state agencies that agree to participate in a supported employment program for people with developmental disabilities.

Summary: Eligibility for the supported employment program is expanded to also include people with a significant disability.

Votes on Final Passage:

House	93	0	
Senate	47	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

Partial Veto Summary: The Governor vetoed the requirement that the Department of Social and Health Services maintain information on the number of supported employment placements by type of disability and share that information with the Department of Personnel.

VETO MESSAGE ON HB 1811-S

May 5, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 4, Substitute House Bill No. 1811 entitled:

“AN ACT Relating to supported employment;”

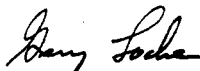
This bill would expand the state’s supported employment program to include individuals with more significant disabilities than are currently included. The supported employment program offers on-the-job training and long-term support to disabled people at the same wages and benefits received by people in similar positions who are not disabled.

Section 4 of the bill would require the Department of Social and Health Services (DSHS) to maintain certain information, and to report that information to the Department of Personnel, and for the Department of Personnel to in turn report the information to the legislature on request. Such a provision is inefficient and unnecessary in statute. DSHS currently maintains the information and will continue to do so. If the legislature wants information on supported employment, it may request it at any time.

For these reasons, I have vetoed section 4 of Substitute House Bill No. 1811.

With the exception of section 4, Substitute House Bill No. 1811 is approved.

Respectfully submitted,



Gary Locke
Governor

HB 1819

C 101 L 99

Changing provisions for school district name changes.

By Representatives Anderson, Barlean, Thomas and O'Brien.

House Committee on Education
Senate Committee on Education

Background: To change the name of a school district, 10 percent of the registered voters in the district must petition the school board and submit a proposed new name. The school board accepts or rejects the petition to change the name. If the petition is rejected, the board's decision is final. If the petition is accepted, and after notice, the board holds a public hearing on the proposed name change; the board may consider other names at the hearing. The board selects a name to present to the voters at the next special or general election. If a majority of the voters approve the proposed name change, the new name is recorded in the school district office and appropriate state officials are notified.

Summary: The school district board of directors may change the name of the school district if either 10 percent of the district's registered voters submit a petition for a new name or if the board passes a motion to hold a hearing to change the district name. In either case, the board, after giving notice, must hold a public hearing regarding the proposed name change within one month of receiving the petition or adopting the motion. Other names may be proposed at the hearing. A majority of the board may approve a new name; voter approval is not required. If a new name is adopted, the new name must be recorded in the school district office and appropriate state officials must be notified.

Votes on Final Passage:

House	96	1
Senate	46	0

Effective: July 25, 1999

SHB 1826

C 237 L 99

Requiring appointment of water masters in watershed management areas with WRIA plans.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Grant, Linville, Mastin and G. Chandler).

House Committee on Agriculture & Ecology
Senate Committee on Environmental Quality & Water Resources

Background: The water code allows the Department of Ecology (DOE) to appoint a water master for any area of the state and for such duration as the DOE finds appropriate. The water master is supervised and employed by the DOE. The water master regulates and controls the use of water within the area by regulating headgates, conduits, and reservoirs to prevent the use of water in excess of the amount to which the owner of the water right is entitled. A water master must also enforce such rules as the DOE from time to time prescribes. Water masters must be deputized by the counties or counties in their areas, and they have the power to arrest violators.

Legislation enacted in 1998 authorizes the development of watershed management plans by local planning units. Such a plan may not contain elements that create obligations for tribal, county, or state government unless each government to be obligated has at least one member on the planning unit and the members representing these governments agree to the obligations. Among the obligations expressly governed by this policy are actions imposing a fiscal impact or requiring a redeployment of resources.

Summary: The DOE may appoint a water master to each watershed management area for which a plan has been adopted by a planning unit and counties under watershed planning legislation enacted in 1998 if the plan requests or requires the appointment and funding is available.

Votes on Final Passage:

House	93	4	
Senate	41	0	(Senate amended)
House	94	0	(House concurred)

Effective: July 25, 1999

HB 1827

C 365 L 99

Concerning printing contracts entered into by state agencies.

By Representatives D. Schmidt, Romero and McMorris.

House Committee on State Government
Senate Committee on Commerce, Trade, Housing & Financial Institutions
Senate Committee on State & Local Government

Background: All printing, binding, and stationary work done for a county, city, town, port district, or school district must be done in Washington. However, this work may be done outside of the state if the:

- work cannot be executed within the state;
- lowest charge for which the work can be procured in the state exceeds the charge usually and customarily made to private individuals and corporations for similar work; or
- bids for the work are excessive and not reasonably competitive.

A similar restriction does not exist for printing done for state agencies.

Summary: Printing, binding, and stationary work ordered by a state agency must be done in the state, subject to the same exceptions for out of state work that are currently applicable to such work ordered by a county, city, town, port district, or school district.

Votes on Final Passage:

House	89	3	
House	90	3	(House reconsidered)
Senate	44	3	

Effective: July 25, 1999

HB 1831

C 313 L 99

Requiring adoption of rules for certain construction management techniques.

By Representatives Ogden, Thomas, Lantz, Carlson, H. Sommers, Keiser, Dunshee, Lambert, Quall, O'Brien, Cody, Kenney, Dunn, Santos, Schual-Berke, Lovick, Edmonds, Wood, Haigh, Rockefeller, Conway, Stensen, Dickerson, Kessler, Hurst and Esser.

House Committee on Education
House Committee on Capital Budget
Senate Committee on Ways & Means

Background: The 1995-97 capital budget implemented a pilot project for five school districts to contract with qualified teams to conduct value engineering and constructability review studies on school construction projects to determine the potential advantages and savings

associated with these processes. The results of the pilot projects demonstrated that these techniques can increase cost-effectiveness during construction and improve building systems operation during occupancy.

Value engineering is a process of evaluating the design and the components of a building and offering alternative solutions to improve the long-term value of the building. Constructability review has a similar purpose, but it analyzes the details of the design in search of potential difficulties that may arise during the actual construction of the project. Building commissioning is the process of testing all the systems in the building to determine if they are installed and working properly and making the necessary corrections to assure all the building systems are performing efficiently.

State Board of Education rules require school districts to perform value engineering on a limited basis. However, the House Task Force on School Construction Financing has recommended that the rules require a more thorough value engineering study and be expanded to include constructability reviews, building commissioning and professional construction managers. In recognition that budget constraints, limited experience and the lack of state financial assistance often cause districts to make do without these long-term cost saving techniques, the Task Force recommended that the additional cost of these construction management techniques be eligible for state matching funds.

Summary: The State Board of Education must adopt rules defining and setting qualifications and performance standards for the following construction management techniques: value engineering, constructability review, building commissioning, and construction management. The board must include the cost of these management techniques in the funding of each school construction project at the state matching percentage rate for the district. The board must consider the adequacy of the building management techniques when prioritizing school projects and allocating state funds for those projects.

School districts applying for state assistance for school facilities must use a professional firm to perform value engineering, constructability review, building commissioning and must contract or employ a professional construction manager. All recommendations from the value engineering and constructability review process must be presented to the school board for acceptance or rejection. If a recommendation is rejected, the board must provide a statement of reasons for rejecting the application for state assistance. The Office of the Superintendent of Public Instruction must provide consulting services and training information to school districts on the use and benefits of these construction management techniques.

Votes on Final Passage:

House 93 0
 Senate 48 0 (Senate amended)
 House 97 0 (House concurred)

Effective: July 25, 1999

EHB 1832

C 314 L 99

Authorizing the use of nonvoter-approved debt for school construction and repair.

By Representatives Ogden, Thomas, Lantz, Cairnes, Keiser, Carlson, Talcott, H. Sommers, Lambert, Dunshee, Quall, O'Brien, Cody, Dunn, Santos, Schual-Berke, Lovick, Edmonds, Wood, Haigh, Rockefeller, Conway, Stensen, Dickerson, Tokuda, Kessler, Hurst and Esser.

House Committee on Capital Budget
 Senate Committee on Education
 Senate Committee on Ways & Means

Background: School districts, like other government entities, have constitutional authority to issue two general classifications of debt: nonvoter-approved, often referred to as councilmanic debt; and voter-approved. Current law allows school districts to borrow or issue debt without a vote of the people up to a limit of three-eighths of 1 percent of assessed value of the property in the district. Any debt above that level must be approved by the voters in the district. The statutory limit on voter-approved debt is 5 percent of assessed value, and one-half of that limit may be used only for capital outlays. Nonvoter-approved debt is paid from existing revenue sources because it does not give the district additional taxing authority.

The use of nonvoter-approved debt is limited to acquiring real or personal property. Although not defined in law, acquisition has been interpreted to exclude construction or repair of school district property. The House Task Force on School Construction Financing has recommended that the debt limits remain unchanged, but that districts be authorized to use nonvoter-approved debt to pay for construction of new facilities, repair of existing buildings or any use authorized by voter-approved debt.

Summary: A school district may use nonvoter-approved debt for the following:

- purchasing sites for buildings or athletic facilities;
- improving energy efficiency of school buildings; and
- making structural changes and additions to school facilities.

Votes on Final Passage:

House 98 0
 Senate 48 0 (Senate amended)
 House 88 9 (House concurred)

Effective: July 25, 1999

HB 1833

C 386 L 99

Authorizing school districts to use to use capitol funds to lease or lease purchase buildings.

By Representatives Thomas, Lantz, Carlson, Keiser, Cairnes, H. Sommers, Talcott, Ogden, Quall, Dunshee, O'Brien, Murray, Cody, Pflug, Dunn, Santos, Schual-Berke, Lovick, Edmonds, Wood, Haigh, Rockefeller, Conway, Stensen, Dickerson, Kessler and Esser.

House Committee on Capital Budget
 Senate Committee on Education
 Senate Committee on Ways & Means

Background: School districts may borrow money and issue bonds to construct and renovate buildings and to provide the necessary furniture and equipment for the buildings. School districts may also apply for state financial assistance to supplement the district's money to build or renovate buildings. However, to be eligible for state financial assistance, the district must first have a voter-approved bond issue to pay the district's share of the building cost.

School districts may lease buildings and pay the lease payments from their general fund budgets. Districts also may enter into sales contracts to purchase real and personal property. However, districts may use neither the capital projects fund nor borrowed money for real estate lease payments.

Several school districts are investigating alternative methods of acquiring facilities to serve the needs of growing student enrollment. One of the alternatives to the traditional construction of new school buildings is leased facilities. The House Task Force on School Construction Financing has recommended that school districts be given the authority to enter into long-term leases or leases with purchase options to provide districts more flexibility to respond to explosive growth and changing student demographics with less up-front cost.

Summary: School districts may enter into contracts to lease buildings for up to ten years in duration. School districts may also to use state matching money and voter-approved bonds to pay for installment payments on school building purchase agreements or for long-term lease purchase contracts as long as the term of the contract is ten years or longer and contains the option for the district to purchase the property.

SHB 1838

Votes on Final Passage:

House	96	1	
Senate	47	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	47	0	(Senate amended)
House	95	1	(House concurred)

Effective: July 25, 1999

SHB 1838

C 179 L 99

Creating the impaired dentist account.

By House Committee on Health Care (originally sponsored by Representatives Schual-Berke, Mulliken and Ogden).

House Committee on Health Care
House Committee on Appropriations
Senate Committee on Health & Long-Term Care

Background: The Dental Quality Assurance Commission administers an Impaired Dentist Program for rehabilitating dentists who are impaired by substance abuse. This program is intended for dentists who volunteer or are required to participate in treatment by the commission as a condition for deferring sanctions imposed by the Uniform Disciplinary Act, such as license revocation or suspension. The program includes intervention in cases of verified impairment, referring impaired dentists to treatment, monitoring progress, providing prevention and post-treatment support, and contracting with treatment providers.

The Impaired Dentist Program is funded by a surcharge of \$15 on dental license fees, which are placed in the Health Professions Account for implementing the program.

The Impaired Physician Program under contract with the Medical Quality Assurance Commission is a similar program involving physicians, as well as osteopathic physicians, podiatrists, and veterinarians. The program includes treatment of impairments as a result of substance abuse, as well as mental illness, or other debilitating conditions. The dental commission does not contract with this impaired physician program to provide treatment services to impaired dentists.

The dental commission desires to contract with the Impaired Physicians Program to provide more complete services to impaired dentists. In order to do this, the surcharge on dental licenses must be increased to \$25.

Summary: The surcharge on dental licenses for funding the Impaired Dentist Program is increased from \$15 to \$25.

Votes on Final Passage:

House	93	0	
Senate	45	0	(Senate amended)
House	94	3	(House concurred)

Effective: July 25, 1999

EHB 1845

C 110 L 99

Providing for vocational rehabilitation benefits under industrial insurance.

By Representatives B. Chandler, Clements, McMorris, Lisk, Conway and Wood.

House Committee on Commerce & Labor
Senate Committee on Labor & Workforce Development

Background: The Department of Labor and Industries is authorized to pay, and may direct self-insured employers to pay, the costs of vocational rehabilitation services for injured workers when these services are necessary and likely to enable the injured worker to become employable at gainful employment. These costs are limited to \$3,000 in a 52-week period and include the cost of books, tuition, fees, supplies, equipment, transportation, child or dependent care, and other necessary expenses. The department may extend the period of benefits for an additional 52 weeks.

Summary: Beginning with vocational rehabilitation plans approved on or after July 1, 1999, the maximum amount that the Department of Labor and Industries may pay, or order a self-insurer to pay, for an injured worker's vocational rehabilitation benefits in a 52-week period is increased from \$3,000 to \$4,000. (The new limit also applies if a second year of benefits is authorized.)

The expenditure limit no longer applies to the injured worker's transportation costs.

The department is required to conduct a cost-benefit analysis of the benefit increase, including an examination of benefit utilization and vocational results. The analysis must be reported to the Workers' Compensation Advisory Committee and the appropriate committees of the Legislature by November 1, 2001.

Votes on Final Passage:

House	98	0	
Senate	47	0	

Effective: July 25, 1999

SHB 1848

C 306 L 99

Clarifying the authority of port districts.

By House Committee on Local Government (originally sponsored by Representatives Grant, Mastin and Dunn).

House Committee on Local Government
Senate Committee on State & Local Government

Background: Port District Powers. Port districts are authorized to acquire, construct, maintain, operate, develop and regulate harbor improvements, rail or motor vehicle transfer and terminal facilities, water and air transfer and terminal facilities, or any combination of these facilities within the district. A port district may also, through its commission, spend money and conduct promotions of resources and facilities within the district or general area through advertising, publicizing, or marketing.

Port District Interlocal Cooperation Agreements. Port districts may jointly exercise powers with any other port district to jointly acquire lands, property, property rights, leases, or easements necessary for port district purposes, either within or without the county(s) where the districts are located. A district may also enter into a contract with the United States or any state, county, or municipal corporation for carrying out any agreed duties.

The Washington Constitution expressly states that the use of public funds by port districts for industrial development or trade promotion is deemed a public use for a public purpose.

Summary: Port districts located in a county with contiguous borders with another state and a population between 50,000 and 70,000 are authorized to exercise industrial development or trade promotion powers outside district or state boundaries or joint authority with another port district or in cooperation with other public agencies through an interlocal cooperation agreement.

This authority may be exercised only after a notice of public hearing has been published at least 10 days in advance in a newspaper within the district, and pursuant to findings and a resolution of the port district commissioners. The finding must state that:

- the district's participation will substantially benefit the district and the state; and
- the district's share of the cost will not exceed an amount calculated by dividing the total cost of the undertaking by the number of participants.

Votes on Final Passage:

House	96	0	
Senate	48	1	(Senate amended)
House	92	5	(House concurred)

Effective: July 25, 1999

HB 1849

C 330 L 99

Expanding aggravating circumstances when a court may impose an exceptional sentence.

By Representatives Kagi, Carrell, Tokuda, Boldt, Lovick, Barlean, McIntire, Edwards, Kenney and Schual-Berke.

House Committee on Criminal Justice & Corrections
Senate Committee on Judiciary

Background: In sentencing a defendant who is convicted of a misdemeanor or gross misdemeanor, the court generally has discretion to impose any sentence up to the maximum allowed by law.

Under the Sentencing Reform Act (SRA), however, "presumptive" sentence ranges are statutorily prescribed and when sentencing a defendant who is convicted of a felony, the standard range is presumed to be appropriate for the typical felony case. However, the law provides that in exceptional cases, a court has the discretion to depart from the standard range and may impose an exceptional sentence below the presumptive range (there are mitigating circumstances) or above the range (if there are aggravating circumstances). The SRA provides "illustrative" mitigating and aggravating factors as examples of the kinds of factors a court may use to justify an exceptional sentence outside of the presumptive range. Among the illustrative aggravating factors provided by the SRA are deliberate cruelty by a defendant, vulnerability of a victim, sexual motivation on the part of the defendant, and multiple incidents of abuse of a victim.

Summary: The list of "illustrative" aggravating factors in the Sentencing Reform Act is expanded to include an offender who knew the victim was a runaway (a youth who was not residing with a legal custodian) and the offender established or promoted the relationship for the primary purposes of victimization. (This new illustrative aggravating circumstance is an example of the kind of factor a court may use to justify an exceptional sentence outside of the presumptive range.)

Votes on Final Passage:

House	92	0	
Senate	46	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

HB 1863

C 366 L 99

Providing for compensation to part-time health commissions.

By Representatives Skinner, Cody, Lovick and Campbell.

House Committee on Health Care

Senate Committee on Health & Long-Term Care

Senate Committee on Ways & Means

Background: State government is served by a number of committees, boards and commissions whose members are appointed from the public at large. These entities are charged with varying responsibilities, ranging from providing expertise in the administration of specified programs to policy development. Compensation for these part-time public members is specified by law according to the degree of responsibilities exercised by these entities.

There are a number of advisory committees, boards and commissions composed of health professionals with responsibilities for credentialing applicants for licensing, certification, and registration, and which may have disciplinary functions. There are four full-authority commissions with disciplinary authority governing the practices of medicine, dentistry, nursing and chiropractic respectively.

The law fixes the rates of compensation for appointees of four groups of committees, according to their level of responsibilities. Class 1 boards are advisory in nature, and their members receive no compensation. Class 2 boards are agricultural commodity commissions and their members receive up to \$35 per day. Class 3 boards have full-authority regulatory or licensing functions and their members receive up to \$50 per day. Class 4 boards have duties deemed by the Legislature to be of overriding sensitivity and importance and their members receive up to \$100 per day. Administrative costs of the commissions and boards are borne by license fees.

Summary: A new Class 5 group is created for compensating members of the health care commissions having quasi-judicial functions with responsibilities for policy direction in health professional credentialing programs, and regulatory and licensing functions. Members of these commissions may receive compensation of up to \$250 per day for each day spent in performing authorized duties. The Class 5 group includes the medical, dental, chiropractic and nursing quality assurance commissions.

Votes on Final Passage:

House	93	2	
Senate	39	6	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 1864

C 335 L 99

Providing for the registration of surgical technologists.

By House Committee on Health Care (originally sponsored by Representatives Cody, Boldt, Campbell, Wood and Koster).

House Committee on Health Care

House Committee on Appropriations

Senate Committee on Health & Long-Term Care

Background: Surgical technologists are non-regulated personnel principally employed by hospitals as part of the operating room team who work under the supervision of surgeons to perform certain skills and aseptic techniques commonly associated with the "scrub" role during surgery. Some surgical technologists are employed by ambulatory surgery centers or private physician operating suites.

Under the Sunrise Review Act, the Legislature, requested the Department of Health and the Board of Health to study the need for regulating surgical technologists and to make findings and recommendations on this issue. The department and the board jointly recommended that surgical technologists be registered under the Secretary of Health in order to establish standards and provide oversight through the Uniform Disciplinary Act.

Summary: There is a declaration of legislative intent that the registration of surgical technologists is in the public interest.

A surgical technologist is defined as a person, regardless of title, who is supervised in the surgical setting under the authority of a health practitioner acting within the scope of his or her license.

A surgical technologist representing himself or herself as a surgical technologist is required to register with the Department of Health. Exemptions from the registration requirement are specified.

The department is authorized to adopt rules, set registration fees and administer the registration program. The Uniform Disciplinary Act governs the discipline of surgical technologists for unprofessional conduct, and the Secretary of Health acts as the disciplining authority.

Votes on Final Passage:

House	95	0
Senate	45	4

Effective: July 25, 1999

2SHB 1871

C 342 L 99

Creating the salmon stamp programs.

By House Committee on Natural Resources (originally sponsored by Representatives Linville, Ericksen, Regala, Reardon, Buck, Cooper, Clements and G. Chandler).

House Committee on Natural Resources
House Committee on Appropriations
Senate Committee on Natural Resources, Parks & Recreation
Senate Committee on Ways & Means

Background: Fish and wildlife stamps can serve several purposes. These stamps may be required as part of a fishing or hunting license to raise revenues for the protection and acquisition of habitat. These stamps may also be used to provide a voluntary opportunity for people to support fish and wildlife habitat.

In Washington, there is no required salmon stamp program, but there is a required migratory bird stamp for migratory bird hunters. Hunters must purchase the bird stamps, which cost \$6, in addition to a basic hunting license. The stamps may also be purchased by non-hunters and collectors, who often buy them in sheets or blocks. The revenue from the sale of migratory bird stamps is used to support the migratory bird program.

Washington's bird stamp program is modeled on the federal Duck Stamp program started in 1934. Duck stamps must be purchased by hunters who hunt for ducks on national wildlife refuges, and may be purchased by others. The revenues from the sale of duck stamps are used to purchase and lease waterfowl habitat. Federal duck stamps are collector's items and have appreciated in value over the years.

Several stocks of Pacific salmonids have been listed as threatened or endangered under the federal Endangered Species Act. Recovery of these stocks requires funding, as well as public awareness.

Summary: The Washington salmon stamp program is created in the Department of Fish and Wildlife. A salmonid species native to Washington is to be portrayed in the form of stamps, posters, and prints for sale in a wide range of prices and editions. Proceeds from the sale of the stamp are for the sole purpose of fisheries enhancement and habitat restoration by regional fisheries enhancement groups. Each year, a competition open to all Washington artists for the creation of the year's salmon stamp is to be announced by the department. The winning artist receives a monetary award.

In addition, the junior salmon stamp program is created in the department. This program is identical to the salmon stamp program, except that the artists' competition is open to children in grades kindergarten through 12. The winning junior artist receives a scholarship award.

The salmon stamp selection committee is created. The committee is comprised of five individuals appointed by the Governor and will select the winning entries.

All receipts from the salmon stamp program must be deposited in the regional fisheries enhancement account. The department must report biennially to the Legislature on the amount of money generated by the program and the salmon recovery projects funded.

Votes on Final Passage:

House	85	11	
Senate	47	0	(Senate amended)
House			(House refused to concur)
Senate	41	0	(Senate receded)

Effective: July 25, 1999

SHB 1880

C 336 L 99

Providing for self-directed care of persons with disabilities.

By House Committee on Health Care (originally sponsored by Representatives Cody, Schual-Berke, Kenney and Edmonds).

House Committee on Health Care
House Committee on Appropriations
Senate Committee on Health & Long-Term Care
Senate Committee on Ways & Means

Background: Persons with functional disabilities encounter legal barriers to providing for their health care needs in their own home by securing the assistance of non-professional care providers. The health professional licensure acts have an unintended consequence of prohibiting non-professional providers, such as personal aides, from assisting persons with functional disabilities in routine health-related tasks that persons without disabilities personally and customarily perform for themselves.

Summary: There is a declaration of legislative intent to clarify the right of adults with functional disabilities to choose to self-direct their own health-related tasks in their own home through personal aides. It is in the public interest to preserve the autonomy and dignity of persons with functional disabilities by allowing them to care for themselves through personal aides in their own homes as a health care option.

An adult person with a functional disability living at home may direct and supervise a paid personal aide in the performance of a health care task under specified guidelines. These guidelines include the following:

- The health care tasks are those medical, nursing, or home health services, that enable the person to maintain independence, personal hygiene and safety at home, that a person without the disability would personally perform;

- The health care provider incurs no additional liability when ordering a health care task which is to be done through self-directed care through a personal aide;
- The role of the personal aide is limited to performing physical health care tasks under the direction of the patient, but may also include other home care services such as personal care or homemaker services;
- The responsibility to initiate health care tasks and exercise judgment rests with the person self-directing those tasks, including the decision to employ or dismiss the personal aide. Individuals choosing to self-direct their care are responsible for initiating the self-direction by informing their health care professional.

Personal care aides who contract with the Department of Social and Health Services are required to register with the department. The department is directed to register any personal care aide with a substantive finding of abuse, neglect, abandonment, or exploitation.

The department is authorized to develop training requirements and background checks for individual providers and home health care agency providers who serve Medicaid clients. The department must deny payment to individual providers and home care providers who do not complete training requirements.

Clients with functional disabilities who self-direct their own care through personal aides are considered vulnerable adults protected from acts of abuse, neglect, exploitation or abandonment committed by personal aides.

A personal aide engaging in the performance of health care tasks pursuant to this act is exempt from any legal requirement to qualify and be credentialed by the Department of Health as a health care provider under Title 18 RCW.

The University of Washington School of Nursing is directed to study the implementation of the act and submit a report to the Legislature by November 1, 2001, with findings and recommendations for improving the act.

Votes on Final Passage:

House	95	0	
Senate	46	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

ESHB 1887
PARTIAL VETO

C 211 L 99

Revising the machinery and equipment tax exemption for manufacturers and processors for hire.

By House Committee on Finance (originally sponsored by Representatives Kessler, Lisk, Grant, Wensman, Wolfe and Pennington; by request of Department of Revenue).

House Committee on Finance
Senate Committee on Ways & Means

Background: The sales tax is imposed on retail sales of most items of tangible personal property and some services. Use tax is imposed on the use of an item in Washington, when the acquisition of the item or service has not been subject to sales tax. The combined state and local sales and use tax rate is between 7 and 8.6 percent, depending on location.

Major items exempt from sales and use tax include most food for human consumption, prescription drugs, motor vehicle fuel, utility services, professional services (e.g., medical, legal), certain business services (e.g., accounting, engineering), and items that become a component of another product for sale.

Machinery and equipment sold to a manufacturer or a processor for hire that are directly used in a manufacturing operation or research and development operation are exempt from sales tax and use tax. This exemption was enacted July 1, 1995.

There has been some disagreement about which activities are eligible for the manufacturing sales and use tax exemption. On January 16, 1996, the Department of Revenue issued a special notice explaining that logging equipment was not eligible for the exemption. The department stated that logging was an extracting activity not a manufacturing activity. Since then the department has changed its position and allows logging equipment to be eligible for the exemption. In addition, the department's interpretation is that rock crushing equipment is also exempt.

Summary: The definition of manufacturing is modified to include the cutting, delimiting, and measuring of felled, cut, or taken trees, and the crushing and/or blending of rock, sand, stone, gravel, or ore. This change makes certain logging and rock crushing activity eligible for the manufacturing machinery and equipment sales and use tax exemption.

The provisions related to logging and rock crushing equipment are made retroactive to allow refunds to persons who previously paid the sales or use tax.

Businesses that test products for manufacturers are exempt from sales and use tax on the machinery and equipment used in a testing operation.

Votes on Final Passage:

House 93 0
 Senate 47 0

Effective: July 25, 1999

Partial Veto Summary: The Governor vetoed the emergency clause on the sales and use tax exemption for equipment used in a testing operation.

VETO MESSAGE ON HB 1887-S.E

May 7, 1999

To the Honorable Speaker and Members,
 The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 8, Engrossed Substitute House Bill No. 1887 entitled:

"AN ACT Relating to revising the machinery and equipment tax exemption by more precisely describing terminology and eligibility;"

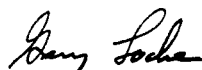
Engrossed Substitute House Bill No. 1887 clarifies the intent of the legislature regarding the application of the retail sales and use tax exemption for manufacturing equipment and machinery, and extends the exemption to machinery and equipment for businesses that perform testing of manufactured goods for manufacturers or processors for hire.

ESHB 1887 clarifies the scope of a tax exemption and is very important. Taxpayers who are eligible for the exemption, as well as our state and local governments, need the certainty that this bill will provide. I have assumed, as did the legislature (as indicated by our respective balance sheets), that there is no fiscal impact associated with sections 1 through 4 of the bill. That is based on the continuing application of the "majority use" standard for machinery and equipment that has both qualifying and nonqualifying uses. The majority use standard affords meaningful use of the exemption to taxpayers, is fair, and is a reasonable way to administer the exemption consistent with the law, legislative intent, and promotion of economic development in our state. I strongly support the Department of Revenue's continued use of this standard.

Section 8 of ESHB 1887 is an emergency clause providing a July 1, 1999 effective date for sections 5 and 6 of the bill. Sections 5 and 6 extend the benefits of the tax exemption to testing operations. Unlike the remainder of this legislation, sections 5 and 6 represent a clear change in policy rather than a clarification of the 1995 law. The need for the policy change, although important, does not constitute an emergency.

For these reasons, I have vetoed section 8 of Engrossed Substitute House Bill No. 1887. With the exception of section 8, Engrossed Substitute House Bill No. 1887 is approved.

Respectfully submitted,



Gary Locke
 Governor

EHB 1894

C 396 L 99

Correcting industrial insurance benefit errors.

By Representative Conway.

House Committee on Commerce & Labor
 Senate Committee on Labor & Workforce Development

Background: The industrial insurance law permits the Department of Labor and Industries to recover benefits that are overpaid to injured workers because of clerical error, mistaken identity, innocent misrepresentation, or similar circumstances. The department must make a claim for repayment within one year of making the overpayment or the claim is deemed waived.

This statute does not address benefits that are underpaid. If the department issues an order that underpays benefits, the worker must ask the department to reconsider the order or must file an appeal with the Board of Industrial Insurance Appeals within 60 days. If a request for reconsideration or an appeal is not filed within the time period, the order is final and binding.

The Washington Supreme Court has held that the doctrine of claim preclusion applies to final orders of the department. The court stated that failure to appeal an order, even an order containing a clear error of law, precludes reargument of the same claim. Under the court's decision, final department orders may not be declared void unless the department lacked either personal or subject matter jurisdiction over the claim.

Summary: If the Department of Labor and Industries or a self-insured employer fails to pay industrial insurance benefits because of clerical error, mistake of identity, or innocent misrepresentation, the recipient of the benefits may request adjustment of the benefits. Adjustment must be requested within one year from the date of the incorrect payment or the claim is deemed waived. Adjustment may not be sought for adjudicator error, including failing to consider information in the claim file, failing to secure adequate information, or making an error in judgment.

Votes on Final Passage:

House 95 0
 Senate 49 0

Effective: July 25, 1999

SHB 1910
FULL VETO

Establishing logos for substances approved for use in the production, processing, and handling of organic food.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives G. Chandler and Anderson).

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic Development

Background: The state's organic food laws authorize the director of the Department of Agriculture to establish by rule a certification program for producers, processors, and vendors of organic and transition to organic food. Among the rules adopted establishing such certification programs are those designating logos for that may be used by various certificate holders. These logos contain the seal of the state of Washington.

The organic food laws require the director to establish a list of approved substances that may be used in the production, processing, and handling of organic food. Materials manufactured for use in producing organic food may be registered with the department under rules adopted by the department.

Summary: Unless otherwise provided for by rule, substances approved by the director of the Department of Agriculture and registered for use in organic food production may be identified by the use of a logo. Such a logo may include the seal of the state of Washington. This authority does not require rule-making.

Votes on Final Passage:

House	95	1
Senate	47	0

VETO MESSAGE ON HB 1910-S

April 23, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute House Bill No. 1910 entitled:

"AN ACT Relating to establishing logos for substances approved for use in the production, processing, and handling of organic food;"

Substitute House Bill No. 1910 would authorize products used in organic food production, certified by the Department of Agriculture, to be identified by a logo that may contain the state seal. Long standing state law prohibits use of the state seal in connection with any advertising, promotion or endorsement for any business, organization, product, service or article. The state has always taken great care to protect the dignity and sanctity of its seal, and has only allowed its use in connection with commercial products on the official certification logos of state agencies.

I am concerned that allowing the state seal to be used commercially on organic products – not as part of official state certification logos – would set a new precedent for widespread commercial use. The Secretary of State, who is charged with re-

sponsibility for our state seal, has raised grave concerns that this bill would be contrary to state policy, and could lead to degradation of our state seal.

The Department of Agriculture is currently in the process of adopting rules to create official certification logos for products used in organic food production. I will direct the Department to move forward as expeditiously as possible to complete the rulemaking, and to use reasonable efforts to assure that the logo is consistent with others in the organic products program. It is highly likely that the rulemaking process will be concluded within 30 days of the effective date of this bill, avoiding undue delay.

For these reasons I have vetoed Substitute House Bill No. 1910 in its entirety.

Respectfully submitted,



Gary Locke
Governor

SHB 1935
C 350 L 99

Adjusting eligibility for early childhood assistance programs.

By House Committee on Appropriations (originally sponsored by Representatives Tokuda, Boldt, Ogden, Schual-Berke, Lovick, Kessler, Kenney, Rockefeller, Murray, Scott, Edmonds, Conway, Kagi, Santos, Poulsen, Veloria and Lantz).

House Committee on Appropriations
Senate Committee on Education

Background: The Early Childhood Education and Assistance Program (ECEAP) is a voluntary preschool program designed to assist eligible children with educational, social, health, nutritional, and cultural development to enhance their opportunity for success in the common school system. The target ECEAP population is four-year-old children whose family incomes are at or below 100 percent of the federal poverty level.

The Department of Community, Trade, and Economic Development (DCTED) administers the ECEAP program through grants to local contractors, including school districts, educational service districts, local governments, nonprofit organizations, child-care providers, community colleges, and tribal programs. There are 292 program sites statewide.

Eligible children may be admitted to approved ECEAP programs only to the extent that the Legislature provides funds. For the 1997-99 biennium, the Legislature appropriated approximately \$60 million from the general fund for ECEAP purposes, supporting 7,032 openings for eligible children.

In fiscal year 1998, DCTED contractors turned away 1,396 ECEAP applicants for income-related reasons. As

of the end of February, 1999, 8 percent of available slots in ECEAP programs were unfilled.

Summary: The family income eligibility requirement for the target ECEAP population is changed to 110 percent of the federal poverty level. The number of funded ECEAP slots continues to be determined by legislative appropriation.

Votes on Final Passage:

House	96	0	
Senate	34	14	(Senate amended)
House			(House refused to concur)
Senate	46	0	(Senate receded)

Effective: July 25, 1999

HB 1936

C 340 L 99

Requiring employability screening for recipients of temporary assistance for needy families.

By Representatives Tokuda, Boldt, D. Sommers and Santos.

House Committee on Children & Family Services
Senate Committee on Labor & Workforce Development

Background: All recipients of temporary assistance for needy families must engage in an immediate job search after being determined eligible for the program. If they are unsuccessful at a job search, they are assessed to identify their barriers to employment.

Summary: All recipients of temporary assistance for needy families are subject to an employability screen prior to engaging in a job search. If the screen determines the recipient is unemployable, they are immediately screened to identify their specific barriers to employment.

Votes on Final Passage:

House	91	0	
Senate	28	19	(Senate amended)
House			(House refused to concur)
Senate	43	0	(Senate receded)

Effective: July 25, 1999

SHB 1951

C 367 L 99

Protecting remains in abandoned cemeteries.

By House Committee on Judiciary (originally sponsored by Representatives Lantz, DeBolt, Miloscia, McDonald, Stensen and Santos).

House Committee on Judiciary
Senate Committee on State & Local Government

Background: For most purposes, state law defines a "cemetery" as a place that is dedicated for burial or interment of human remains. Dedication requires filing of a map or plat of the cemetery property and a written declaration that the property is to be used exclusively for cemetery purposes.

Once property has been dedicated, the dedication may be removed by a superior court decree. Removal of dedication may be ordered if proof is shown that:

- there are no interments remaining on the property; and
 - at least 60 days' notice of the proposed removal of dedication was given the cemetery board.
- An "abandoned" cemetery is one for which:
- the county assessor can find no record of an owner; or
 - the last known owner is dead and the land has not been conveyed to a new owner; or
 - the company or organization that ran the cemetery has disbanded, been dissolved, or otherwise ceased to exist, and the land has not been conveyed to a new owner.

For purposes of "abandoned" cemeteries, a "cemetery" includes any place where five or more human remains are buried. If no boundaries for the cemetery are recorded with the county assessor, the boundaries of an abandoned cemetery are 10 feet in all directions from each burial site. An abandoned cemetery is considered "permanently dedicated," subject to the removal of dedication provisions described above.

Human remains may be removed from a cemetery with the consent of the operator of the cemetery and the consent of a surviving family member. If consent cannot be gotten, the superior court may allow the removal of the remains, but only if removal does not violate the terms of a contract or the rules of the cemetery.

As a practical matter, however, many older burial sites have never been formally dedicated or catalogued, and are subject to destruction without notice.

Summary: Any recording of a title document for a dedicated cemetery must include the fact of that dedication.

Before dedication of a cemetery is removed, at least 60 days' notice must be given to the Office of Archaeology and Historic Preservation and to the county auditor.

Votes on Final Passage:

House	97	0	
Senate	42	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

ESHB 1963

C 9 L 99

Allowing the rebuilding of a farmhouse in a floodway under certain circumstances.

By House Committee on Local Government (originally sponsored by Representatives Koster, Dunshee, O'Brien, Anderson, G. Chandler, Sump, Dunn, B. Chandler and Mulliken).

House Committee on Local Government
Senate Committee on State & Local Government

Background: The federal National Flood Insurance Act of 1968 and Flood Disaster Protection Act of 1973 were enacted in an effort to alleviate flood damages and expenditures of government funds. The Department of Ecology (DOE) coordinates the flood plain management regulation elements of the national flood insurance program (NFIP) in Washington. Local flood plain management regulations applicable to construction activities which might affect the security of life, health and property against flood damage must include:

- local government administration of NFIP regulatory requirements;
- minimum state requirements for flood plain management that equal the minimum federal requirements for the NFIP; and
- regulatory orders to ensure compliance.

State and local flood plain management regulations are based on designated special flood hazard areas on Federal Emergency Management Agency (FEMA) maps. Civil penalties may be imposed for violating flood plain management regulations.

The DOE is required to establish minimum state requirements and has authority to approve or reject designs and plans for structures or works constructed across the floodway of any stream or water body in the state. The DOE may provide technical and other assistance to local governments with respect to flood plain management.

A local flood plain management ordinance or amendment takes effect 30 days from filing with the DOE unless disapproved within that period. The DOE may disapprove a local flood plain ordinance or amendment if it does not comply with the minimum NFIP or state requirements. The DOE also may disapprove if the local flood plain management ordinance or amendment does not restrict land uses within designated floodways, including prohibiting of construction or reconstruction of residential structures except:

- repairs, reconstruction or improvements not increasing ground floor area; and
- repairs, reconstruction or improvements, the cost of which does not exceed 50 percent of the structure's market value either before the repair started or before the damage occurred.

Summary: An exemption to the floodway prohibition is created for farmhouses, and a mechanism for the DOE to consider waiving the floodway prohibition for other structures is established. A "farmhouse" is defined as a single-family dwelling locating on a farm site where resulting agricultural products are not produced for the primary consumption or use by the dwelling's occupants and owner.

Existing farmhouses in designated floodways and located on lands designated as agricultural lands of long-term commercial significance according to the Growth Management Act (GMA) are exempt from the prohibition against construction or replacement of existing farmhouses in designated floodways if the following conditions are satisfied:

- the new farmhouse replaces of an existing farmhouse on the same farm site;
- no potential building site outside the designated floodway exists for a replacement farmhouse on the same farm;
- replacement, repairs, reconstruction or improvements do not exceed or increase the total square footage of encroachment of the existing farmhouse;
- the entire existing farmhouse, if replaced, is completely removed within 90 days after occupancy of the new farmhouse;
- for substantial improvements and replacements, the lowest floor elevation (including basement) is one foot higher than the base flood elevation;
- new and replacement water supply and sanitary sewer systems are designed to eliminate or minimize flood water infiltration or sanitary sewer discharge into flood waters; and
- utilities and utility connections are located to eliminate or minimize flood damage.

For residential structures other than farmhouses, the DOE, using scientific analysis, may assess the risk of harm to life and property related to the specific floodway conditions and exercise best professional judgment regarding recommendations on repair, replacement, reconstruction or relocation of damaged structures. Siting of replacement homes other than farmhouses must evaluate flood depth, flood velocity and flood-related erosion to identify a building site with the least risk of harm to life and property. The DOE's recommendation to allow repair or replacement constitutes a waiver of the floodway prohibition.

The DOE is required to develop rules to guide assessment procedures and criteria for repair or replacement of farmhouses and other residential structures.

Votes on Final Passage:

House	98	0
Senate	47	0

Effective: April 15, 1999

SHB 1969

C 356 L 99

Exempting real property that will be developed by nonprofit organizations to provide homes for the aging.

By House Committee on Finance (originally sponsored by Representatives McIntire, Benson, Dunshee, Tokuda, Schual-Berke, Eickmeyer, Scott, Kenney, Dunn, Rockefeller, Conway, Poulsen, Veloria, D. Schmidt, Cody, Ruderman, O'Brien, Edmonds, Lantz, Regala, Murray, Lovick, Santos, Kagi, Haigh and Kessler).

House Committee on Economic Development, Housing & Trade

House Committee on Finance

Senate Committee on Health & Long-Term Care

Senate Committee on Ways & Means

Background: Nonprofit homes for the aging are residential housing facilities for persons at least 62 years of age. These nonprofit homes are eligible for a property tax exemption. Some nonprofit homes for the aging receive a full exemption and others receive a partial exemption. The exemption amount is determined by a two-part formula.

The first part of the formula fully exempts nonprofit homes for the aging that are subsidized under a Federal Housing and Urban Development program or that received tax exempt bond financing requiring a set-aside for low income residents. It also fully exempts nonprofit homes for the aging with at least 50 percent of the occupied dwelling units occupied by households with incomes below \$22,000 or 80 percent of the county median family income level.

The second part of the formula provides a partial property tax exemption for the homes that do not qualify for a full exemption. The percent of the property that is exempt is equal to the percentage of dwelling units occupied by persons that require assistance with activities of daily living plus the units occupied by persons with incomes below \$22,000 or 80 percent of the county median family income level.

Eligible nonprofit homes for the aging apply for tax relief during the year before taxes are due. The number of dwelling units occupied by low income persons is counted on January 1 of the year in which they apply. The reduction in the property tax bill occurs in the following year. There is a one-year delay between the date on which the number of low income occupants is measured and the year in which the exemption is received.

Summary: The date for calculating the number of low-income occupants of a nonprofit home for the aging is moved from January 1 to December 31 for the first year of operation.

Votes on Final Passage:

House	96	0	
Senate	46	1	(Senate amended)
House	96	0	(House concurred)

Effective: May 17, 1999

SHB 1971

C 351 L 99

Enhancing traffic safety.

By House Committee on Transportation (originally sponsored by Representatives D. Sommers, Wood, Benson, Schindler and Gombosky).

House Committee on Transportation

Senate Committee on Transportation

Background: In 1998, the Legislature passed the Cooper Jones Act regarding bicycle and pedestrian safety. The legislation required the Washington Traffic Safety Commission to form a bicycle and pedestrian safety education committee.

Under the Cooper Jones Act, a law enforcement officer must report a driver to the Department of Licensing for a new driver's license test if the driver was involved in an accident resulting in a fatality or serious injury, the driver was responsible for the accident, and the officer determined the driver was not competent to operate a motor vehicle.

The Department of Licensing must retest a driver reported for a fatality accident and may retest a driver reported for a serious injury accident.

A person or employer who operates as a motor carrier must establish a controlled substance and alcohol testing program that complies with the requirements of the federal motor carrier safety regulations.

Summary: An officer must report a driver to the Department of Licensing if there was a collision resulting in a fatality and the driver was responsible for the collision.

In the case of a collision resulting in a serious injury, A law enforcement officer must report a driver to the Department of Licensing if the driver was responsible for the collision, and the officer determined the driver was not competent to operate a motor vehicle. The Department of Licensing is required to retest drivers reported for serious injury accidents, as well as fatality accidents.

The Washington Traffic Safety Commission must make periodic reports to the Legislature regarding the progress of the bicycle and pedestrian education program.

Penalties are established or increased for motor carriers without a drug testing program and motor carriers who fail to comply with the federal testing program. There is a \$1,500 penalty for not implementing or being out of compliance with the testing program, a \$500 penalty for each employed driver that is out of compliance, and a \$1,500

ESHB 1991

penalty when an employer knowingly uses a driver that tests positive.

Votes on Final Passage:

House	96	0	
Senate	48	0	(Senate amended)
House	94	0	(House concurred)

Effective: July 25, 1999

ESHB 1991

C 346 L 99

Consolidating statutes that authorize the board of regents of the University of Washington to control university property.

By House Committee on Capital Budget (originally sponsored by Representatives Murray and Mitchell).

House Committee on Capital Budget
Senate Committee on Ways & Means

Background: In 1860, the Legislative Assembly of the Washington Territory established a university in Seattle if 10 acres of land suitable for a university would be "executed" to the territory. The following year, three families donated a forested 10-acre knoll overlooking Elliott Bay, fulfilling the Legislature's stipulation. The University of Washington operated on this site until it could no longer accommodate the growth of the university. In 1893, the Legislature appropriated money for the acquisition of land at Montlake, which is the present campus of the University of Washington.

The state retained ownership of the original 10-acre university site, which is now the center of downtown Seattle, when the university moved to its present campus in 1895. The site, known as the Metropolitan Tract, contains more than 1.4 million sq. ft. of rentable office space, 230,000 sq. ft. of commercial space, and 450 hotel rooms and access to more than 2,000 parking spaces. The entire Metropolitan Tract is managed under the direction of the Board of Regents of the University of Washington (board) and is leased to two lessees. The Four Seasons Olympic Hotel and Garage began leasing in 1952, with the current lease expiring in 2040. UNICO Properties began leasing the remainder of the tract in 1953, with an expiration date of 2014.

One of the policies adopted by the board for the management of the Metropolitan Tract is that the university provide all the funds for building modernization and new construction out of its lease revenues in order to retain control over the condition of the buildings, particularly in later years of the lease, as well as to reduce risk for the lessee. Over the years, the University of Washington reinvested lease revenues into the development of the Metropolitan Tract resulting in an appreciating asset valued in excess of \$150 million.

The University of Washington is reviewing its long-term strategy for the Metropolitan Tract and has requested more management flexibility from the Legislature.

Summary: The board of Regents of the University of Washington is authorized to lease the Metropolitan Tract property for up to 80 years. The Board is also given full control over the tract to manage, operate, lease, borrow funds, and incur indebtedness as any other property of the University of Washington.

A new nonappropriated local bond retirement account is created. The net proceeds from leases on the Metropolitan Tract must be deposited into the facilities bond retirement account. Funds in the facilities bond retirement account that are in excess of debt services needs must be transferred to the University of Washington Building Account.

The board must provide a report on all transactions of the Metropolitan Tract to the Joint Legislative Audit and Review Committee every two years.

Votes on Final Passage:

House	95	0	
Senate	49	0	(Senate amended)
House	97	0	(House concurred)

Effective: May 17, 1999

SHB 1992

C 337 L 99

Allowing a certified emergency medical technician to administer epinephrine.

By House Committee on Health Care (originally sponsored by Representatives Ballasiotes, Schual-Berke and Rockefeller).

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: Anaphylaxis is an allergic hypersensitivity reaction of the body to a foreign protein or drug. Anaphylaxis can be caused by drugs, insect stings, foods, and inhalants. A reaction may cause increased irritability, dyspnea, or cyanosis. In some cases it can result in convulsions, unconsciousness, and even death.

Epinephrine is used to treat anaphylactic reactions. Those with severe allergies that could result in an anaphylactic reaction may receive a prescription to administer a dose of epinephrine through the use of an autoinjector device. Paramedics and intermediate life support technicians may administer epinephrine. Emergency medical technicians, however, may only administer epinephrine to patients who have a prescription for epinephrine for allergic reactions.

Summary: Beginning January 1, 2000, emergency medical technicians (EMTs) are required to carry epinephrine

and are authorized to administer it upon the request of the patient or to other authorized individuals under the age of 18, with specifications. Emergency care personnel referred to as first responders are not authorized to administer epinephrine. These provisions expire on December 31, 2001.

The Department of Health (DOH) in cooperation with the House of Representatives Health Care Committee is required to review the use of epinephrine for anaphylaxis by EMTs and determine the number of incidents of anaphylaxis statewide, the training costs associated with establishing specialized training for EMTs to carry and administer epinephrine, and an assessment of the potential risks associated with the use of epinephrine.

The DOH is allowed to establish a pilot program to determine the effectiveness of training EMTs to carry and administer epinephrine to persons under the age of 30. The DOH is allowed to establish a volunteer advisory committee to assist with the development and review of the pilot program.

Votes on Final Passage:

House	97	0	
Senate	46	0	(Senate amended)
House	95	1	(House concurred)

Effective: May 14, 1999
January 1, 2000 (Section 4)

HB 1996
C 111 L 99

Regulating charter boat safety.

By Representatives Parlette and Cooper; by request of Department of Labor & Industries.

House Committee on Natural Resources
Senate Committee on Transportation

Background: Under the 1989 Charter Boat Safety Act, the Department of Labor and Industries licenses charter boat operators transporting more than six passengers on inland navigable waters.

A charter boat is defined as a motorized vessel or barge that is not inspected or licensed by the United States Coast Guard (USCG) and that is operating on inland navigable waters of the state. Inland navigable waters are all waters within the territorial limits of the state shoreward of the navigational demarcation lines dividing the high seas from harbors, rivers, lakes, and other inland waters of the state.

The operation of a charter boat on inland navigable waters is prohibited unless the department has inspected the vessel, issued a current certificate of inspection, and the operator of the charter has been issued a license. A certificate of inspection is valid one year from the date of issuance.

Vessels operating as charter boats must have a registration certificate which is available for inspection by the

department. Advertising or arranging for the transport of passengers on a charter for money is prohibited unless the vessel has a valid, current certificate of inspection.

Every charter boat must be inspected once every 12 months while the vessel is dockside and at least once every 24 months while the vessel is in dry-dock. The owner of a charter boat must file an application for inspection accompanied by a fee to be established by the department. The department may inspect a vessel at any time if it has reasonable cause to believe licensing, inspection, and safety regulations have been violated. If a vessel or its equipment does not comply with department rules or applicable federal law, a certificate will not be issued and any current certificate may be revoked.

For small passenger vessels operating in fresh water, the USCG requires that a dry-dock inspection be performed once every 60 months.

All moneys received from licenses, permits, inspection fees, or penalties imposed for violations are paid to the State Treasurer and placed in the industrial insurance trust fund.

The department must prepare printed materials to provide the public with information regarding the safety features and requirements necessary for the lawful operation of charter boats.

The department must adopt by rule minimum safety and health standards for passengers and crew on board charter boats. These rules must approximate, where appropriate, the rules adopted by the USCG for small passenger vessels under 100 gross tons. Rules adopted by the department must use USCG standards and precedents and be consistent with USCG practices whenever possible.

The following vessels are exempt from the act: (1) a charter boat used exclusively by the owner for noncommercial purposes; (2) a corporate-owned vessel which is donated for charitable or noncommercial purposes; (3) a vessel that is rented by an operator to transport passengers for noncommercial purposes; and (4) a vessel used exclusively for educational purposes.

Only 10 vessels are covered under the act. Of the 10 vessels, three are not regular passenger vessels and are licensed by Seattle City Light for only occasional use. The remaining vessels, including two licensed to haul cargo rather than passengers, operate in Lake Chelan. In 1999, the vessels will need to be hauled out of the water to be inspected by the department for compliance with the statute.

Summary: Beginning no later than January 1, 2002, the 24-month dry-dock inspection requirement for charters is replaced with a 60-month dry-dock inspection requirement. Until January 1, 2002, no dry-dock inspections are required. The Department of Labor and Industries must inspect or provide for the inspection of every charter boat that carries more than six passengers, but not charter boats that are used only for cargo transportation.

The department must provide the public with information regarding the safety features and requirements necessary for the lawful operation of charter boats, but, it is not necessary that the information be in the form of prepared printed material.

The department's rules regarding minimum safety and health standards for passengers and crew on board charter boats must be consistent with the rules adopted by the USCG. Language about the need to align the department's rules with the USCG's standards is removed for clarity.

The reference to "inland navigable" waters is eliminated and replaced by "state" waters. State waters means all waters within the territorial limits of Washington, and not subject to the jurisdiction of the USCG.

A technical change is made by replacing the term "route" with "operational waters."

Votes on Final Passage:

House	96	0
Senate	47	0

Effective: July 25, 1999

SHB 2005

C 361 L 99

Managing the state employee whistleblower program.

By House Committee on State Government (originally sponsored by Representatives Wolfe, D. Sommers, D. Schmidt, Romero, Carlson, Delvin, Santos, O'Brien, Miloscia, Lovick, Dickerson, Kenney, Ogden, Fisher, Cody, Parlette, Campbell, Lambert, Pennington, Dunshee, Koster, Hankins, Clements, Cairnes, Keiser, Conway and Veloria; by request of State Auditor).

House Committee on State Government
House Committee on Appropriations
Senate Committee on State & Local Government

Background: Legislation enacted in 1982 established a whistleblower protection program for state employees to encourage state employees to report improper governmental actions and to protect the rights of state employees who make such disclosures.

Investigation of a complaint. The State Auditor is given the responsibility to investigate complaints of improper governmental action that are made under this program.

The State Auditor must acknowledge a report of improper governmental action within five working days of receipt of the complaint and must conduct a preliminary investigation for a period not to exceed 30 days. A further investigation period of 60 days is provided, and this period may be extended. The report of the State Auditor's investigation and findings must be sent to the whistleblower within one year after the allegations were made.

If it appears that the allegations do not constitute improper governmental action, the State Auditor may forward a summary of the allegations to the appropriate agency for investigation. The State Auditor must keep the whistleblower's identity confidential. The agency must respond within 30 days after receipt of the allegations from the auditor.

The agency must make monthly reports to the State Auditor until final action is taken. The auditor must report to the Governor and the Legislature if the auditor determines that corrective action is not being taken within a reasonable amount of time, but there is no specific time limit in statute for when final corrective action must be taken.

Employee protections from retaliatory actions. Employees who provide information about improper governmental action in good faith are protected from retaliatory action and have remedies available under the Human Rights Commission laws.

Administration of program. The State Auditor is given the authority to administer the provisions of the state whistleblower law.

Summary: The state whistleblower law is rewritten.

Application of whistleblower law to Senate, House of Representatives and judicial branches. The Senate, House of Representatives, and Supreme Court are required to adopt policies regarding the application of the whistleblower law to the Senate, House of Representatives, and judicial branch.

Improper conduct. The definition of improper governmental action is altered to include actions taken by an employee as part of the employee's official duties that:

- gross waste of public funds;
- violate federal or state laws, other than mere technical violations or violations of a minimum nature; or
- are of substantial and specific danger to the public health or safety.

Whistleblower. It is clarified that the identity of a whistleblower is kept confidential except when the State Auditor determines that the assertion was made in other than good faith.

An employee who makes a whistleblower complaint must make a reasonable attempt to ascertain whether the information that is furnished is correct and may be subject to disciplinary actions, including suspension or termination, for knowingly supplying false information, as determined by the appointing authority.

Timeliness. A whistleblower complaint must be made within one year after the occurrence of the asserted improper conduct.

Investigation of a complaint. Changes are made to investigations of complaint.

- Determination whether to investigate. The State Auditor may determine whether to investigate any assertions. A variety of factors are listed for the State Auditor to consider in making this determination,

including whether the action was isolated or systematic, the history of previous assertions regarding the same subject or subject matter, the degree or significance of the asserted improper governmental action, and the costs and benefits of the investigation.

- Preliminary investigation. The preliminary investigation by the State Auditor is expanded from a maximum of 30 days to 30 working days after the receipt of the assertion. However, with an agency's consent, the State Auditor may forward the assertion to the appropriate agency to investigate over a period of no more than 60 days after the receipt of the assertion.

During the preliminary investigation, the State Auditor provides written notice of the nature of the assertions to both the subject of the investigation and his or her agency head.

If the preliminary investigation resulted from an anonymous assertion, a three-person review panel must be convened to make recommendations on proceeding to the State Auditor. The panel includes a representative from the State Auditor's office with knowledge of the subject agency operations, a representative of the Office of the Attorney General, and a citizen volunteer.

- Further investigation. Written notice must be provided to the subject of the assertions and his or her agency head if further investigations are to occur. The time by which a further investigation must be completed is expanded from 60 days to 60 working days after the preliminary investigation period, unless written justification is furnished to the whistleblower, subject of the investigation, and agency head.

Agencies are required to cooperate fully with the investigation and take appropriate actions to preclude destruction of any evidence during the course of the investigation.

The subject of the investigation must be interviewed during the further investigation. If it is determined that a reasonable cause exists to believe improper governmental action has occurred, the subject and agency head are given 15 working days to respond to the assertions prior to issuance of the final report.

- Determination of reasonable cause. If the report contains reasonable cause determinations, the agency must send its plan to resolve the situation to the State Auditor within 15 working days of having received the report. The State Auditor may require periodic reports of agency action taken until all resolution has occurred.

The determination in the report is sent to the Governor, and the determination may be included in the State Auditor's audit of the agency.

Once the State Auditor determines that appropriate action has been taken, the whistleblower, agency head, and subject of the investigation must be notified.

- Administrative matters. The State Auditor is given specific authority to contract for assistance in carrying out the Whistleblower Act.

The costs of administrating the whistleblower program are funded through the auditing services revolving account.

The Office of Financial Management is required to contract for a performance audit of the state employee whistleblower program.

Votes on Final Passage:

House	95	0	
Senate	46	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	45	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

HB 2010

C 67 L 99

Changing provisions relating to historic cemeteries.

By Representatives Ogden, McMorris and Romero; by request of Department of Community, Trade, and Economic Development.

House Committee on State Government
Senate Committee on State & Local Government

Background: Historic and abandoned cemeteries are under the authority of the Office of Archaeology and Historic Preservation within the Department of Community, Trade, and Economic Development. Historic graves are described as graves that were placed outside a cemetery specifically designated as an abandoned or historic cemetery.

When an historic grave is disturbed through inadvertence, including through construction, the remains are to be re-interred under the supervision of the Cemetery Board, and paid for by the Office of Archaeology and Historic Preservation.

Summary: The responsibility for re-interring historic graves that are inadvertently disturbed is transferred to the Office of Archaeology and Historic Preservation. The office will provide the expense to re-inter a grave to the extent that funds are appropriated by the Legislature.

Votes on Final Passage:

House	96	0
Senate	48	0

Effective: July 25, 1999

EHB 2015

C 369 L 99

Restricting liability for year 2000 date-change damages.

By Representatives Radcliff, Wolfe, Lambert, Romero, DeBolt, Morris, Constantine, Ruderman, D. Schmidt, Crouse, Carrell, Poulsen, Miloscia and Rockefeller; by request of Department of General Administration and Department of Information Services.

House Committee on Judiciary

Senate Committee on Judiciary

Background: The Year 2000 Problem. The year 2000 (Y2K) problem results from using two digits instead of four to represent years in computer programs and computer chips. This may cause some computers to mistake the year 2000 for the year 1900, which may cause the failure of many computer related services.

State agencies have been working to correct the Y2K problem since as early as 1993. Due to the complexity of the problem, however, it is possible that some Y2K failures will nevertheless be experienced.

Joint and Several Liability. In many cases where a plaintiff is injured, more than one defendant is at fault. In such cases, the defendants will either be severally liable or jointly liable.

If the defendants are severally liable, each pays only for his or her share of the damages. For example, if defendants D and E cause \$100 worth of damage to the plaintiff, and D was 30 percent at fault and E was 70 percent at fault, D would pay \$30 and E would pay \$70.

If the defendants are jointly liable, then each is responsible for the total damage done to the plaintiff. In the example above, if D was somehow unavailable to be sued, E could be held liable for the entire \$100.

Summary: In an action against a state agency or public service provider for damages caused by a Y2K failure, the state agency or public service provider is severally liable only. A state agency is also immune from liability for the first \$100 of damages per claimant. These limitations do not apply to any action for damages arising from bodily personal injury, to wrongful death and survival actions, to actions for the injury or death of a child, or to actions arising after December 31, 2003. "Agency" is defined as any state or local government board, commission, bureau, committee, department, institution, division, or tribunal in the legislative, executive, or judicial branch. "Public service provider" includes municipal electric or gas utilities, electric public utility districts, electrical companies, gas companies, electric cooperative utilities, and electric mutual utilities.

It is an affirmative defense to any claim based on a contract, a default, a failure to pay, a breach, or an omission, that such a claim was caused, in whole or in part, by a Y2K failure associated with an electronic computing device if the person was otherwise able to satisfy the

obligation. If the affirmative defense is established, the person making the claim may not reassert the claim for 30 days from the date the cause of action was dismissed by the court. The underlying obligation is not otherwise affected by the dismissal.

A person who has established an affirmative defense based on a Y2K failure has the right to dispute with a credit reporting agency any item of information relating to the Y2K failure, including the right to have a statement placed in the individual's consumer file.

An insurer must reinstate a canceled policy, without penalties or interest, if the insured: 1) provides notice to the insurer of the Y2K failure associated with a computing device not under the insured's control within 10 days of the effective date of the cancellation; 2) establishes that but for the Y2K failure, the insured would have been able to make the payment; and 3) makes a premium payment to make the policy current no later than 10 days after the Y2K problem has been corrected or reasonably should have been corrected. The insurer does not have to reinstate the policy if the cancellation is unrelated to a Y2K problem or if the default occurred before any disruption of financial or data transfer operations attributable to a Y2K failure.

No interest or penalties may be imposed on any individual or small business for failure to pay industrial insurance premiums, property taxes, or state excise taxes if: 1) the failure was caused by a Y2K failure; 2) the individual or small business was otherwise able to pay; and 3) payment occurred within 30 days after the Y2K problem was corrected or reasonably should have been corrected.

Votes on Final Passage:

House	88	8	
Senate	44	4	(Senate amended)
House	96	0	(House concurred)

Effective: May 17, 1999

HB 2052

C 112 L 99

Regulating service contracts.

By Representatives Barlean, Keiser, Benson and Hatfield; by request of Attorney General.

House Committee on Financial Institutions & Insurance
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: Many retailers sell service contracts to consumers. Service contracts are agreements to repair, replace, or maintain merchandise for a given period of time. Service contracts offer protections in addition to any guarantees that are offered under the warranties provided by the manufacturers, importers, or sellers of merchandise.

If a retailer who sells service contracts goes out of business, the retailer no longer exists to perform the

pre-paid services or to refund the consideration consumers paid for the service contracts.

Summary: Retailers selling service contracts in Washington are required to first register with the Insurance Commissioner. To be registered, the retailer must comply with filing, reporting, and record keeping requirements. The Insurance Commissioner may investigate service contract providers and is responsible for enforcement. The Insurance Commissioner may deny, suspend, or revoke registration to sell service contracts after notice and hearing if the service contract provider operates irresponsibly or deceptively. Registration may be suspended without notice and hearing if the service contract provider becomes insolvent, bankrupt, or otherwise poses an imminent threat to the public. The Insurance Commissioner may impose a fine of up to \$2,000 per violation in lieu of suspension.

Service contract providers must give consumers a written receipt and a copy of the service contract. The service contract must be written in plain language, must contain certain disclosures, must describe the process for obtaining service and filing a claim, and must state the consumer's duties under the contract. The contract may not require out of state adjudication. Consumers are allowed to return service contracts for a full refund within 20 days of the date the service contract was mailed to them, within 10 days of delivery, or within a longer period of time as specified in the service contract. If a claim has been made on the service contract within that period, the contract may not be returned. If the purchase price is not remitted to the consumer within 30 days of the return of the service contract, the service contract provider must pay the consumer a 10 percent penalty per month until the money is refunded.

In addition, service contract providers must ensure the reliability of the contracts they sell by doing one of the following: (1) insuring the contracts under reimbursement insurance policies; (2) maintaining a reserve account of at least 40 percent of the gross receipts of service contract sales and depositing financial security with the Insurance Commissioner; or (3) maintaining a net worth or stockholders' equity of \$1,000,000, and upon request, providing the Insurance Commissioner with a copy of its most recent Securities and Exchange Commission filings.

Reimbursement insurance policies for service contracts must cover all costs associated with fulfillment of the service contract. The consumer may apply for relief directly to the reimbursement insurance company. Issuers of reimbursement insurance policies may not terminate policies until a filing notice of termination with the Insurance Commissioner. Service contract providers may not imply that they are insurance companies or that service contracts are insurance policies.

Lenders may not require consumers to obtain a service contract as a condition of obtaining a loan for or making a sale of any property.

Violations of this act are violations of the Consumer Protection Act.

Votes on Final Passage:

House	91	0
Senate	46	0

Effective: July 25, 1999

SHB 2053

C 271 L 99

Allowing credit card payment of vehicle registration fees.

By House Committee on Transportation (originally sponsored by Representatives Hatfield, Hankins, Scott, Skinner, Edwards, Cooper, K. Schmidt, Haigh, Mielke, Schindler, G. Chandler, McDonald, Hurst, Fortunato, Fisher, Ogden, Ruderman and Miloscia).

House Committee on Transportation
Senate Committee on Transportation

Background: The Department of Licensing (DOL) has express statutory authority to accept checks or money orders for the payment of fees and excise taxes related to vehicle and vessel titling and registration. The DOL has indirect statutory authority to accept credit/debit cards. However, certain conditions must occur prior to the implementation of payment by credit/debit cards.

The Office of Financial Management (OFM) must first approve the use of credit/debit cards by state agencies. Before approval may be granted for the use of credit/debit cards, OFM requires agencies to submit a cost/benefit analysis indicating business cases that are economically feasible. To date, the DOL has been unable to present such a case due to current business practices that would require the DOL, as opposed to the credit/debit card user, to pay the charges imposed on the department by credit card companies. The DOL has estimated these costs to be \$4.5 million in FY 1999 to \$6.0 million in FY 2005 if 20 percent of vehicle license customers choose to use a credit/debit card.

Once approved by the OFM, the State Treasurer's Office (STO) has authority to coordinate agencies' use of credit cards. The STO also has authority to represent the state in contract negotiations with credit card companies.

Summary: The DOL, as well as its agents and sub-agents, have express statutory authority to accept credit and debit cards for payment of fees and excise taxes related to vehicle and vessel titling and registration. The DOL is granted authority to adopt rules and procedures to implement the use of credit and debit cards for payment of these fees and taxes. Finally, the DOL has express statutory authority to pass on credit/debit card fees to those individuals who choose to use such cards for payment of fees and excise taxes related to vehicle and vessel titling and registration.

SHB 2054

Votes on Final Passage:

House	93	3	
Senate	43	3	(Senate amended)
House	95	2	(House concurred)

Effective: July 25, 1999

SHB 2054

C 113 L 99

Regulating sellers who finance the goods they sell.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Quall, Benson, Hatfield and Cairnes).

House Committee on Financial Institutions & Insurance
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: Retail installment contracts are regulated by state law. These are transactions between a particular retailer and a consumer, such as a department store or automobile dealer using an installment contract. State law generally requires retail installment contracts financing a sale to provide certain disclosures, describes the contents of an installment contract, and prohibits certain practices related to installment contracts. Federal Truth-in-Lending provisions also apply to retail installment contracts.

Summary: The principal balance if a retail installment contract, which basically is the amount borrowed, can include amounts paid by the retailer to pay off a loan on similar goods that are traded in as part of the sale. The portion of the principal that is used to pay off the loan on a trade-in must be disclosed in the retail installment contract.

Votes on Final Passage:

House	91	0	
Senate	43	0	

Effective: July 25, 1999

2SHB 2061

C 321 L 99

Changing community college provisions.

By House Committee on Higher Education (originally sponsored by Representatives Kenney, Dunn, Lantz, Veloria and Carlson).

House Committee on Higher Education
House Committee on Appropriations
Senate Committee on Higher Education

Background: All students attending a Washington institution of higher education must pay for a minimum of two credits, even if they enroll for fewer than two credit hours of instruction.

In 1990, the Legislature created the private vocational school tuition recovery fund. All private vocational schools are required to make contributions to the fund. The trust funds are used to reimburse students in the aftermath of school closure.

Summary: The two-credit minimum tuition and fee requirement is eliminated for community college students.

If ownership of a private vocational school is transferred to an immediate family member, the school is not required to make additional deposits into the tuition recovery fund beyond the original ten-year contribution cycle.

Votes on Final Passage:

House	96	0	
Senate	47	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 2071

C 68 L 99

Excluding a member or manager of a limited liability company from workers' compensation coverage.

By House Committee on Commerce & Labor (originally sponsored by Representatives B. Chandler, Conway, McMorris and Koster).

House Committee on Commerce & Labor
Senate Committee on Judiciary

Background: Industrial insurance applies to all employers, whether persons or corporate, whose trade or business engages in work covered by the industrial insurance law or who contract with workers for personal labor. All employment in Washington must be insured, unless specifically excluded by statute. Exclusions from mandatory coverage include sole proprietors, partners, and certain corporate officers. For public corporations, shareholder-directors with substantial management responsibility are exempt. For nonpublic corporations, up to eight shareholder-officers may be excluded who have substantial management responsibility, or any number of officers if the exempted officers are related by blood or marriage. Employers of persons excluded from mandatory coverage are permitted to elect coverage by filing notice with the Department of Labor and Industries.

In 1994, the Legislature authorized the limited liability company as an alternative form of organizing a business. The limited liability company combines the tax advantages of a partnership with the limited liability advantages of a corporation. The limited liability company is a noncorporate entity that allows the owners to participate actively in management while providing them with limited liability.

Management of the limited liability company is vested in the members unless the certificate of formation pro-

vides otherwise. The certificate of formation must vest management in one or more managers if the limited liability company is not to be managed by the members. Unless otherwise provided in the company agreement, managers are selected by the affirmative vote of members contributing, or required to contribute, more than 50 percent of the agreed value of the contributions made or to be made in the company.

Summary: Members of a limited liability company are excluded from mandatory industrial insurance coverage if (1) the company's management is vested in the members and the members for whom the exemption is sought would qualify as exempt partners or sole proprietors if the business were a partnership or sole proprietorship; or (2) the company's management is vested in managers and the members for whom the exemption is sought are managers who would qualify as exempt corporate officers if the company were a corporation.

Votes on Final Passage:

House	91	0
Senate	43	0

Effective: July 25, 1999

HB 2081
C 307 L 99

Continuing a moratorium that prohibits a city or town from imposing a specific fee or tax on an internet service provider.

By Representatives Ruderman, Crouse, Dunshee, Thomas, Kessler, Murray, O'Brien, Ogden, Rockefeller, Stensen, Constantine and Lantz; by request of Governor Locke.

House Committee on Technology, Telecommunications & Energy
Senate Committee on Energy, Technology & Telecommunications

Background: The rapid growth in sales of goods over the Internet raises difficult questions about how states might fairly tax those transactions. In legislation enacted in 1997 the Legislature found that the business of providing Internet service benefits all levels of society and is important to Washington's continued growth in the high technology sector of the economy, and thus should not be burdened by new taxes. This law granted Internet service providers a moratorium until July 1, 1999, on taxes specific to their businesses.

Until that time, cities and towns may not impose any new taxes or fees specific to Internet service providers, but may tax Internet service providers under generally applicable business taxes at a rate not to exceed the rate applied to a general service classification.

On-line service providers and electronic commerce lobbying groups, of course, want to make cyberspace

tax-free, arguing that taxation would choke off Internet growth. Tax policy should not discriminate against electronic sales, but neither should the Internet be protected from taxes that apply in other realms of commerce.

Internet services are classified as a selected business service activity for the purposes of applying the business and occupation tax. If that section of the law is repealed, then Internet services will be placed under the general service business and occupation tax classification.

Summary: The tax moratorium on Internet service providers is extended from July 1, 1999, to July 1, 2002.

Votes on Final Passage:

House	87	4
Senate	46	0

Effective: July 25, 1999

E2SHB 2085
C 166 L 99

Creating programs addressing disruptive students in regular classrooms.

By House Committee on Education (originally sponsored by Representatives Quall, Talcott, Haigh, Carlson, Santos, Linville, Cox, Kessler, Morris, Murray, McDonald, O'Brien, Anderson, Thomas, Ogden, Poulsen, Rockefeller, Lovick, Kenney, Wolfe, Stensen, Schual-Berke, Tokuda, Ruderman, Keiser, Wood, Constantine and Lantz).

House Committee on Education
House Committee on Appropriations
Senate Committee on Education

Background: Since 1996, the Legislature has provided funding to defray the initial costs school districts incur when they implement alternative schools and programs for at-risk and disruptive students. School districts receive one-year start-up grants through a competitive request for proposal process. The grants cover the initial costs of planning, staff recruitment and training, the purchase of equipment and supplies, and other significant one-time costs. State basic education monies provide support for program operations after the first year. To date, the Legislature has appropriated \$3,000,000 for these start-up grants.

Since 1996, five basic alternative school or program models have evolved. Those models are: (a) alternative schools as a separate organization and site; (b) schools within a school; (c) programs as a part of an existing school; (d) court detention schools; and (e) after-school or truancy board support programs. Of the 25 programs supported during the 1996-97 and 1997-98 school years, only two programs included elementary school students among the other students served. Eight served middle school

students exclusively. Six served middle and high school students.

The Superintendent of Public Instruction (SPI) presented a report on the grants to the Legislature in February 1999. The report included a component evaluating the effectiveness of the alternative programs. More than half of the programs reported improvements in student achievement, attendance, attitudes, and social skills. The applicants also reported a decrease in disciplinary actions and incidents. The SPI recommended that the Legislature continue funding the grants and increase the appropriations to allow more districts to participate. The SPI also recommended implementation of an electronic data base to facilitate reporting, evaluation and information sharing. Finally, the SPI recommended that the Legislature fund additional training to help teachers implement innovative strategies for working with at-risk and disruptive students.

Summary: The Legislature finds that teachers, principals, and other school staff need training in effective strategies for handling disruptive students.

If funding is provided in the budget, the SPI will conduct a series of professional development institutes during the summer of 2000 on research-based strategies for handling disruptive students. The institutes will focus on two major issues: dealing with disruption in regular classrooms, and the design and implementation of effective alternative learning programs and settings for students who exhibit frequent and prolonged disruptive behavior in regular classrooms. School districts will have an opportunity to send teams of teachers, principals, and other staff to the institutes. Participants will develop district plans to handle disruptive students. Elementary and middle school participants are encouraged to formulate school building plans as well.

Beginning with the 1999-2000 school year, elementary and junior high schools are encouraged to provide time for staff from regular education and special education programs to share successful practices for managing disruptive students.

Votes on Final Passage:

House	96	0	
Senate	45	3	(Senate amended)
House	96	0	(House concurred)

Effective: July 25, 1999

SHB 2086

C 180 L 99

Creating crimes of unlawful discharge of a laser.

By House Committee on Criminal Justice & Corrections (originally sponsored by Representatives Esser, Carrell, O'Brien, Constantine, Lovick, Schindler and Anderson).

House Committee on Criminal Justice & Corrections
Senate Committee on Judiciary

Background: The state does not have a criminal statute specifically relating to the unlawful discharge of a laser at a person.

Generally, the definition of an offender includes the level of mental culpability the defendant must have had when committing the offense in order to be found criminally liable.

A person acts with "knowledge" when the person knows or acts knowingly or with knowledge when he or she is aware of a fact, facts, or circumstances or results described by a statute defining an offense; or he or she has information which would lead a reasonable person in the same situation to believe facts exist which facts are described by the statute defining an offense.

To act "maliciously" requires an evil intent, wish, or design to vex, annoy, or injure another person. Malice may be inferred from an act done in wilful disregard of the rights of another, or an act wrongfully done without just cause or excuse, or an act or omission of duty betraying a wilful disregard of social duty. A person commits malicious mischief in the first, second, or third degree if he or she knowingly and maliciously causes physical damage to the property of another.

Under the Sentencing Reform Act, felonies are usually "ranked" on the sentencing grid as a means of assigning a specific standard range sentence to that particular felony.

Unranked felonies carry a sentence of up to one year in jail.

A gross misdemeanor carries a sentence of up to one year in jail or a fine up to \$5,000 or both.

Summary: The crime of "unlawful discharge of a laser" is created.

Unlawful discharge of a laser in the first degree. A person commits unlawful discharge of a laser in the first degree if he or she knowingly and maliciously discharges a laser:

- at a law enforcement officer or other employee of a law enforcement agency who is performing his official duties in uniform or exhibiting evidence of his or her authority, and in a manner that would support that officer's or employee's reasonable belief that he or she is targeted with a laser sighting device or system; or
- at a pilot, causing an impairment of the safety or operation of an aircraft, or causing an interruption or impairment of service by negatively affecting the pilot; or
- at a law enforcement officer or other employee of a law enforcement agency, a fire fighter or other employee of a fire department, county fire marshal's office, county fire prevention bureau, or fire protection district, a transit operator or driver of a public or private transit company, or a bus driver employed by a school district or private company, any of whom are performing their official duties, causing an impairment of the safety or operation of a vehicle, or causing an

interruption or impairment of service by negatively affecting one of the persons just identified.

Unlawful discharge of a laser in the first degree is a class C felony and is not ranked on the Sentencing Reform Act sentencing grid.

It is a civil infraction if a juvenile commits unlawful discharge of a laser in the first or second degree and the juvenile has not committed either offense before. The juvenile is subject to a monetary penalty not to exceed \$100.

Unlawful discharge of a laser in the second degree. A person commits unlawful discharge of a laser in the second degree if he or she knowingly or maliciously discharges a laser:

- at a person not described under unlawful discharge of a laser in the first degree, who is operating a motor vehicle at the time, causing an impairment of the safety or operation of the motor vehicle by negatively affecting the driver; or
- at a law enforcement officer, pilot, fire fighter, transit operator, or school bus driver and causes substantial risk of an impairment or interruption of services; or
- at a person in order to intimidate or threaten that person.

Unlawful discharge of a laser in the second degree is a gross misdemeanor.

The crimes of unlawful discharge of a laser in the first and second are added to the list of crimes included in harassment.

Votes on Final Passage:

House	96	0
Senate	35	12

Effective: July 25, 1999

ESHB 2090

C 238 L 99

Modifying and sunseting provisions related to sellers of travel.

By House Committee on Commerce & Labor (originally sponsored by Representatives Clements, Lisk, Reardon, Cooper, McMorris, Talcott, B. Chandler and Gombosky).

House Committee on Commerce & Labor
Senate Committee on Commerce, Trade, Housing & Financial Institutions

Background: Registration of travel sellers. A registration program for sellers of travel was established in 1996, and is administered by the Department of Licensing. The registration fee is set by the department, and the amount of the fee is determined by the cost of the registration program. The registration fee is \$234 and is paid annually. Sellers of travel that operate more than one office are issued a duplicate registration for each office for a fee of \$25 per office.

Posting of registration numbers. Registration numbers must be posted at the travel seller's place of business and in all advertising with limited exceptions.

Maintaining records verifying availability of advertised travel services. Sellers of travel must maintain records documenting their verification that any travel services they advertised were in fact available at the time of the advertisement. These records must be kept for two years after the advertisement.

Criminal history. The director of the Department of Licensing may deny, suspend or revoke a travel seller's registration if the person has been found guilty within the past five years of a felony involving moral turpitude or a misdemeanor involving fraud or misrepresentation.

Written customer disclosure statement. When a customer arranges for travel services, a written disclosure statement must be provided before the customer pays for the services. The statement must include the travel seller's name, address, phone number and registration number; itemized statement of costs and payment; names of all vendors providing travel services and information on travel arrangements; and the rights and obligations of all parties in the event of cancellation of the travel arrangements.

Audit by the Department of Licensing. Upon receiving a complaint against a seller of travel, the department may immediately inspect and audit books and records of the seller of travel.

Trust accounts. A trust account must be maintained by a seller of travel for money paid by the customer for travel services. Money received from a customer must be deposited in this account within five days of its receipt. Money paid by cash or credit card for airline tickets through the Airline Reporting Corporation (ARC) is exempt from this requirement. Only specified seller of travel expenses may be withdrawn from the trust account.

Summary: Registration of travel sellers. Sellers of travel who operate offices at multiple locations may register all locations with one registration document through the issuance of duplicate registration documents. The fee for each duplicate registration must be the same amount as that for the original registration. Registration is renewed annually unless the director of the Department of Licensing determines otherwise.

Posting of registration numbers. Registration numbers need not be included in institutional advertising which is advertising that does not include prices or dates for travel. For example, registration numbers would not be required in the yellow pages of the telephone book.

Maintaining records verifying availability of advertised travel services. The amount of time that a seller of travel must keep records verifying that advertised travel services are in fact available is reduced from two years to one year.

Criminal history. The director of the Department of Licensing must consider 10 years, rather than five years, of a person's criminal history for felony convictions

involving moral turpitude or misdemeanors involving fraud or misrepresentation as part of the registration process.

Written disclosure statement. Rather than requiring a detailed disclosure statement on the penalties imposed upon cancellation of travel arrangements, the seller of travel has the option to advise the customer that cancellation penalties and penalties for changing arrangements may apply, and additional details will be provided upon request.

Audits by the Department of Licensing. The Department of Licensing must audit books and records of sellers of travel against whom ten or more complaints have been filed with either the department or the attorney general.

Trust account. Sellers of travel may deposit non-customer funds into a trust account to cover payments made by the customer that are subsequently dishonored leaving insufficient funds in the trust account. A trust account is not required for those sellers of travel who file and maintain a surety bond approved by the director of the Department of Licensing in an amount set by the director of not less than \$10,000 nor more than \$50,000, or an alternative form of security approved by the director such as a certificate of deposit or an irrevocable line of credit. A seller of travel who is a member in good standing of a professional association is also exempt from the requirement to maintain a trust account. The association must be approved by the director and must provide, or require its members to provide, a minimum of \$1 million in errors and omissions insurance or a surety bond, or its equivalent, in the amount of \$250,000.

Votes on Final Passage:

House	98	0	
Senate	45	1	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

ESHB 2091
PARTIAL VETO
C 4 L 99 E 1

Contributing to salmon and water quality enhancement in areas impacted by forest practices.

By House Committee on Natural Resources (originally sponsored by Representatives Buck, Regala, Dunshee, Thomas, Alexander, Doumit, Kessler, McMorris, Grant, Hatfield, Linville, G. Chandler, Reardon, Ericksen, Quall, Ogden, Clements, Schoesler, Anderson, Lisk, Eickmeyer, D. Sommers and Veloria; by request of Governor Locke).

House Committee on Natural Resources

Background: The Forest Practices Act. The 1974 Legislature passed the Forest Practices Act following more than a year of discussion among large and small timber proces-

sors, environmental groups, state agencies, and counties. The act recognized the interrelationship among forest practices and other resources. It was designed to protect timber supply, soil, water, fish, wildlife, and amenity resources by regulating timber removals, road construction and maintenance, reforestation, and the use of forest chemicals.

Three court decisions between 1978 and 1981 sparked the Legislature to reconsider sections of the act. Discussions ensued regarding the adequacy of environmental protection provided by the forest practices regulations. Particular concerns existed over protection of riparian areas. In 1985, the Legislature directed the Department of Natural Resources to prepare new rules, which would be more protective of riparian zones.

In 1986, representatives of tribes, the Departments of Fisheries and Game, the timber industry and environmental interests met to determine if they could collectively prepare alternative regulations to those prepared by the Forest Practices Board. The process became known as Timber Fish Wildlife (TFW). In December 1986, the TFW participants reached an agreement on a proposed regulatory framework, which became the basis of current regulation.

In 1997, faced with an imminent listing of several salmon species in Washington the TFW participants, in addition to representatives from federal agencies, reconvened to develop a comprehensive plan to address salmon and other aquatic species on forest lands. After several months of negotiation, representatives of environmental interests withdrew from negotiations. The process became known as the forestry module of the state salmon plan. The resulting plan includes legislation and the Forests and Fish Report upon which rules are to be based. The legislation and rules address the recovery of salmon and other aquatic species on approximately 10 million acres of forest lands regulated under the Forest Practices Act.

The Endangered Species Act. The Endangered Species Act was originally enacted by the United States Congress in 1973 to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved. The act provides a procedure whereby species of plants and animals may be nominated and eventually listed as "threatened" or "endangered."

Whenever a species is listed as threatened, the secretary of the listing agency (either the Department of Interior or the Department of Commerce) must issue regulations necessary to provide for the conservation of the species. Such a rule is often referred to as a Section 4(d) rule.

Once a species is listed, the act provides a broad list of prohibited acts, including the "taking" of an individual of the species. "Take" is defined very broadly by the act, and has been interpreted by the United States Supreme Court to include the modification of a species' habitat.

A secretary may permit the taking of an individual within a listed species if such a taking is incidental to, and not the purpose of, an otherwise lawful activity. Such a permit requires the submittal of an acceptable conservation plan which specifies, among other things, mitigation for the taking. Such a permit is often referred to as an “incidental take permit.”

In Washington, Upper Columbia steelhead have been listed as endangered, Snake River and Lower Columbia steelhead and Columbia River bull trout have been listed as threatened, and Puget Sound chinook salmon and other salmonids are being considered for listing.

The Clean Water Act. The objective of the Clean Water Act is to restore and maintain the chemical, physical, and biological integrity of the nation’s waters. This act provides a regulatory framework for effluent discharges into navigable waters. Individual states are given the authority to implement state specific pollution control strategies within the federal framework. Effluent sources are divided into two types, point and non-point. Effluent sources falling into the first category are controlled through distinct effluent limitations. Non-point sources, which include discharges from non-discrete sources such as agricultural fields, parking lots, streets, and forest lands, are addressed in a voluntary manner. States may prepare a management program for non-point source pollution. Such programs must include the identification of best management practices for non-point sources which will be undertaken to reduce pollutant loadings.

In Washington, the forest practices rules adopted by the Forest Practices Board include provisions for the control of non-point source pollution. These provisions are promulgated with the input of the Department of Ecology, who has a representative on the Forest Practices Board, and who also promulgates the provisions under the state’s Clean Water Act.

In Washington, over 660 streams have been identified as having water quality problems under the Clean Water Act.

Forest Practices Rules. The Forest Practices Board was created in 1974 and consists of 11 members, appointed or designated as follows: the Commissioner of Public Lands or the commissioner’s designee; the director of the Department of Community, Trade and Economic Development or the director’s designee; the director of the Department of Agriculture or the director’s designee; the director of the Department of Ecology or the director’s designee; an elected member of a county legislative authority, appointed by the Governor; and six public members, appointed by the Governor, to include an owner of not more than 500 acres of forest land and an independent logging contractor. Members serve staggered, four-year terms.

Statute directs the Forest Practices Board to adopt rules where necessary to accomplish the purposes and policies established by the Legislature and to implement other provisions of the forest practices chapter. Specifically, the

board is to establish minimum standards for forest practices. The board adopts rules pursuant to the Administrative Procedure Act.

There are four classifications of forest practices, each with its own set of requirements. A class I forest practice is a forest practice with no direct potential for damaging a public resource. These practices may be commenced without any application or notification to the department. A class II forest practice is a forest practice with less than ordinary potential for damaging a public resource. These practices require notification to the department but do not require any type of application. A class III forest practice is a forest practice that is not a class I, II, or IV. A person wishing to commence a class III practice must submit an application to the department. The department has 30 days to either approve or disapprove a class III application.

Class IV forest practices are those practices which have a potential for a substantial impact on the environment or on lands platted after 1960, lands being converted to another use, or lands not to be reforested because of the likelihood of future conversion to urban development. Class IV breaks down further into class IV - General and class IV - Special. If a certain forest practice is proposed within a habitat with a special designation due to a threatened or endangered species, that forest practice becomes a class IV - Special. A person wishing to commence a class IV forest practice must submit an application to the department. The department decides whether a detailed statement must be prepared by the applicant under the State Environmental Policy Act. The department has 30 calendar days from date of receipt of the application to either approve or disapprove it, unless the detailed statement is required. If the statement is required, the application must be approved or disapproved within 60 days unless the commissioner issues an order determining that the process cannot be completed within the allotted time.

The department exercises authority to condition forest practices applications to prevent material damage to public resources. “Material damage” is not defined in current law. “Public resources” means water, fish and wildlife, and capital improvements of the state or its political subdivisions.

If a person is aggrieved by the condition on the application’s approval, that person may appeal the department’s decision to the Forest Practices Appeals Board. The Forest Practices Appeals Board is a three-member board within the Environmental Hearings Office which hears a number of different kinds of appeals involving forest practices. The presiding officer in an appeals hearing has the authority to receive relevant evidence, and to secure and present in an impartial manner such evidence as the officer deems necessary to fairly and equitably decide the appeal.

The department has the authority under current law to issue a stop work order in three cases: (1) if there is a violation of the provisions of Chapter 76.09 RCW or the

forest practices rules; (2) if there is a deviation from the approved application; or (3) if immediate action is necessary to prevent continuation of or to avoid material damage to a public resource.

If the department issues a stop work order, the department immediately files a copy of the order with the Forest Practices Appeals Board and mails a copy to the timber owner and landowner identified on the forest practices application. If the operator, timber owner, or landowner appeals the stop work order, the department must prove that one of the three above conditions justified issuing the order. The presiding officer at the appeals hearing has the authority to receive relevant evidence.

If a violation, a deviation, material damage, or potential for material damage to a public resource has occurred, and the department determines that a stop work order is unnecessary, then the department instead issues a notice to comply. If the person receiving the notice so chooses, that person may request a hearing on the notice before the department. The final order issued by the department after this hearing may be appealed to the Forest Practices Appeals Board. The proceedings before the board are under the same guidelines as an appeal of a stop work order or any other case before the board.

A watershed analysis is an assessment of the condition of a watershed's resources, and the cumulative effect of forest practices within the watershed. These assessments may be performed by the Department of Natural Resources according to a statewide priority list, or by an individual landowner utilizing experts trained by the department. Forest practices prescriptions are written for the watershed based upon the results of the analysis. These prescriptions become requirements for forest practices applications.

Summary: Intent. Legislative findings are made which link the elements of the bill and the Forests and Fish Report to salmon recovery statutes. There is also a direct policy link between the 50-year negotiated agreement, statutory elements of the plan, and provisions to be implemented by the Forest Practices Board through rules.

Rule-Making. Findings are made which relate to the necessity of promulgating emergency rules to amend the state forest practices rules in response to declining fish runs. The Forests Practices Board may only adopt emergency rules that implement recommendations contained in the Forests and Fish Report. The emergency rules stay in effect until permanent rules are adopted, or until June 30, 2001. While additional procedural safeguards are implemented (such as the requirement that at least one public hearing must be held on the rules), other time-consuming steps are eliminated (such as the preparation of a small business economic impact statement). Emergency rules which are adopted by the board must meet most of the requirements of the Administrative Procedure Act. The emergency rule-making process is exempted from the

State Environmental Policy Act. An emergency clause is provided for these provisions.

A permanent rule-making process which must be followed by the Forest Practices Board in amending the forest practices rules is provided. This process must comply with the Administrative Procedure Act. The board is strongly encouraged to follow the recommendations of the Forests and Fish Report. If the board chooses to adopt rules that are inconsistent with those recommendations, the board is required to report to the legislature regarding the proposed deviations, the reason for the deviations, and whether the parties to the Forests and Fish Report still support the agreement. The board must defer adoption of permanent rules for 60 days of the legislative session to allow public input and legislative oversight. Rule making must be completed by June 30, 2001. Except in limited circumstances, future changes to forest practices rules must be accomplished through the adaptive management process as adopted by the board.

The rules adopted by the board must include a scientific-based adaptive management process described in the Forests and Fish Report.

The Forest Practices Board, prior to the adoption of permanent rules and no later than January 1, 2000, must report to the legislature regarding: the substance of the emergency rules, information on any changes made to the Forests and Fish Report since April 29, 1999, the status of the permanent rules, and the anticipated date of final adoption. The board must additionally report to the legislature by January 1, 2001. A final report is required on January 1, 2006, regarding modifications of the permanent rules according to the adaptive management process.

Definitions. Five new definitions are added to the Forest Practices Act including "adaptive management," "aquatic resources," "forests and fish report," "unconfined avulsing channel migration zone," and "unconfined avulsing stream."

Timber Excise Tax Credit. A tax credit is provided for timber harvested under a harvest permit subject to "enhanced aquatic resources requirements." This covers land which includes: riparian areas, wetlands, steep or unstable slopes, a federally approved habitat conservation plan, or an approved DNR road maintenance plan. The credit is equal to the stumpage value of timber harvest fore sale multiplied by eight-tenths of one percent. This credit is reduced by the amount of any compensation received from the federal government for reduced timber harvest due to enhanced aquatic resource requirements.

The Department of Natural Resources and the Department of Revenue are required to jointly conduct a study of the tax credits provided by the act.

Small Forest Landowners. The forestry riparian easement program is created, which includes a small landowner assistance office within the Department of Natural Resources to administer the new program. Subject to available funding, small landowners will be offered one-half of the value of "qualified timber" as compensa-

tion for 50-year riparian easements. The program is created to prevent small landowners from being disproportionately impacted by the riparian buffer requirements outlined in the Forests and Fish Report.

The small forest landowner office is required to assist landowners in developing alternate management plans or alternate harvest strategies.

An advisory committee is established to assist the small forest landowner office. The small forest landowner office is required to report to the legislature by December 1, 2000. The report must estimate the number of small forest landowners in the state according to various acreages, the use of such holdings, the number of various forest practice applications, the effect of conversion of these lands to other uses, and recommendations. The office must provide an update to the legislature every four years which includes trends, whether the forest practices rules effect those trends, and whether the legislature has implemented previous recommendations.

Parcels of 20 acres or less which are held by landowners owning less than 80 acres total are exempted from riparian buffers required under the Forests and Fish Report. These landowners must comply with permanent forest practices rules in effect as of January 1, 1999, but may additionally be required to leave timber adjacent to streams equivalent to 15 percent of the volume of timber covering the harvest area. The small forest landowners office is required to work with such landowners to develop alternative management plans for such riparian buffers.

Large Woody Debris. Wood debris is allowed to be placed or left in waters as part of a salmon restoration project. In addition, forest landowners, the Department of Natural Resources, and the state are protected from certain liability which is attributable to leaving or placing trees, logs, and large woody debris in or near streams or other areas to comply with the forest practices rules or to implement voluntary restoration measures under the Forests and Fish Report.

Riparian Open Space. The Forest Practices Board is directed to establish a riparian open space program to provide for the acquisition of unconfined avulsing channel migration zones. Subject to available funding, these zones are to be acquired in fee, or at the landowner option, through a conservation easement. Once acquired, these lands may be managed by the Department of Natural Resources or transferred to another state agency, appropriate local agency, or private nonprofit nature conservancy corporation.

Existing law is amended to clarify that the acquisition of lands under the riparian open space program will not be required to pay a compensating tax. Normally, lands that are classified as forest lands by a county assessor trigger a compensating tax when they are re-classified to a different use. The bill provides that the classification of forest lands as riparian open space will not require the payment of a compensating tax.

Enforcement. The Department of Natural Resources is allowed to require financial assurances, prior to the conduct of further forest practices, from an operator who has demonstrated an inability to meet his or her financial obligations under the forest practices act. The department may deny an application for failure to provide financial assurances. An operator is deemed to have demonstrated an inability to meet financial obligations if, within the preceding three-year period, he or she has: 1) operated without an approved application; 2) continued to operate in breach of, or failed to comply with, the terms of a stop work order or notice to comply, or; 3) failed to pay any civil or criminal penalty.

The Department of Natural Resources or the Department of Ecology is allowed to apply for an administrative inspection warrant. In addition, the Department of Natural Resources is allowed to recover interests, costs, and attorney's fees when seeking recovery of a penalty for a violation of the Forest Practices Act.

Watershed Analysis. Adds authority for the Forests Practices Board to develop a watershed analysis system to address the cumulative effects of forest practices on, at a minimum, the public resources of fish, water, and public capital improvements. Provides the Forest Practices Appeals Board jurisdiction over the approval or disapproval of any watershed analysis.

Forest Practices Board Composition. The director of the Department of Fish and Wildlife or the director's designee is added to the Forest Practices Board as a twelfth member. However, this position on the board may be terminated after two years if the Legislature finds that the department has not made substantial progress toward integrating the laws, rules, and programs governing hydraulics and forest practices. This finding may not be based upon any other actions taken by the director as a member of the board.

Water Quality Coordination. The bill simplifies the Department of Ecology's co-adoption requirement for water quality rules under the Forest Practices Act. Provides for adoption of water quality rules by the Forest Practices Board after an agreement is reached with the Director of Ecology or the Director's designee on the board.

State Environmental Policy Act. Exempts certain Department of Natural Resources actions under the Forest Practices Act from the environmental impact statement procedures of the State Environmental Policy Act. Specific exempted actions are: 1) approval of road maintenance and abandonment plans; 2) approval of certain clearcut timber harvests in eastern Washington; 3) acquisition of stream channel migration zones; and 4) acquisition of riparian easements.

The bill also clarifies when the Department of Natural Resources may make a determination of significance in making a threshold determination for a watershed analysis. This provision applies prospectively only, and is not to be construed to effect pending litigation.

ESHB 2095

Federal Assurances. The state's expectations for obtaining federal assurances under the Endangered Species Act and Clean Water Act are outlined. "Failure of assurances," is defined which includes failure of the National Marine Fisheries Services or the United States Fish and Wildlife Service to address acts prohibited under 16 U.S.C. 1538. The bill sets out a state process if the federal government fails to provide the assurances negotiated in the Forests and Fish Report.

Miscellaneous. An antiquated provision of law that allows the straightening and dredging of streams in order to facilitate logging operations is repealed.

The Forests and Fish Account is created in the state treasury. Expenditures, subject to appropriation, may be used only to establish and operate the small landowner office, purchase riparian easements from small landowners, and acquire channel migration zones through the riparian open space program.

Votes on Final Passage:

First Special Session

House	69	27	
Senate	29	17	(Senate amended)
House	67	27	(House concurred)

Effective: July 7, 1999 (Sections 201-203)
August 18, 1999

Partial Veto Summary: The Governor vetoed two sections of the bill, including: (1) the section requiring the Department of Natural Resources to evaluate unconfined avulsing streams on public lands which do not have sufficient canopy to provide adequate shade; and (2) the section providing that the measure is null and void unless harvest levels of specified salmon runs are reduced by 25 percent from 1997 levels.

VETO MESSAGE ON HB 2091-S

June 7, 1999

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 903 and 1404, Engrossed Substitute House Bill No. 2091 entitled:

"AN ACT Relating to forest practices as they affect the recovery of salmon and other aquatic resources;"

Engrossed Substitute House Bill No. 2091 establishes legislative direction for the use of the Forest and Fish Report of February 1999, prepared by the Forest Practices Board, to protect salmon habitat and water quality.

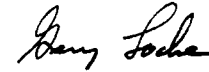
Section 903 of the bill would direct the Department of Natural Resources to evaluate certain publicly held lands, report the reasons those lands may not provide sufficient shade to streams, and estimate the resources needed to reforest the lands. This activity would involve considerable staff time and expense (approximately \$250,000) and money for it was not included in the budget passed by the legislature. Given the funding strain already inherent in the requirements of this legislation, I prefer to veto this section.

Section 1404 of the bill would make this act null and void if harvest levels of certain salmon runs in Alaskan waters were not reduced by twenty-five percent by December 31, 2004. This sec-

tion was added to the bill immediately prior to final passage and was not part of the negotiated package. It is vague and ambiguous. Further, it would provide an unnecessary linkage between two distinct elements of a comprehensive salmon protection strategy. It would jeopardize the goal of long-term certainty intended with this legislation, risk the loss of federal assurances against certain types of lawsuits due to the incidental take of salmon, and make unworkable long-term incentive programs such as the forestry riparian easement program.

For these reasons, I have vetoed sections 903 and 1404 of Engrossed Substitute House Bill No. 2091. With the exception of sections 903 and 1404, ESHB 2091 is approved.

Respectfully submitted,



Gary Locke
Governor

ESHB 2095

C 383 L 99

Regulating commercial fertilizer.

By House Committee on Agriculture & Ecology (originally sponsored by Representatives G. Chandler, Linville, Koster, Grant, B. Chandler, Anderson and Sump).

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic
Development

Background: Registration. No person may distribute a commercial fertilizer in this state unless the fertilizer is registered with the Washington State Department of Agriculture (WSDA). The registration fee is \$25. Registrations expire on June 30 annually. Bulk fertilizers do not have to be registered if all of the fertilizer products in them are registered. However, those who distribute bulk fertilizer must be licensed by the WSDA.

Stop Sale Orders and Seizures. If the WSDA has reasonable cause to believe that fertilizer is being offered or exposed for sale in violation of any of the commercial fertilizer laws, it may issue a "stop sale," "stop use," or "removal order" and require that the fertilizer be held at a designated place until released by the WSDA for compliance with those laws. Any lot of commercial fertilizer not in compliance is also subject to seizure. For this purpose, the WSDA must file a complaint with a court of competent jurisdiction in the area in which the fertilizer is located. With certain exceptions, if the court finds that the fertilizer is in violation of the commercial fertilizer laws and orders the condemnation of the fertilizer, it must be disposed of in a manner consistent with the quality of the commercial fertilizer and the laws of the state.

Summary: Commercial fertilizers must be registered biennially (rather than annually). Registrations are staggered alphabetically so that a portion of the registrations

are made in even-numbered years and a portion in odd-numbered years. The fee for a two-year registration is \$50. Labels for each product no longer need to be submitted with each registration application.

In lieu of a "removal" order, the WSDA may issue a "withdrawal from distribution" order. In addition to an owner or custodian of a fertilizer, a distributor is expressly added as one to whom a regulatory order may be issued.

A declaration is made that fertilizers that are not registered or that fail to meet metals standards maybe harmful to soils and may contain substances harmful to the public. A "stop sale," "stop use," or "withdrawal from distribution" order may expressly be issued if the commercial fertilizer is not registered in this state or, according to the WSDA, fails to meet this state's standards for total metals. A fertilizer must be released from such an order when the distributor, owner, or custodian has complied with the commercial fertilizer laws and rules. If compliance is not or cannot be obtained, the WSDA may institute seizure proceedings or may agree in writing to an alternative disposition of the commercial fertilizer. If the seizure is for these purposes, the WSDA may file its complaint with the Thurston County Superior Court or other court of competent jurisdiction.

All costs associated with a "stop sale," "stop use," or "withdrawal from distribution" order incurred by the distributor, owner, or custodian of a commercial fertilizer are the responsibility of the distributor, owner, or custodian. All costs associated with disposal following condemnation under a seizure order are the responsibility of the distributor, owner, or custodian of the commercial fertilizer, unless such a person is the consumer or is only a transporter of the fertilizer. The disposal costs are not the responsibility of the consumer or such a transporter of the commercial fertilizer.

Votes on Final Passage:

House	96	0
Senate	43	2

Effective: July 1, 1999

ESHB 2107

C 239 L 99

Limiting fishing of shrimp.

By House Committee on Natural Resources (originally sponsored by Representatives Anderson and Linville).

House Committee on Natural Resources
 House Committee on Appropriations
 Senate Committee on Natural Resources, Parks & Recreation

Background: An "emerging commercial fishery" is the commercial taking of a newly classified species of food fish or shellfish, the commercial taking of a classified species with gear not previously used for that species, or the

commercial taking of a classified species in an area from which that species has not been previously taken. The purpose of the designation is to allow scientific data to be collected on fishery impacts.

The director of the Department of Fish and Wildlife may by rule designate a fishery as an emerging commercial fishery. The director must include in the designation whether the fishery is one that requires a vessel. Within five years after adopting rules to govern the number of participants in an emerging commercial fishery, the director must provide a report to the Legislature which outlines the status of the fishery and a recommendation as to whether a separate commercial fishery license, license fee, or limited harvest program should be established for that fishery.

A person may not take food fish or shellfish in a fishery designated as an emerging commercial fishery without an emerging commercial fishery license and a permit from the director. Two permit types are created: (1) a trial fishery permit which is issued if the number of participants in an emerging commercial fishery does not need to be restricted; and (2) an experimental fishery permit which is issued if the number of participants in an emerging commercial fishery does need to be restricted.

In 1994, the director adopted a rule designating the Puget Sound shrimp pot and Puget Sound shrimp trawl fisheries were designated as emerging commercial fisheries for which vessels are required. The rule also establishes that Puget Sound shrimp may only be fished with an experimental fishery permit, determines who may qualify for obtaining a permit, and limits the transferability of the permits.

A limited entry fishery is one that controls the amount of fishing effort by restricting the number of operators or vessels.

Summary: The Puget Sound shrimp emerging commercial fisheries is converted to a limited entry fishery. Clarification and guidance are provided to persons who will be affected by the transfer. Fees for the shrimp pot limited entry fishery are established. As of January 1, 2000, both shrimp pot and shrimp trawl fishers must have a shrimp pot or shrimp trawl Puget Sound fishery license. As of January 1, 2000, the fishery will be restricted to those fishers who held an emerging commercial fishery license the previous year. The Department of Fish and Wildlife and the shrimp industry are directed to refine the limited entry program and to report to the Legislature by December 31, 1999.

Votes on Final Passage:

House	96	0	
Senate	44	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

SHB 2111
C 163 L 99

Eliminating the tort claims revolving fund.

By House Committee on Appropriations (originally sponsored by Representatives Alexander, Benson, Wolfe, Constantine, Hatfield, Grant and H. Sommers; by request of Attorney General and Department of General Administration).

House Committee on Appropriations
Senate Committee on Ways & Means

Background: Tort Claims Accounts. The state relies on two separate systems for paying claims arising from tort cases. Claims from incidents prior to July 1, 1990, are paid out of the Tort Claim Revolving Fund (TCRF); those from incidents after July 1, 1990, are paid out of the Liability Account. The TCRF involves a pay-as-you-go approach: claims are paid and agencies then invoiced for reimbursement. The Liability Account is funded by annual premiums paid by agencies for the Self-Insurance Liability Program (SILP). The Department of General Administration (GA) maintains separate processes for each of the tort claims payment types, each involving separate actuarial and management needs.

In the 1990's, the percentage of total claims paid out of the TCRF decreased while that paid out of the Liability Account increased. Outstanding liabilities in the SILP as of February, 1999, were estimated to be \$108.4 million, while those in the TCRF were estimated to be \$16.5 million. The Risk Management division of the GA expects claims paid out of TCRF in the early part of the 2001-2010 decade to be less than 10 percent of total claims paid out.

Payment of Tort Defense Costs. The cost of tort defense is paid to the Office of the Attorney General (AG) by the defendant agency. While certain large agencies, such as the departments of Transportation, Social and Health Services, and Corrections, have historically received appropriations for tort defense costs, most agencies do not. To cover unexpected defense costs, an agency must either find money in its operating budget or request expenditure authority through the Tort Defense Revolving Account controlled by the Office of Financial Management (OFM). The agency then requests a supplemental appropriation to cover the shortfall in the operating budget or in the Tort Defense Revolving Account.

Because of trends in tort cases against the state in the late 1990's, the costs of tort defense have escalated. With increasing tort costs, there have been growing numbers of agency requests for appropriations in supplemental budgets to cover the costs.

The AG is authorized to represent foster parents in suits arising from the good faith provision of foster care services.

Summary: Consolidation of Tort Accounts. Financing for all tort-related costs is consolidated into one account, the Liability Account. Moneys remaining in the Tort Claims Revolving Fund as of June 30, 1999, are deposited into the Liability Account, and all tort claims against the state will be paid out of the Liability Account.

Torts Defense Costs Financing Changes. Costs of tort defense services for state agencies will be paid from the Liability Account and will be billed to state agencies on a premium basis. (Costs of tort defense services for foster parents will continue to be paid from appropriations made for this purpose.)

Reporting. After the close of the 1999-2001 fiscal biennium, the GA must report to the Governor and the Legislature on activities in the Liability Account.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: July 1, 1999

HB 2116
C 69 L 99

Allowing a public utility district to dispose of equipment or materials.

By Representatives Scott, Mielke, Mulliken, Edwards, Fortunato, Cooper and Reardon.

House Committee on Local Government
Senate Committee on State & Local Government

Background: Public utility districts (PUDs) may sell and convey, lease, or otherwise dispose of all or any part of its works, plants, systems, utilities and properties, after proceedings and supermajority voter approval by the voters of the district. PUDs may dispose of property outside its boundaries to another PUD, city, or town without voter approval.

PUDs may dispose of any property within or outside its boundaries that is obsolete, unserviceable, inadequate, worn out, or unfit to be used in the operations of the system and which is no longer necessary. PUDs may also transfer such property to any person or public body without voter approval.

Summary: Public utility districts are authorized to sell, convey, lease or otherwise dispose of items of equipment or materials from the district's stores to any other district without voter approval or a resolution of a district's board. This authority is granted only if the items or materials cannot be obtained on a timely basis from any other source and if the district receives at least its cost or the reasonable market value.

Entities to which the PUD may sell, convey, lease or otherwise dispose of property include any cooperative, mutual, consumer-owned or investor-owned utility; any

federal, state, or local government agency; any contractor employed by the district or any other district, utility, or agency; or any customer of the district or of any other district or utility.

Votes on Final Passage:

House	96	0
Senate	41	0

Effective: July 25, 1999

SHB 2152

C 181 L 99

Concerning long-term care payment rates.

By House Committee on Health Care (originally sponsored by Representatives Cody, Parlette, Van Luven, Conway and Edmonds).

House Committee on Health Care
House Committee on Appropriations
Senate Committee on Health & Long-Term Care

Background: In Washington, there are 269 Medicaid-certified facilities in 37 counties providing care to approximately 14,500 Medicaid clients. The state plays two major roles with regard to nursing homes: the regulator and service purchaser. The state purchases, through Medicaid, about two-thirds of all nursing home care delivered in the state. As of October 1998, yearly costs per person for nursing home care was \$41,880 at an average daily rate of \$114.74.

Washington's nursing home rate refers to the Medicaid payment made to a nursing facility operator to care for one person for one day. The Washington nursing home payment system may be characterized as prospective, cost-based, and facility-specific. This means that each facility receives its own rate of payment, which is unique to that facility, based upon that facility's allowable costs and case mix.

The rates paid to nursing facilities are based on six different components. These components include: (1) direct care; (2) operations; (3) support services; (4) therapy care; (5) property; and (6) the return on investment, which consists of two parts - financing allowance and variable return. Each individual facility is paid its actual cost of providing a component of care, or is paid up to the ceiling for that component, whichever is lower.

Payments to nursing facilities for therapy care are based on the 1996 cost report. The payment is included in the daily rate paid to nursing facilities. The average payment for therapy care is 90 cents per patient day. It covers physical therapy, speech therapy, occupational therapy, respiratory therapy, and mental health therapy. One-on-one therapy costs are capped at 110 percent of the median cost per unit of therapy for each therapy type. A unit of therapy is equal to 15 minutes of one-on-one therapy. The therapy rate is rebased every three years.

Summary: The DSHS may, through rule-making, establish criteria for determining residents who have unmet exceptional care needs, increase the direct care component rate allocation for those residents, and establish methods of exceptional care payment. By December 12, 2002, the DSHS must report to the appropriate committees of the Legislature on the number of individuals granted exceptional care rates, their diagnosis, the amount of payments made for exceptional care, and an assessment of the cost benefit of providing exceptional care by measuring health outcomes.

The DSHS is required to adopt rules and implement exceptional care payments for therapy care by January 1, 2000. The DSHS is allowed to establish a limited exceptional therapy care payment for residents under the age of 65 who do not qualify for medicare and who can achieve significant progress in their health status by receiving intensive therapy care. Only 12 nursing facilities that have displayed excellence in therapy care may be allowed to receive the exceptional therapy care payment. To receive payment, the DSHS is required to approve a plan of care on a patient-by-patient basis and monitor each resident. The DSHS is required to submit a report to the Legislature by December 12, 2002, that identifies how many residents have received intensive therapy care, the cost of the care, and a cost benefit analysis of exceptional care payments for therapy care. The DSHS authority to allow exceptional therapy care payments is terminated on June 30, 2003.

Votes on Final Passage:

House	96	0
Senate	48	0

Effective: July 25, 1999

HB 2181

C 70 L 99

Storing fruits or vegetables in controlled atmosphere storage.

By Representatives Clements and G. Chandler.

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic
Development

Background: To be classified as having been stored in controlled atmosphere (CA) storage, fruits or vegetables must be stored under conditions that satisfy standards set by the director of the Department of Agriculture for the oxygen content of the sealed atmosphere, temperature, and duration of exposure to such atmosphere and temperature. For apples, minimums for these standards are set by statute.

The minimum length of time that Gala and Jonagold apples must be retained in CA storage is 45 days; the minimum length of time for all other apples is 90 days.

HB 2200

Summary: For apples other than Gala and Jonagold, the length of time is reduced during which apples must be retained in CA storage to be classified as having been stored in CA storage. That length of time is reduced to 60 days.

Votes on Final Passage:

House	96	0
Senate	43	0

Effective: July 25, 1999

HB 2200

C 240 L 99

Changing the duties of the director of licensing.

By Representatives Romero and McMorris; by request of Department of Licensing.

House Committee on State Government
Senate Committee on Transportation

Background: The Department of Licensing is required to be organized into divisions, including the business and professions administration which includes the divisions of real estate and professional licensing. The director of the Department of Licensing is appointed by the Governor, with consent of the Senate, and holds office at the pleasure of the Governor. Directors must be selected with reference to their experience and interest in motor vehicle administration or highway safety.

The director of the Department of Licensing is required to appoint and deputize an assistant director of business and professions administration, and may delegate to the assistant director authority to promulgate rules and regulations relating to the licensing of persons engaged in businesses and professions; appoint such clerical and other assistants; to carry out necessary work; and to deputize assistants to perform duties in the name of the director.

Summary: The authority of the director of the Department of Licensing is clarified. Duties are to supervise and administer the Department of Licensing, and to advise the Legislature and Governor with respect to matters under the jurisdiction of the department. The director is granted specific authority to:

- enter into contracts to carry out the department's responsibilities;
- accept and expend gifts and grants;
- administer the department, including complete charge and supervisory powers over the department, and create any administrative structures;
- adopt rules;
- delegate powers and duties; and
- establish advisory groups.

References to duties formerly performed by the Department of Licensing regarding optometry that are now under the authority of the Department of Health are re-

pealed. References to the special experience requirements for the appointment of directors are repealed.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: July 25, 1999

HB 2201

C 270 L 99

Imposing a surcharge on trip permit fees.

By Representatives Fisher, Hankins, Ogden, K. Schmidt, Ericksen, Skinner, Radcliff and Mielke.

House Committee on Transportation
Senate Committee on Transportation

Background: Motor vehicles driving on Washington's public highways must be either licensed in Washington or be covered by a reciprocal arrangement with another state. Vehicles that are unlicensed and have no such reciprocal agreement must either become licensed or purchase a trip permit in lieu of a license.

Commercial vehicle operators must pay a special fuel use tax while operating in Washington. A special fuel user may obtain a trip permit in lieu of paying the fuel tax.

Each trip permit authorizes the operation of a single vehicle at the maximum weight limit for that vehicle for a period of three consecutive days. No more than three permits may be used for any vehicle in any period of 30 consecutive days. For recreational vehicles, no more than two permits may be used for any one vehicle in a one year period.

Trip permits may be obtained from field offices of the Department of Transportation, Washington State Patrol, Department of Licensing, or other agents appointed by the Department of Licensing. The current fee for obtaining a vehicle trip permit is \$10. The fee for obtaining a special fuel user trip permit is \$20. Trip permit fees are deposited in the motor vehicle fund and the state general fund.

Summary: A surcharge of \$5 is imposed on the issuance of trip permits. The portion of the surcharge paid by motor carriers must be deposited in the motor vehicle fund for the purpose of supporting vehicle weigh stations, weigh-in-motion programs, and the commercial vehicle information systems and networks program. The remaining portion of the surcharge must be used for congestion relief programs.

Votes on Final Passage:

House	94	2	
Senate	34	14	(Senate amended)
House	83	13	(House concurred)

Effective: July 25, 1999

HB 2205

C 114 L 99

Providing conditions for waiver of the requirement for a mandatory appearance following arrest for DUI.

By Representatives McDonald, Lovick, Carrell, Constantine and Haigh.

House Committee on Judiciary
Senate Committee on Judiciary

Background: As part of extensive revisions to the state's drunk driving laws in 1998, the Legislature required that within one judicial day after an arrest for "driving under the influence" (DUI), the defendant must be brought before a judge. The purpose of the appearance is to consider the need for imposing conditions on pretrial release. The legislation responded to concerns that the failure to have a prompt appearance was resulting in problem drivers being released without restrictions on their driving pending trial.

Summary: A local court may waive the requirement that a DUI defendant appear before a judge within one judicial day of arrest. The local waiver must provide for appearance of the defendant at the earliest practicable day as defined by local court rule.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: July 25, 1999

HB 2206

C 71 L 99

Allowing declaratory judgment actions when county elected officials have abandoned their responsibilities.

By Representatives Mulliken, Scott, Carrell and Constantine.

House Committee on Local Government
Senate Committee on State & Local Government

Background: A county elected official is required to take an oath of office to faithfully and impartially discharge the duties of office to the best of his or her abilities. A county elected official is paid a salary for the services required by law. Before entering office, an official must post a bond subject to the condition that he or she will faithfully perform the duties of his or her office.

By statute, a county office is considered vacant for the following reasons: death; resignation; removal; ceasing to be a registered voter in the county; conviction of a felony, or any offense involving a violation of an oath of office; neglect by the official to take the oath of office; the election being declared void; and a judgment against the incumbent for breach of the condition of the bond. How-

ever, there are no specific vacancy provisions for abandonment of office.

A declaratory judgment is a judicial remedy for the determination of a justiciable controversy where the plaintiff is in doubt with respect to his or her legal rights. A court's declaratory judgment is a binding adjudication of the rights and status of litigants even though no consequential relief is awarded.

Summary: A county legislative authority may file an action in superior court seeking a declaratory judgment that a county elected official has abandoned his or her responsibilities. Abandonment is caused by being absent from the county for 30 consecutive days. Absences approved by the county legislative authority or absences for medical or disability leave are not considered abandonment.

The county official is not eligible to receive compensation from the date a declaratory judgment is issued finding abandonment until a court issues another declaratory judgment finding that the official has resumed performing his or her duties.

Votes on Final Passage:

House	96	0
Senate	44	0

Effective: July 25, 1999

HB 2207

C 241 L 99

Increasing legislative commission membership.

By Representatives Kessler and Lisk.

House Committee on State Government
Senate Committee on State & Local Government

Background: The Washington Arts Commission consists of 19 members appointed by the Governor, and two members of the Legislature, one from each chamber, from opposing parties.

The Washington State Information Services Board is composed of 13 members, including two members of the Legislature, one member from each chamber, from opposing parties.

The Puget Sound Council is composed of nine members including two members of the Legislature, and one member from each chamber, from opposing parties.

Summary: Two members of the Legislature are added to the Washington Arts Commission, the Washington State Information Services Board, and the Puget Sound Council. Of the four legislative members, two must be appointed from each chamber, one from each caucus and by the Speaker of the House and the President of the Senate, respectively.

EHB 2232

Votes on Final Passage:

House	94	0	
Senate	36	8	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

EHB 2232

C 115 L 99

Addressing occupational safety and health impact grants.

By Representatives Conway and Clements.

House Committee on Commerce & Labor
Senate Committee on Labor & Workforce Development

Background: The medical aid fund is one of the five funds that pays for workers' compensation benefits. It pays medical and vocational providers for their services to injured workers. The fund earns income from premiums paid by both employers and employees as well as investment earnings. The fund contains both appropriated and non-appropriated moneys.

As a result of excellent returns on stock market investments during fiscal year 1998 and lower than expected claims costs, the medical aid fund has accumulated large reserves. The accident fund, another workers' compensation fund has also benefitted from good investment returns. In January, 1999, employers received \$200 million in dividends out of the accident fund's reserves.

Summary: A program is established in the Department of Labor and Industries to provide safety and health grants until July, 2005. The purpose of the grants is to prevent injuries and illnesses, protect lives, and provide workplace safety education to employers and employees. The grant program will be funded by appropriations from the reserves of the medical aid fund.

Applicants for grants may be trade associations, business associations, employers, employees, employee organizations, and labor unions. Applicants may join with educational institutions, organizations, or self-insured employers. There are four categories of grants: education and training, technical innovation, application of hazard controls, and innovative statewide programs to address safety and health priorities established by the Washington Industrial Safety and Health Act (WISHA) Advisory Committee. Grants may not be used for lobbying.

The nine-member Safety and Health Impact Grant Committee is created to prepare requests for proposals, develop application procedures and approval criteria, and review and process grant applications. The membership is appointed by the director and includes four employee representatives, four employer representatives, and one non-voting department representative.

All applications for grants are reviewed by the grant review committee. By a two-thirds vote, the committee may recommend an application to the director of the

department. The director must approve a recommended application unless he or she has a compelling and substantive reason to reject the application. If the director rejects a recommended application, the director must provide a written explanation to the grant review committee who may advise the director to reconsider. The director may reject the application a second time for compelling and substantive reasons. Upon a second rejection, the grant review committee may refer the application to the WISHA advisory committee who may also advise the director to reconsider.

The director may suspend or revoke a grant because the recipient is not complying with grant criteria or procedures if either the grant review committee recommends such action by a two-thirds vote, or the director has compelling and substantive reasons. If the director acts without a recommendation of the grant review committee, he or she must first allow the committee to consider the suspension.

The department and the grant review committee must annually report to the Legislature and the WISHA and workers' compensation advisory committees concerning the grant program. The Workers' Compensation Advisory Committee will make a biennial program budget recommendation to the director based on a recommendation by the WISHA Advisory Committee. The director and the WISHA Advisory Committee will review and report on the program to the Legislature by December 31, 2004.

Material developed using grant money is public record and must be provided to the department at no charge. Information contained in applications may not be used for health and safety inspections or as a basis for citations.

Votes on Final Passage:

House	97	0
Senate	47	0

Effective: This act is null and void since no appropriation was made in the budget.

ESHB 2239

C 242 L 99

Enhancing storm water control grant programs.

By House Committee on Transportation (originally sponsored by Representatives Buck and Wood).

House Committee on Transportation
Senate Committee on Transportation

Background: Local government utilities are authorized to charge an assessment fee to the Department of Transportation (DOT) for the construction, operation, and maintenance of storm water control facilities. The rate charged may not, however, exceed the rate charged for comparable city street or county road right-of-way within the same jurisdiction.

Beginning in January of 1997, local jurisdictions have been required to develop an annual plan for the expenditure of the assessed fees in coordination with the DOT. State law requires this local assessment fee to be earmarked for capital projects that address state highway storm water. For example, the planned construction of a parking lot or housing development that is adjacent to a state highway would be required to address storm water impacts to the state highway. These fees can also be used for the implementation of best management practices that reduce the need for storm water mitigation.

Since the implementation of this program, some jurisdictions have defaulted on the development of a storm water plan. Consequently, state storm water fees remain earmarked, but unspent.

The DOT also operates a storm water grant program. It provides for statewide coordination in the implementation of storm water facility projects and authorizes the DOT to provide grants, on a matching basis, to fund selected storm water projects. The program has been developed in cooperation with the Department of Ecology (DOE), cities, counties, ports, environmental organizations, and business organizations.

A result of this program is the identified need to coordinate city and county storm water facilities that not only address improved water quality and reduced flooding, but provide a linkage that mitigates altered stream hydrology, and improves salmonid habitats.

The program sunsets on July 1, 2003.

In 1998, state law authorized the DOT to administer a fish passage grant program. The fish passage grant program assists state agencies, local governments, private landowners, tribes, and volunteer groups in identifying and removing impediments to anadromous fish passage. Priority grants were given to projects that immediately increase access to available and improved spawning and rearing habitat for depressed, threatened, and endangered stocks, or are coordinated with other watershed improvements efforts.

Since this program was established, the federal government has listed or is expected to list salmonid species as threatened or endangered. Consequently, the state's anadromous fish passage grant program may be too narrow in focus and inconsistent with federal fish passage priorities.

A result of this program is the identified need to coordinate with the storm water grant program, ensure state funded fish passage projects use consistent criteria, and modify grant matching requirements.

In addition, the DOT and the Department of Fish and Wildlife recognized a need to establish a centralized data base directory of all fish passage barrier information.

Summary: Unspent storm water fees, due to the default of no local storm water plan, are dedicated to the storm water grant program.

City streets and county roads are also identified as storm water projects that are to be coordinated as part of the statewide storm water coordination program.

In addition to addressing improved water quality and reduced flooding, the program is to address mitigation to altered stream hydrology, and improvement to salmonid habitats.

Committee membership for the storm water grant program is expanded to include the Transportation Improvement Board (TIB). In addition, the Department of Fish and Wildlife is included as a committee member that oversees the program.

A section is added that coordinates the Department of Transportation's fish passage program with the state storm water program.

The DOT's authority to administer a grant program that assists state agencies, local governments, private landowners, and volunteer groups in the removal of fish passage barriers is modified. The DOT and the Department of Fish and Wildlife may administer and coordinate the fish passage grant program. With the exception of the TIB fish passage projects, all state and locally administered fish passage grant programs that use state funding are to be reviewed and approved by the Fish Passage Barrier Removal Task Force. (The TIB will use the task force's criteria, but retains approval authority for projects they fund.) Other agencies that administer natural resource based grant programs that include fish passage barrier removal projects are to be consistent with the task force's barrier removal criteria.

The match rate for fish passage grant programs is modified to be consistent with the granting authority's criteria. Grant programs that do not specify a funding match are now set at a minimum of 25 percent. In-kind contributions are permitted for local, private, and volunteer projects.

The DOT and the Department of Fish and Wildlife are to develop a centralized data base directory of all fish barrier information.

Votes on Final Passage:

House	96	0	
Senate	48	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1999

ESHB 2247

C 7 L 99 E 1

Reducing the account balance requirements necessary for the imposition of the oil spill response tax.

By House Committee on Appropriations (originally sponsored by Representatives Cooper, Linville and Ruderman; by request of Office of Financial Management).

House Committee on Appropriations

Background: In 1991, a comprehensive oil spill prevention and response measure was enacted to promote the safety of marine transportation in Washington. The legislation imposed a tax on oil imported into the state to cover the costs incurred by state agencies in implementing the program. The tax was 3 cents for each barrel of crude oil or refined product imported at a marine terminal. In addition, a 2 cents per barrel tax was imposed to establish a fund for response to oil spills. If the fund balance in the oil spill response account reached \$25 million, the oil spill response tax would be suspended. The oil spill response tax would be reimposed if the fund balance fell below \$15 million.

In 1997, a number of changes were enacted to the oil spill prevention program. The distribution of the 5 cent tax on crude oil was changed. The oil spill administration tax was increased from 3 cents to 4 cents for each barrel of oil, and the oil spill response tax was decreased from 2 cents to 1 cent for each barrel of oil. The cap on the oil spill response tax was decreased from \$25 million to \$10 million. If the oil spill response account falls below \$9 million, the tax is reimposed. The response fund may only be used when authorized by the director of the Department of Ecology to cover the costs incurred by state agencies in responding to an oil spill.

The 1997-99 budget appropriated \$7.9 million to state agencies from the oil spill administration account to pay for oil spill prevention and response activities. The November 1998 revenue forecast estimates the account will receive \$7.3 million in revenue.

Summary: The cap on the oil spill response account is lowered from \$10 million to \$8 million. Once that amount is exceeded, the tax is not reimposed until the balance in the account falls below \$7 million.

The State Treasurer is authorized to transfer a total of \$1 million from the response account to the administration account during the 1997-99 biennium and the 1999-01 biennium.

The Department of Ecology must convene a work group to provide recommendations for an oil spill risk management plan.

Votes on Final Passage:

First Special Session

House	96	0
Senate	45	0

Effective: June 7, 1999

HB 2259

C 308 L 99

Extending the term of drivers' licenses.

By Representatives Murray, Hankins, Ogden, K. Schmidt, Fisher, Radcliff, Hatfield and Hurst.

House Committee on Transportation
Senate Committee on Transportation

Background: Washington State driver's licenses, commercial driver's licenses, and driver's licenses containing motorcycle endorsements are valid for four years. The fee for both the initial and renewal driver's license is \$14 (or \$3.50 per year). An additional fee, not to exceed \$12 for each class (or \$3 per year), is required for the issuance or renewal of a commercial driver's license. Finally, an additional fee for the issuance of an initial or new category motorcycle endorsement is \$6 (or \$1.50 per year), and the subsequent renewal endorsement fee is \$14 (or \$3.50 per year).

The \$3.50 yearly fee for the driver's license was last increased in 1975. The revenue generated from the current fee is insufficient to cover the cost of all the functions of the driver's license program.

Summary: Washington driver's licenses, commercial driver's licenses, and driver's licenses containing motorcycle endorsements are valid for five years. The annual fee for driver's licenses is increased by \$1.50 per year. The fee for both the initial and renewal driver's license is \$25 (or \$5 per year). An additional fee, not to exceed \$20 for each class (or \$4 per year), is required for the issuance or renewal of a commercial driver's license. An additional fee, not to exceed \$10 (or \$2 per year), is required for the issuance of an initial or new category motorcycle endorsement, and the subsequent renewal endorsement fee is not to exceed \$25 (or \$5 per year).

During the period from July 1, 2000 to July 1, 2006, the Department of Licensing (DOL), in order to evenly distribute the yearly renewal rate of licensed drivers, may issue or renew a driver's license for a period other than five years. As well, the DOL may extend by mail a license that has already been issued, in which case, the fee is \$5 for each year that the license is issued, renewed, or extended.

Votes on Final Passage:

House	87	9	
Senate	35	12	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	34	12	(Senate amended)
House	91	5	(House concurred)

Effective: July 25, 1999
 July 1, 2000 (Sections 1-5)

ESHB 2260
 C 311 L 99

Promoting the creation and the retention of jobs.

By House Committee on Finance (originally sponsored by Representatives Eickmeyer, Alexander, Mulliken, Kessler, McMorris, Grant, Parlette, Doumit, Clements, Linville, Mielke, Koster, DeBolt, Cox, Pennington, Dunn, Crouse, Sump, Ericksen, Veloria, Mastin, Hankins, Murray, Van Luven, Skinner, Schoesler, Hatfield, Conway, Kenney, Rockefeller, Thomas, Lantz, Barlean and Haigh).

House Committee on Finance
 Senate Committee on Agriculture & Rural Economic Development
 Senate Committee on Ways & Means

Background: In 1997, legislation was enacted to allow a distressed county to impose a 0.04 percent local sales and use tax. The tax is credited against the state's 6.5 percent sales and use tax. Therefore, the consumer does not see an increase in the amount of tax paid. Revenue from the distressed counties' local option sales and use tax must be used to finance public facilities. The legislation did not define a public facility. A distressed county is defined as a county with an average unemployment rate that exceeds the state's average unemployment rate by 20 percent for the previous three-year period. Twenty-three counties are eligible.

Referendum 49, approved by voters in 1998, allocated 1.377 percent of the motor vehicle excise tax (MVET) to the counties authorized to impose the 0.04 local sales and use tax option. This portion of the MVET is distributed to distressed counties in the same proportion as the 0.04 percent local option sale and use tax.

The state business and occupation tax (B&O) is imposed on the gross proceeds of sale or the gross income of a business without any deduction for the cost of doing business. The tax rate varies depending on the classification of the business activity. The primary rates are 0.471 percent for retailing activity, 0.484 percent for wholesaling and manufacturing, and 1.5 percent for service activity.

The sales tax is imposed on retail sales of most items of tangible personal property and some services. The charge for labor and services rendered to construct, repair, raze, or move buildings or structures is subject to sales

tax. The combined state and local sales tax rate is between 7 and 8.6 percent, depending on location.

On October 16, 1998, President Clinton declared a landslide in the city of Kelso a federal disaster area. According to Federal Emergency Management Office documents, the landslide is expected to ultimately destroy or make unlivable 137 homes.

Summary: The distressed county local option sales and use tax is directed to rural counties. The tax rate is increased from 0.04 percent to 0.08 percent for rural counties, except that before January 1, 2000, the rate may not exceed 0.04 percent in rural counties with population densities between 60 and 100 persons per square mile. A rural county is defined as a county with a population density of less than 100 persons per square mile. (Thirty-one counties will be eligible for this local option sales and use tax.)

The revenues can only be used for public facilities that are listed as an item in the county's overall economic development plan, or the economic development section of the county's comprehensive plan, or the comprehensive plan of a city, or the county's or city's capital facilities plan.

"Public facility" means bridges; roads; domestic and industrial water, sanitary sewer, and storm sewer facilities; earth stabilization; railroad; electricity; natural gas; buildings; structures; telecommunications, transportation, and commercial infrastructure; and port facilities.

The allocation of the distressed county's 1.377 share of the motor vehicle excise tax is limited to the counties authorized to collect the 0.04 local option sales tax on January 1, 1999.

An annual \$1,000 business and occupation (B&O) tax credit is provided to computer software manufacturing and programming businesses for each new job created in a rural county. The tax credit terminates on December 31, 2003.

A B&O tax credit is provided to businesses that provide information technology "help desk" services to third parties in a rural county. The credit equals 100 percent of the business and occupation tax. The tax credit terminates on December 31, 2003.

A public utility tax credit is provided for light and power businesses that donate to an electric utility rural economic development revolving fund. The credit is equal to 50 percent of the donation and is limited to \$25,000 per year per business. Total credits are limited to \$350,000 per year. The tax credit is terminated on December 31, 2005.

Labor and service charges associated with moving houses out of a federal landslide disaster area, demolishing houses located in a federal landslide disaster area, and removing debris from a federal landslide disaster are exempt from sales tax. These sales tax exemptions apply retroactively to March 1, 1998, and expire on July 1, 2000.

HB 2261

Votes on Final Passage:

House	96	0	
Senate	44	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	45	0	(Senate amended)
House	96	0	(House concurred)

Effective: May 14, 1999 (Section 501)
August 1, 1999 (Sections 1, 101, 201, 301-305, 401, 402, 601, and 605)

HB 2261

C 212 L 99

Clarifying the phrase "services rendered in respect to constructing" for business and occupation tax purposes.

By Representatives Reardon, Cairnes and Santos; by request of Department of Revenue.

House Committee on Finance
Senate Committee on Ways & Means

Background: Washington's major business tax is the business and occupation (B&O) tax. Although there are several different rates, the most common rates are 0.471 percent for retailing, 0.484 percent for wholesaling, and 1.5 percent for service activity.

The sales tax is imposed on retail sales of most items of tangible personal property and some services. Use tax is imposed on the use of an item in this state, when the acquisition of the item or service has not been subject to sales tax. Taxable services include construction, repair, telephone, and some recreation and amusement services. The combined state and local sales and use tax rate is between 7 and 8.6 percent, depending on location.

Generally, sales tax applies to construction activity. Prime contractors are hired to construct buildings for consumers. The prime contractor collects sales tax from the consumer on the full contract price for the construction. The full contract price includes all the costs of construction including the prime contractor's profit and charges paid by the contractor for engineering, architectural, surveying, and other services.

Materials and subcontractor services purchased by the contractor are purchases for resale, and sales tax is not collected. Suppliers and subcontractors pay wholesaling B&O tax on these transactions.

Summary: Services sold to contractors are treated as wholesales only if they are directly related to construction, building, repairing, improving, and decorating of buildings or structures.

The services B&O rate (1.5 percent) applies to engineering, architectural, surveying, flagging, accounting, legal, consulting, and administrative services when these services are sold to the construction industry.

Votes on Final Passage:

House	96	0
Senate	46	1

Effective: July 25, 1999

HB 2264

C 182 L 99

Meeting the trust account requirement of the juvenile accountability block grant.

By Representatives H. Sommers, Huff and O'Brien; by request of Department of Social and Health Services.

House Committee on Appropriations
Senate Committee on Ways & Means

Background: In 1998, Washington began receiving funds from the federal Juvenile Accountability Incentive Block Grant. These funds may be used for specific purposes as defined by federal laws and rules.

Federal law requires states receiving grants to deposit the grant moneys into a trust account that retains its own interest.

Summary: The Juvenile Accountability Incentive Account is established as an appropriated account in the custody of the State Treasurer. Moneys received from the federal Juvenile Accountability Incentive Block Grant must be deposited in the account.

The account retains its own interest earnings, rather than having the interest be distributed to the state general fund.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: July 25, 1999

SHB 2273

C 8 L 99 E 1

Changing provisions relating to taxation of destroyed property.

By House Committee on Finance (originally sponsored by Representatives Haigh, Romero, Alexander, Hatfield, DeBolt, Eickmeyer, Wolfe, Rockefeller, Lovick, Lantz and Thomas).

House Committee on Finance
Senate Committee on Ways & Means

Background: Property in Washington is subject to the property tax each year based on the property's value, unless specifically exempted by law. Property value is determined as of January 1 of the assessment year. Property taxes are paid in the following year based on this value.

Property that is (1) destroyed in whole or part, or (2) damaged in a natural disaster after the assessment date may be eligible for an adjustment in assessed value. The property damaged in a natural disaster must be reduced in value by 20 percent or more and be located in a Governor-designated disaster area.

The assessed value adjustment is equal to the value reduction due to the destruction multiplied by the proportion of time remaining in the year. For example, a property with \$50,000 of damage by a June flood would have an assessed value adjustment of \$25,000.

The assessed value adjustment reduces the property tax in the year following the damage. The property tax due in the year in which the damage occurs is not reduced.

Summary: The property tax on property that is destroyed in whole or part is reduced for the year in which the destruction occurs. This provision applies to property taxes levied for collection in 1998 through 2004.

Property tax on property reduced by 20 percent in value by a natural disaster is reduced for the year in which the damage occurs. This provision applies to Governor-declared disaster areas for taxes levied for collection in 1998 and 1999, and to federal disaster areas for property taxes levied for collection in 2000 through 2004.

The current year tax reduction is equal to the reduction in value due to the damage multiplied by the proportion of time remaining in the year multiplied by the tax rate. Taxes already paid are refunded and taxes not yet paid are abated.

The property tax for the year following the year of the destruction or disaster is also reduced. The assessed value for the taxes due in the year following is reduced by the full amount of the damage adjustment and is not adjusted for the amount of time remaining in the year. This change applies for taxes levied for collection in 2000 and thereafter.

Votes on Final Passage:

House 96 0

First Special Session

House 96 0

Senate 43 2

Effective: June 7, 1999

HB 2295

C 9 L 99 E 1

Providing that growing or packing agricultural products is not a manufacturing activity for tax purposes.

By Representatives B. Chandler, Clements, G. Chandler, Sump, McMorris and Mulliken.

Background: The business and occupation tax (B&O) is levied for the privilege of doing business in Washington. The tax is levied on the gross receipts of all business

activities conducted within the state. There are six different B&O tax rates. The three principal rates are:

Manufacturing, wholesaling, & extracting	0.484%
Retailing	0.471%
Services	1.5%

When a product is manufactured in Washington, the manufacturing tax applies to sales to out-of-state customers and, generally, the wholesaling tax applies to sales to in-state customers.

Sales by farmers of agricultural products at wholesale and the packing of agricultural products for farmers are exempt from the B&O tax. "Farmer" is defined to exclude a person using agricultural products as ingredients in a manufacturing process. Businesses that wash, sort, and pack fresh perishable horticultural products for farmers are exempt from the B&O tax.

There are several tax incentives for manufacturers in distressed areas, including deferral/exemption of sales and use taxes on buildings, machinery and equipment, and installation labor, and B&O tax credits for job creation and job training. These programs have not been applied to packing agricultural products. However, a recent Washington Court of Appeals case held that this activity is manufacturing and is eligible for the distressed area sales tax deferral/exemption program.

Under the B&O tax, a person who does not own a product being manufactured is a processor for hire, and the owner of the product is considered the manufacturer. If packing agricultural products is manufacturing, then the grower could be considered a manufacturer using the products as an ingredient in a manufacturing process. The person packing the products could be considered a processor for hire. Both could be subject to the B&O tax.

Summary: Farming and the packing of agricultural products are excluded from the definition of manufacturing for excise tax purposes. Thus, businesses packing agricultural products are no longer eligible for the distressed area tax incentive programs. The growing and packing of agricultural products are not subject to the B&O tax. These changes apply both retroactively and prospectively.

Votes on Final Passage:

First Special Session

House 97 0

Senate 42 2

Effective: June 7, 1999

EHB 2297

C 10 L 99 E 1

Calculating maximum levy amounts.

By Representatives H. Sommers, Doumit and Kenney.

Background: A maintenance and operating levy is adopted at least one calendar year before the levy is collected and the amount of the levy is based on the amount

HB 2303

of the levy base at the time of tax collection. Because of this timing, there is a need to adjust the levy base subsequent to budget actions of the Legislature that changes the size of the district's levy base. In turn, the levy base and the comparative tax base required to achieve a statewide average levy rate impacts the district's eligibility for levy equalization. Current statute provides for the calculation of the change in a district's levy base, as a result of the change in that base due to budget actions of the Legislature, to be specified in the Appropriations Act. This change is known as the "per pupil inflator." The Appropriations Act adopted by the Legislature in the 1999 regular session contained a per pupil inflator number for the 1999-2000 school year that was not correct and the Governor vetoed the subsection.

Summary: The language necessary for correctly calculating the per pupil inflator is provided.

Votes on Final Passage:

First Special Session

House	96	0
Senate	42	0

Effective: July 1, 1999

HB 2303

C 5 L 99 E 1

Establishing an effective date for the 1999 timber tax credit.

By Representatives Regala and Buck.

Background: The timber excise tax is paid when timber is harvested. The state tax rate equals 5 percent of the stumpage value. The tax applies to timber harvested on public and private lands. A county tax equal to 4 percent applies to harvests on private lands and is credited against the state tax. Therefore, the effective state rate is 1 percent on timber harvested from private land and 5 percent on timber harvested from public lands. The state tax is deposited in the general fund. The local tax is distributed to property taxing districts within the county.

A tax credit was enacted during the 1999 special session for timber harvested under a harvest permit subject to "enhanced aquatic resources requirements." This covers land which includes: riparian areas, wetlands, steep or unstable slopes, a federally approved habitat conservation plan, or road maintenance plan approved by the Department of Natural Resources. The credit is equal to 0.8 of 1 percent of the stumpage value of timber harvested. Because the legislation did not specify an effective date for the new credit, it would take effect 90 days after the end of the special session.

Summary: The timber tax credit for timber harvested under a harvest permit subject to enhanced aquatic resources

requirements is effective for timber harvested on and after January 1, 2000.

Votes on Final Passage:

First Special Session

House	96	1
Senate	43	0

Effective: August 18, 1999

EHB 2304

C 12 L 99 E 1

Providing for school safety programs.

By Representatives Quall, Talcott, Edwards, McIntire, McDonald, Edmonds and Kenney.

Background: The Superintendent of Public Instruction (SPI), working with the State Board of Education, oversees the public school system in Washington. The SPI provides programs that assist school districts and public schools and allocates basic education and other funding to local school districts as instructed by the Legislature.

School districts may contract with alternative educational service providers to provide services to eligible students. These service providers include other schools, alternative educational service programs not operated by the school district, education centers, skills centers, drop-out prevention programs, and other public and private organizations. Eligible students include students who are likely to be expelled, present disciplinary problems, or are academically at risk.

The 1999-01 Operating Budget added \$2 million to current funding for alternative schools, and added \$5.9 million for school safety.

Summary: An additional \$6.5 million dollars is appropriated for school safety. Four million dollars is appropriated to the Superintendent of Public Instruction (SPI) to be used for: (1) grants for alternative school start-ups (in addition to the funding for this in the 1999-01 Operating Budget); or (2) grants for school safety prevention and intervention programs. Two and one half million dollars is appropriated to the SPI for matching grants to enhance safety in public schools (in addition to funding for this in the 1999-01 Operating Budget).

The SPI must report to the education committees of the Legislature on the grants for alternative school start-ups and school safety prevention and intervention by February 15, 2001, and every two years thereafter.

Votes on Final Passage:

First Special Session

House	95	0	
Senate	46	0	(Senate amended)
House	93	0	(House concurred)

Effective: July 1, 1999

HJM 4003

Requesting amending the medicaid statute to prohibit federal recoupment of state tobacco settlement recoveries.

By Representatives Ballard, Chopp, H. Sommers, Huff, Hurst, D. Sommers, Koster, Bush, D. Schmidt, Talcott, Fortunato, Thomas, Carlson, Parlette, Pflug, Mitchell, McDonald, Rockefeller, Tokuda, Dickerson, Cairnes, O'Brien, Cody, Kenney, Wolfe, Mielke, Campbell, Ogden, Dunn, Ericksen, Skinner, Hankins, G. Chandler, Sump, Edmonds, McIntire, Haigh, Wensman, Stensen, Mulliken, Conway, Esser, Lambert and Linville; by request of Attorney General.

Background: On November 23, 1998, Washington joined 45 other states in settling litigation brought against the tobacco industry for violations of state laws concerning consumer protection and antitrust. In doing so, Washington became part of the so-called Master Settlement Agreement, which had the effect of settling ours and all the states' suits against the industry. Four of the country's largest tobacco manufacturers signed the agreement, and thus became bound by certain conditions. The financial provisions of the Master Settlement Agreement include billions of dollars paid out to the settling states in perpetuity, beginning with up-front payments of more than \$12 billion by 2003. Washington could receive approximately \$4.02 billion over 25 years.

Although the federal government did not participate in the tobacco industry lawsuit, it presently asserts that it is entitled to a significant share of the state settlement on the basis that it represents the federal share of Medicaid costs. This assertion is based on the requirement that under the Social Security Act, the federal government must collect its share of any settlement funds attributable to Medicaid. In Washington, the lawsuit was brought for violation of state law not on any federal claim. Further, Washington bore all the risk and expense in the litigation and settled without any assistance from the federal government. The state attorney general and the proponents of this measure feel that Washington is entitled to all of the funds negotiated in the tobacco settlement agreement.

Summary: It is requested that Congress and the Administration prohibit federal recoupment of state tobacco settlement recoveries.

Votes on Final Passage:

House	94	0
Senate	40	0

HJM 4004

Urging support of prostate cancer research.

By Representatives Dickerson, Cody, Skinner, O'Brien, Veloria, Kessler, McIntire, Wood, Lovick, Romero, Conway, Ruderman, Hurst and Kenney.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: Based on national cancer research: Prostate cancer is one of the most common cancers of American men; it is estimated that in 1999, about 179,300 new cases of prostate cancer will be diagnosed in the United States; prostate cancer is the second leading cause of cancer death in men, exceeded only by lung cancer; 37,000 men in the United States are projected to die of this disease during 1999; and African-American men have the highest incidence of prostate cancer of any population of men in the world today.

Summary: President Clinton and Congress are asked to support increased federal funding for prostate cancer research.

Votes on Final Passage:

House	97	0
Senate	47	0

HJM 4006

Requesting the Transportation Commission to update the system of Highways of Statewide Significance.

By Representatives Fisher, K. Schmidt, Mitchell, Radcliff, Skinner, Hankins, Wood, Cooper and Ogden.

House Committee on Transportation
Senate Committee on Transportation

Background: The 1998 Legislature passed a law commonly known as the Level of Service (LOS) bill. One section of the LOS bill broadly identified facilities of "statewide significance," such as intercity high-speed ground transportation, the freight rail system, the interstate, and interregional state principal arterials.

Although the legislation broadly identified facilities of statewide significance, it also required the Transportation Commission to designate a state highway system of statewide significance during the interim session and then submit this list for adoption by the 1999 Legislature. The designated system is required, at a minimum, to include interstate highways and principal arterials that connect major communities across the state and support the state's economy.

The Transportation Commission is also directed to give a higher priority to correcting capacity related deficiencies on the designated system and is given the authority to set the level of service on the designated system. Level of service is an engineering formula that

HJM 4008

measures the flow of traffic on a particular facility. An LOS standard "A" means free flowing; an LOS "F" means traffic is at a standstill.

Non-designated state highways are considered to be regionally significant state highways. Regional transportation planning organizations, in cooperation with the Department of Transportation, determine the level of service on these highways.

Maintenance, preservation, safety, and other non-capacity improvements to the entire state highway system continue to be addressed through state and federal requirements.

The 1998 LOS bill did not include legislative direction on how to address future updates to the highways of statewide significance system, including how to adopt new routes or delete routes from the designated system.

Summary: This joint memorial concurs with the Transportation Commission's designated highway system of statewide significance. It also directs the Transportation Commission to conduct a review and update the system, as necessary, at least every five years. The update process may include the deletion or adoption of routes to the designated highway system of statewide significance.

Votes on Final Passage:

House	94	1
Senate	45	0

HJM 4008

Requesting support for the full federal appropriation to fund state aquatic nuisance species management plans.

By Representatives Regala, Sump, Linville, G. Chandler and Haigh.

House Committee on Natural Resources
Senate Committee on Natural Resources, Parks & Recreation

Background: The introduction of nonindigenous aquatic species into the waters of the United States causes environmental and economic problems because these species have few natural enemies in their new environment. These aquatic nuisance species have the potential to cause large damage to the state because they are invasive and can destroy native plant and animal habitat. These species can also clog waterways, reduce recreational opportunities, and negatively impact irrigation and power generation. Aquatic nuisance species can be plant or animal, and include European green crabs, zebra mussels, Chinese mitten crabs, spartina, and hydrilla.

Congress has authorized the expenditure of \$4 million annually to fund the implementation of state management plans to minimize the environmental and economic damage caused by aquatic nuisance species. After a state plan has been approved by the Aquatic Nuisance Species Task Force, the United States Fish and Wildlife Service may

fund up to 75 percent of the cost to implement the plan. In recent years, only \$200,000 has been appropriated annually to fund implementation of these management plans. The management plan for Washington identifies \$1,700,000 in additional funding needed to address aquatic nuisance species problems.

Summary: The Congress is requested to appropriate the full \$4 million annual appropriation authorized by the Congress to fund the implementation of state management plans to minimize damage by aquatic nuisance species in fiscal year 2000 and future years.

Votes on Final Passage:

House	96	0
Senate	46	0

HJM 4011

Allowing schools and libraries to receive telecommunications at below-tariffed rates without losing universal service discounts.

By Representatives Bush, Poulsen, Radcliff, Thomas, Scott, Huff, D. Schmidt, Lantz, Benson, Kessler, Wolfe, Schoesler, Santos, Grant, Quall, Boldt, Pennington, Mastin, Koster, Hankins, Esser, Regala, Cox, Schindler, McDonald, Clements, Wood, Cooper, Kenney, Reardon, Hurst, Talcott, Hatfield, Tokuda, Conway, Sump, Lovick, D. Sommers, Schual-Berke, Carlson, H. Sommers, McMorris, Fortunato, Murray, O'Brien, Anderson, Veloria and Haigh.

House Committee on Technology, Telecommunications & Energy
Senate Committee on Energy, Technology & Telecommunications

Background: Washington has developed the K-20 Educational Telecommunications Network (K-20 Network). The K-20 Network is a statewide backbone telecommunications network that is linking K-12 school districts, educational service districts, public and private baccalaureate institutions, public libraries, community colleges and technical colleges. The K-20 Network does not, however, extend to nonprofit independent baccalaureate institutions (such as Antioch University, Cornish College of the Arts, Gonzaga University, etc.) because a Federal Communications Commission (FCC) ruling potentially makes inclusion of such institutions in the K-20 Network cost prohibitive.

Pursuant to the Telecommunications Act of 1996, the FCC implemented a universal service fund program that provides telecommunication service discounts to public schools and libraries. However, the FCC ruled on May 8, 1997, that schools and libraries joining consortia for telecommunications services including non-governmental entities cannot take advantage of the universal service fund program unless the services purchased by the consor-

tia are based on tariffed rates. It is not clear whether the FCC would consider that nonprofit independent baccalaureate institutions to be considered non-governmental entities.

On July 16, 1997, the Washington State Department of Information Services (DIS) petitioned the FCC to clarify that Washington schools and libraries would not lose universal service program discounts if they include nonprofit independent baccalaureate institutions in the K-20 Network. The FCC has not yet responded.

Summary: The Legislature respectfully asks that the relevant committees in the United States Senate and House of Representatives urge the FCC to promptly respond to the DIS's petition by ruling that schools and libraries may include nonprofit independent baccalaureate institutions in below-cost telecommunications networks without losing universal service discounts.

Votes on Final Passage:

House	94	0
Senate	45	0

HJM 4012

Requesting Congress to pass legislation to restore and revitalize federal funding for the land and water conservation fund.

By Representatives Regala, Eickmeyer, Buck, Clements, Anderson, Veloria and Conway.

House Committee on Natural Resources
Senate Committee on Environmental Quality & Water Resources

Background: The Land and Water Conservation Fund was created in 1965 for two purposes: (1) to fund land acquisition for the four principal federal land management agencies (the National Park Service, the Forest Service, the Fish and Wildlife Service, and the Bureau of Land Management in the Department of Interior), and (2) to provide matching funds to states for outdoor recreation projects.

Revenues for the fund are derived primarily from royalties on oil and gas leases on the Outer Continental Shelf, federal outdoor recreation user fees, the federal motorboat fuel tax, and surplus property sales. Congress has authorized an annual revenue stream of \$900 million for the Land and Water Conservation Fund, but this amount has never been fully funded. Funds must be appropriated before they can be spent. If appropriations are not made, the revenues are spent on other programs. In recent years, no funding has gone to the state and local portion of the program.

Unsuccessful attempts have been made to permanently appropriate the fund's revenues, rather than make them subject to annual congressional appropriations. Several proposals have been introduced in the 106th Congress to

provide permanent funding for the Land and Water Conservation Fund and related measures.

Summary: Washington contains a wide range of outdoor recreation opportunities and many Washington residents are actively involved in outdoor recreation. Outdoor recreation is also important to the state's economy. The state's population is one of the fastest growing in the United States and demand for outdoor recreation is rising.

The Land and Water Conservation Fund has funded the acquisition of millions of acres of park land, water resources, wildlife habitat, and open space, and the development of 37,000 state and local projects across the nation. Washington and other states lack adequate funding for fish and wildlife protection and management, especially for species which are not hunted or fished.

Congress is petitioned to restore and revitalize federal funding for the Land and Water Conservation Fund and to create a new dedicated fund for state level fish and wildlife management.

Votes on Final Passage:

House	97	0	
Senate	44	0	(Senate amended)
House	97	0	(House concurred)

HJM 4014

Requesting an increase in federal funding for stroke research.

By Representatives Romero, Hankins, Grant, Ruderman and D. Schmidt.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: The American Heart Association estimates that in the United States in 1999 alone approximately 600,000 strokes will occur, and that approximately 200,000 deaths will ensue as a result of these strokes. The incidence of stroke in young people is increasing in the United States, and African-Americans have the highest incidence of stroke of any segment of the population in the United States.

Summary: Strokes are recognized as the leading cause of death and disability in the United States, and those who are most vulnerable to strokes are listed. The Legislature asks that awareness of stroke risk and symptoms be heightened so that Americans are alerted to this risk, and requests more federal funding for state research.

Votes on Final Passage:

House	96	0	
House	97	0	(House reconsidered)
Senate	47	0	

HJM 4015

Requesting federal scrutiny of immigration law and Immigration and Naturalization Service policies.

By Representatives Lisk, Kenney, Radcliff, McDonald, Wolfe, Haigh, Ogden, Kessler, Santos, Conway, Linville and Lantz.

Senate Committee on Judiciary

Background: On April 24, 1996, the President signed into law the Antiterrorism and Effective Death Penalty Act of 1996 (AEDPA). Among other things, the AEDPA changes provisions relating to the deportation of certain immigrants.

On September 30, 1996, the President signed into law the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA). Among other things, the IIRIRA changes provisions of law relating to the enforcement of the immigration laws and the penalties for violating those laws.

Summary: The President, Congress, and appropriate agencies are requested to examine and change current immigration laws and practices so that problems surrounding immigration may be resolved as soon as possible.

Votes on Final Passage:

House	96	1
Senate	45	0

HCR 4410

Creating a commission on legislative building renovation.

By Representatives Mitchell, Murray, Esser, Edmonds, Alexander, Lambert, Stensen and Bush.

House Committee on Capital Budget

Background: The Washington State Legislative Building was built in the years 1924-27. It is an outstanding example of the imperial classic tradition in architectural history and is one of the largest, and among the last, of these traditional monumental structures to be built in the world.

The Legislative Building is used daily by visitors from all over the world and by the public servants in the state's legislative and executive branches of government. When its doors first opened, the building housed approximately 150 people. Today, during the peak activity of legislative session, its population includes 152 legislators and elected officials, as well as more than 400 staff.

While the Legislative Building continues to be a functioning structure for state government operations, and a major state tourist attraction, the building nevertheless experiences mechanical and electrical systems failures and exterior deterioration.

Summary: The Commission on Legislative Building Preservation and Renovation is established to identify a

plan and resources for the renovation and preservation of the state Legislative Building. The commission has 14 members, including statewide elected officials and five ex officio citizen members representing the entire state.

The commission must report to the Legislature in the 2000 legislative session.

Votes on Final Passage:

House	Adopted
Senate	49 0

HCR 4412

Creating a joint select committee to address the potential uses and concerns of DNA identification.

By Representatives Miloscia, Ballasiotes and O'Brien.

Background: "DNA" is the chemical deoxyribonucleic acid, which stores the genetic code of the human body. It is present in almost every cell in the body and a DNA "print" is readily obtainable from various bodily tissues and fluids, such as blood, hair, skin, saliva, and semen. According to generally accepted genetic theory, for each individual (except identical twins) the DNA sequence is different, making each person's DNA unique.

Advances in technology have helped DNA testing become an established part of criminal justice procedure. Many states have legislation related to DNA databanking, much of it focused on collecting and testing DNA from individuals convicted of certain crimes, such as sexual assaults and homicides. DNA technology is also of significant value for medical purposes and scientific research.

The collection, analysis, storage, and use of DNA samples, and the genetic information obtained from them, raises a variety of concerns related to individual privacy rights.

Summary: A Joint Select Committee on DNA Identification is established to review issues related to DNA use, identification, testing, data banking, technology, research, and privacy. The committee is authorized to consult with individuals from the public and private sector in conducting this review. The committee consists of eight members, two appointed by the President of the Senate from each of the two largest caucuses of the Senate, and two appointed by the Co-Speakers of the House of Representatives from each of the two largest caucuses of the House of Representatives.

The Joint Select Committee on DNA Identification is to report its findings and recommendations to the appropriate committees of the Legislature by December 1, 1999. The committee expires July 1, 2000.

Votes on Final Passage:

House	Adopted
Senate	46 0

SB 5004
C 4 L 99

Remedying a technical problem in school bond elections.

By Senators Loveland, Winsley and Patterson.

Senate Committee on State & Local Government

Background: Except for a local election wherein the city or county chooses to mail a local voters' pamphlet to each residence, notice for any state, county, district, or municipal election, whether special or general, must be given by at least one publication not more than ten nor less than three days prior to the election by the county auditor or the officer conducting the election.

A school bond election in Asotin County failed to meet the publication of notice requirement. Although authorized by the voters to issue bonds, the school district is withholding such issuance until the bond election is validated.

Summary: All school district elections held on May 19, 1998, at which the number and proportion of persons required by law voted to authorize bonds or tax levies, are validated regardless of any failure to publish notice of the election. A challenge of the validity of any such election must be brought within 30 days after the effective date of this act. Publication of notice of this act is specified.

Votes on Final Passage:

Senate	38	8
House	91	0

Effective: January 29, 1999

SB 5005
C 213 L 99

Allowing signing of safer routes to tourist-oriented businesses.

By Senators Loveland, Haugen, Winsley and Rasmussen.

Senate Committee on Transportation

House Committee on Transportation

Background: State law authorizes the Department of Transportation to erect and maintain signs that provide information to the traveling public. The panels include motorist service information on gas, food, recreation, or lodging that is off a primary or scenic highway.

For signing purposes, the maximum distance an eligible service may be located on either side of an interchange or intersection is determined by the type of highway. Fully-controlled, limited access highways (such as the interstate system) require gas, food, or lodging services to be within three miles and camping facilities to be within five miles. Partial access control or no access control highways require the same services to be within five miles. However, if there are no eligible services within these

specified distances, the distance can be increased up to 15 miles.

Since the enactment of this legislation, existing eligible services have identified alternate routes that are safer or more convenient but exceed the 15-mile signing limit.

Summary: State law regulating the maximum distance eligible roadway services may be signed from off the highway is modified. The Department of Transportation is allowed to erect and maintain signs on an alternate route that exceeds the 15-mile limit if it is safer and still provides reasonable and convenient travel to an eligible service. The Department of Transportation is allowed to erect and maintain signs on a route up to a maximum of 20 miles if it is an eligible service and qualifies as a distressed area.

Votes on Final Passage:

Senate	44	0	
House	92	0	
House	89	0	(House reconsidered, amended)
Senate	45	0	(Senate concurred)

Effective: July 25, 1999

SSB 5010
C 72 L 99

Providing disciplinary sanctions for sexual misconduct by employees of custodial agencies.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Kohl-Welles, Hargrove, Long, Goings, Swecker, Winsley, Oke, Benton and Costa).

Senate Committee on Human Services & Corrections

House Committee on Criminal Justice & Corrections

Background: Both the Department of Corrections (DOC) and the Department of Social and Health Services (DSHS) hire employees and contractors for positions where the employee has contact with inmates or offenders. Current law does not prevent the employee or contractor from having sexual intercourse or sexual contact with a person over whom he or she has supervisory authority.

Summary: Sexual intercourse or sexual contact between an employee of DOC or DSHS or a departmental contractor and an inmate or offender is defined as employee misconduct.

The secretaries of the departments must suspend the employment of an employee or require the removal of a contractor's employee who the secretaries have reasonable cause to believe has engaged in sexual misconduct with an offender or inmate.

If the misconduct is proved by a preponderance of the evidence, the secretaries must institute termination proceedings against an employee or require the contractor to

SSB 5011

permanently remove the employee from any position with any access to an offender.

Before the secretaries renew a contract with a contractor whose employee was subject to removal for sexual misconduct, the secretaries must determine whether the contractor has made significant progress in reducing the likelihood of sexual misconduct by its employees. This determination must consider the steps the contractor has taken to improve hiring, training, and monitoring practices, and whether the employee whose misconduct caused his or her removal is still employed by the contractor.

Votes on Final Passage:

Senate	48	0
House	93	0

Effective: July 25, 1999

SSB 5011

C 214 L 99

Changing provisions relating to dangerous mentally ill offenders.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Long, Hargrove, Franklin, Loveland, Winsley, Patterson, Deccio, McCaslin, Goings, Oke and Costa).

Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means
House Committee on Criminal Justice & Corrections

Background: It is estimated that the Department of Corrections releases over 125 inmates each year who are believed to be both mentally ill and pose a serious threat to public safety. Generally these offenders have completed their sentences and are referred for either civil commitment or community services for their mental disorders. For a variety of reasons, the mental health community has been unable to provide, or the offenders are unwilling to engage in, needed mental health services.

Summary: The Department of Corrections (DOC) must identify offenders who (1) are reasonably believed to be dangerous to themselves or others, and (2) have a mental disorder. Prior to release, DOC must create a team consisting of representatives from DOC, the Regional Support Network (RSN), appropriate divisions of the Department of Social and Health Services (DSHS), and providers as appropriate, to develop a plan for delivery of treatment and support services to these offenders upon release. The team consults with the offender's counsel, if any, and as appropriate, the offender's family and community. The team must also provide, through the victim/witness program, opportunity for enrolled persons to provide information and comments on the potential safety risk an offender poses to specific individuals or classes of individuals. The team can propose any appropriate plan

including: (1) involuntary civil commitment for inpatient treatment; (2) an involuntary civil commitment to a less restrictive alternative (LRA); (3) DOC supervised community treatment; or (4) voluntary community treatment.

Prior to release, the team determines whether a review by a county designated mental health professional (CDMHP) is needed for the purposes of involuntary civil commitment. If the review is recommended, supporting documentation is forwarded to the appropriate CDMHP. If recommended by the team, CDMHP evaluation must occur between five and ten days prior to release from DOC.

On the day of release, a second review by a CDMHP (when the initial review did not result in a commitment or LRA decision) must be conducted if requested by the team. The request must be based upon new information or a change in the offender's mental condition. If the CDMHP determines an emergency detention is necessary, DOC must arrange transportation for the offender to a state hospital or to a consenting evaluation and treatment (E&T) facility.

If the CDMHP determines an LRA is appropriate, CDMHP must seek a summons to require the offender to appear at an E&T facility serving the jurisdiction where the offender will reside upon release. If a summons is issued, DOC must transport the offender to the E&T.

Changes to the intent language clarify that past confinement in a state, federal, or local correctional facility does not limit a person's access to mental health services. Changes also clarify that the language relating to RSN services only limits the RSN's duties regarding persons currently confined at, or under the supervision of, a state hospital under the criminal insanity statutes.

When conducting an evaluation of an offender coming out of DOC, time spent in confinement is not automatically included in determining whether the person has committed a "recent overt act" when the court makes a decision whether to require an LRA. In addition, the CDMHP or professional person must consider the offender's recent history of judicially ordered (through a *Harper* hearing) anti-psychotic medication while in confinement. When determining whether an offender is a danger to self or others under the mental health civil commitment law, a court must give "great weight" to evidence regarding the offender's recent history of judicially ordered involuntary anti-psychotic medication while in confinement.

DOC and DSHS must enter into working agreements to assist offenders in obtaining a Medicaid eligibility decision prior to their release from DOC. DSHS must contract for case management services to assist offenders in coordination and procurement of needed services as identified by the assessment team at DOC. The offenders are eligible to receive assistance for up to five years. DSHS must also provide additional funds to the RSNs for expenses incurred for offenders who would not have otherwise received their services.

The Washington State Institute for Public Policy and the University of Washington must collaborate on an evaluation and report to the Legislature on December 1, 2004. The report must evaluate whether the act results in: a reduction in criminal recidivism; increases in treatment of and services to dangerous mentally ill offenders and increases in the effectiveness of those services; and bed spaces saved in DOC by this proposal. The study must also evaluate: possible expansion of the release planning process to other groups of offenders including cost estimates; effectiveness of efforts to obtain early Medicaid enrollment and associated cost savings; and the validity of DOC's risk assessment tool.

The study must separate evaluation data by whether offenders have mental illness or mental illness combined with substance abuse and must cross-reference it to criminal history.

Votes on Final Passage:

Senate	49	0
House	94	2

Effective: July 25, 1999
 March 15, 2000 (Sections 1, 2, 4-9)

SB 5012
 C 73 L 99

Administering the pollution liability insurance program trust account.

By Senators Prentice, Winsley and Rasmussen; by request of Pollution Liability Insurance Agency.

Senate Committee on Commerce, Trade, Housing & Financial Institutions
 House Committee on Financial Institutions & Insurance

Background: In 1989, the Legislature created a state pollution liability reinsurance program. The state program is administered by the Pollution Liability Insurance Agency (PLIA). The Legislature created PLIA in response to the requirements of the federal Environmental Protection Agency that owners and operators of petroleum underground storage tanks demonstrate financial responsibility for the cleanup of contamination resulting from spills or releases of petroleum. The PLIA program provides reinsurance to commercial insurance companies which in turn provide pollution liability insurance to underground storage tank owners and operators in Washington.

The reinsurance program's objective is to improve the availability and affordability of pollution liability insurance for owners and operators of underground storage tanks by providing reinsurance at a price significantly below the private market price. The discount is passed on to owners and operators of underground storage tanks through reduced insurance premiums and increased availability of insurance. PLIA programs are scheduled to expire on June 1, 2001.

PLIA's underground storage tank program expenses are paid from the pollution liability insurance agency trust account. To fund the program, the Legislature imposed a petroleum products tax of .50 percent on the first possession of any petroleum product in the state. The tax applies to the wholesale value of the petroleum product. Petroleum products exported for use and sale as fuel outside the state as well as those products packaged for sale to ultimate consumers are exempt from taxation. Collection of the tax ceases whenever the account balance exceeds \$15 million and resumes when the balance drops below \$7.5 million. The state has not collected the tax since July 1992.

PLIA's operating and administrative budget is appropriated through the legislative budget process. However, funds used for underground storage tank claim payments are not appropriated. There are concerns that pollution claims are unpredictable and cannot be accurately allotted.

Summary: The Pollution Liability Insurance Agency's administrative and operating costs are appropriated by the Legislature and allotted by the Office of Financial Management. The requirement that all other expenditures from the trust account be allotted is deleted. An expiration date is added.

Votes on Final Passage:

Senate	48	0
House	95	0

Effective: July 25, 1999

SB 5015
 C 10 L 99

Changing provisions relating to community mental health services.

By Senators Long, Hargrove, Winsley and Costa.

Senate Committee on Human Services & Corrections
 House Committee on Children & Family Services

Background: The RCW chapter on community mental health contains outdated statutory language, including cross references to repealed provisions. Terms defined in the statute contain two definitions: one definition for use during a specified time period and another definition for use at a specified date in the future. The specified future date has come and gone; therefore, the older definition serves no purpose.

Summary: Technical changes, not substantive, are made to the Community Mental Health Services Act. Dated information is deleted. Cross references are corrected. Some substantive provisions previously contained in a definition are removed and added as new sections.

SB 5020

Votes on Final Passage:

Senate 46 0
House 92 0

Effective: July 25, 1999

SB 5020

C 243 L 99

Allowing dealers of recreational licenses to collect a fee of at least two dollars for each license sold.

By Senators Snyder and Winsley.

Senate Committee on Natural Resources, Parks & Recreation

Senate Committee on Ways & Means

House Committee on Natural Resources

House Committee on Appropriations

Background: Dealers who sell fishing and hunting licenses, permits, tags, and stamps issued by the Department of Fish and Wildlife receive a dealer fee of \$1 on each license sold and 50 cents on each tag, permit, and stamp sold. Dealer fees are set by the Fish and Wildlife Commission and are uniform throughout the state.

The fishing and hunting license statutes were significantly changed in the 1998 legislative session. In addition, the use of online computers was mandated to begin in 1999. Both of these changes require additional investments in training of license clerks and additional resources from license dealers. Dealers' fees can be statutorily increased to compensate dealers for their increased costs.

Summary: Dealers' fees set by the Fish and Wildlife Commission for the issuance of fishing and hunting licenses must be a minimum of \$2 per license.

A transaction fee may be established by the commission and collected from license buyers who purchase licenses from an automated licensing service. The amount of the transaction fee is not specified. The transaction fee is paid directly to a contractor providing the automated licensing service.

The commission may set a dealer fee below the level set for each standard hunting and fishing license for tags, stamps, or cards.

A two-day personal use shellfish and seaweed license is created for residents and nonresidents. The fee is \$6.

Votes on Final Passage:

Senate 35 12
House 63 31 (House amended)
Senate 33 13 (Senate concurred)

Effective: May 10, 1999

SB 5021

C 139 L 99

Exempting certain nonprofit organizations from property taxation.

By Senators Snyder, Swecker, Winsley and Benton.

Senate Committee on Ways & Means

House Committee on Finance

Background: All property in this state is subject to the property tax each year based on the property's value unless a specific exemption is provided by law. The only class of property which is exempt by the state Constitution is that owned by the United States, the state, its counties, school districts, and other municipal corporations, but the state Constitution allows the Legislature to exempt other property from taxation.

Several property tax exemptions exist for nonprofit organizations, including churches; church camps; character building, benevolent, protective or rehabilitative social service organizations; youth character building organizations; war veterans' organizations; national and international relief organizations; federal guaranteed student loan organizations; blood, bone and tissue banks; public assembly halls; medical research or training facilities; art, scientific, or historical collections and facilities; conservation futures; sheltered workshops; fair associations; humane societies; water distribution property; schools and colleges; radio/television rebroadcast facilities; fire company property; day-care centers; free public libraries; orphanages; nursing homes; hospitals; outpatient dialysis facilities; homes for the aging; homeless shelters; and performing arts property.

Most property tax exemptions for nonprofit organizations are subject to a group of standard conditions in a separate section of law. These conditions restrict the use of the property to exempt purposes, with certain exceptions. The property may be used for fund-raising activities without jeopardizing the exemption if the fund-raising activities are consistent with the purposes for which the exemption was granted. The property must be irrevocably dedicated to the purpose for which the exemption was granted. Leased property is not required to be irrevocably dedicated if the nonprofit organization receives the benefit of the property tax exemption under the terms of the loan or rental agreement. Facilities must be made available without regard to race, color, national origin, or ancestry. The books of the organization must be open to the Department of Revenue. Churches, cemeteries, administrative offices of religious organizations, caretakers' residences, water distribution cooperatives, and real property interests used for conservation by nonprofit nature conservancy organizations are exempt from these conditions.

Upon loss of exemption, back taxes for up to three years may be due. This back tax requirement applies to all organizations subject to the standard conditions, except

blood, bone, and tissue banks; medical research or training facilities; public radio/television rebroadcast facilities; sheltered workshops; and fair associations. This back tax requirement does not apply to the cancellation of a lease on property subject to the back tax requirement except for private schools and colleges.

Summary: All real and personal property owned by a nonprofit organization and used to provide a demonstration farm with research and extension facilities, a public agricultural museum, and an educational tour site is exempt from property taxation if the following conditions are met:

- the property is used by a state university for agricultural research and education programs; and
- the nonprofit owner is exempt from federal income taxes under section 501 (c) (3) of the Internal Revenue Code.

This property tax exemption includes personal and real property, not exceeding 50 acres, that the nonprofit owner may use for the production and sale of agricultural products, if income from the agricultural products sold is used to further the purposes of the nonprofit organization.

This exemption is subject to the standard conditions and the back tax requirement.

The administrative statutes pertaining to nonprofit organizations are simplified. The statutes imposing conditions on nonprofit organizations apply to all new property tax exemptions for nonprofit organizations, unless a new exemption is specifically exempt. Also, if a private school or college uses leased property and the lease is canceled, back taxes are not due.

Votes on Final Passage:

Senate	47	0
House	94	0

Effective: July 25, 1999

SSB 5029

C 244 L 99

Establishing membership in the public employees' retirement system.

By Senate Committee on Ways & Means (originally sponsored by Senators Franklin, Winsley, Roach, Jacobsen, Long, Fraser, Bauer and Rasmussen; by request of Joint Committee on Pension Policy).

Senate Committee on Ways & Means
House Committee on Appropriations

Background: Current law prohibits membership in the Public Employees' Retirement System (PERS) if an employee is a member of a retirement system "operated wholly or in part by an agency of the state or a political subdivision." This statute has the effect of excluding from PERS those employees who are covered by another

state-administered retirement system such as the Teachers' Retirement System or the Law Enforcement Officers' and Fire Fighters' Retirement System. It also excludes employees covered by the Seattle, Tacoma or Spokane city employee retirement systems; employees covered by the higher education retirement programs; and employees covered by other retirement plans operated by a political subdivision.

Whether an employee is excluded from PERS membership depends on whether the Department of Retirement Systems (DRS) determines that the employee's second retirement plan is "operated wholly or in part" by the employer. The Attorney General's Office has developed guidelines for DRS to use in evaluating whether an employer's involvement with a particular plan is significant enough to constitute the operation, in whole or in part, of the retirement plan.

Several local government employers have been reporting employees as members of PERS even though those employees are also enrolled in qualified defined contribution plans under Section 401 of the Internal Revenue Code (IRC) that are, or appear to be, operated by these employers. The Attorney General's Office has determined that there is no clear statutory authorization for local government employees to participate in Section 401 defined contribution plans and PERS for the same period of employment.

A number of Washington cities, public utility districts and transit authorities provide defined contribution plans for their employees in addition to being PERS employers. A small number of local districts received guidance from DRS that if they became PERS employees they would be able to exclude from PERS membership any of their employees who elected to be covered by the employer's defined contribution pension plan.

Summary: Participation in an employer-operated defined contribution plan qualified under Section 401 of the IRC does not cause an employee to be excluded from PERS membership. This change applies on a retroactive basis to those employees who have been previously reported as PERS members. Certain PERS employers that have excluded some of their employees from PERS membership due to participation in Section 401 defined contribution plans have the option to terminate their status as a PERS employer by December 31, 1999, with regards to persons employed after the date of their election. If they do not leave PERS, they must cover all their eligible employees in PERS, except that they may continue to exclude employees who are currently excluded or may begin, prospectively, to include such employees in PERS membership.

Current law is also clarified that if a unit of government becomes a PERS employer, it must include all eligible employees in PERS, and may not thereafter withdraw from PERS.

SSB 5030

Votes on Final Passage:

Senate 47 0
House 93 2

Effective: July 25, 1999

SSB 5030

C 74 L 99

Adjusting the Washington state patrol surviving spouse retirement allowance.

By Senate Committee on Ways & Means (originally sponsored by Senators Long, Fraser, Winsley, Franklin, Bauer, Jacobsen, Roach, T. Sheldon, Johnson and Rasmussen; by request of Joint Committee on Pension Policy).

Senate Committee on Ways & Means
House Committee on Appropriations

Background: If a member of the Washington State Patrol Retirement System (WSPRS) dies, either in service or after retirement, the member's spouse receives a survivor allowance which is usually equal to 50 percent of the member's average final salary. The benefit is provided automatically and at no cost to the member.

The WSPRS survivor allowance does not include a cost-of-living adjustment (COLA). The survivor benefits paid in all other state retirement systems do include COLA provisions to offset the reduction in purchasing power that occurs due to inflation. WSPRS retirees receive an automatic 2 percent annual COLA.

In all Washington State retirement plans, except WSPRS and the Law Enforcement Officers and Fire Fighters Retirement System, Plan 1 (LEOFF 1), retiree survivor benefits are an optional benefit and the member's retirement allowance is reduced to pay the cost of providing a continuing benefit to a survivor. These plans provide retirees with three survivor benefit options: a joint and 100 percent option where the survivor continues to receive the same retirement allowance that was being paid to the retiree; a joint and two-thirds option where the survivor allowance is two-thirds of the retiree allowance; and a joint and 50 percent option where the survivor receives 50 percent of the retiree allowance.

In 1997 the WSPRS survivor benefit statute was amended to provide that the retirement allowance paid to surviving spouses would not be less than \$20 per month for each year of service.

The retirement and survivor benefits paid by the Public Employees Retirement System, Plan 1 (PERS 1), and the Teachers Retirement System, Plan 1 (TRS 1), are increased each July, for retirees over age 66, by the Uniform COLA. In 1999 the Uniform COLA increase is \$0.77 per month, per year of service. The Uniform COLA increases by 3 percent each year.

Summary: The Uniform COLA is provided to current and future WSP survivors effective July 1, 1999. The minimum monthly survivor benefit is also increased annually by the Uniform COLA amount. The Department of Retirement Systems is directed to adopt rules by July 1, 2000, that create a new survivor benefit option for WSPRS retirees. The new option permits the retirees to provide a different level of continuing benefit for their surviving spouses that include an automatic 2 percent annual increase. The new option also requires a reduction in the members' retirement allowance to pay the cost of providing the continuing benefit.

Votes on Final Passage:

Senate 45 0
House 93 0

Effective: July 25, 1999

ESB 5036

C 245 L 99

Adding a judge to the superior courts of Okanogan and Grant counties.

By Senators McCaslin and Heavey; by request of Board for Judicial Administration.

Senate Committee on Judiciary
Senate Committee on Ways & Means
House Committee on Judiciary
House Committee on Appropriations

Background: The Legislature sets by statute the number of superior court judges in each county. Periodically, the Office of the Administrator for the Courts (OAC) conducts a weighted caseload analysis to determine the need for additional judges in the various counties. The Legislature has authorized one judge for Okanogan County and two judges for Grant County. The caseload analysis by the OAC indicates a need for an additional judicial position in each of the two counties.

One-half of the salary and retirement benefits of a superior court judge are paid by the state. The other half of the judge's salary, half of retirement benefits, and all other costs associated with a judicial position, such as capital and support staff costs, are borne by the county.

New superior court positions are filled by gubernatorial appointment. The appointed judge must then stand for election at the next general election.

Summary: The number of superior court judges in Okanogan County is increased from one to two. The number of superior court judges in Grant County is increased from two to three. The new positions take effect only upon approval by the legislative authority in each county. The additional judicial position in Okanogan County is effective only if the county agrees to pay the

expenses of existing judicial positions as required by state law.

Votes on Final Passage:

Senate	46	0	
House	95	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: July 25, 1999

SB 5037

C 75 L 99

Creating a new court of appeals position for Pierce county.

By Senators McCaslin, Heavey and Rasmussen; by request of Board for Judicial Administration.

Senate Committee on Judiciary
 Senate Committee on Ways & Means
 House Committee on Judiciary
 House Committee on Appropriations

Background: Since 1993 Division II of the Court of Appeals has continued to experience an increase in criminal and civil appeals. In 1997 there were 150 more filings than in 1993. Also, the number of superior court judges in the counties that appeal cases to Division II has increased since 1993. As more decisions are rendered in the trial court, the number of appeals continues to grow. Four more trial judges have been added to the trial courts in Division II, a fifth will be added October 1999, and state funding has been authorized for another new judge in both Lewis and Clark counties.

Over a year ago, each judge and commissioner in Division II agreed to increase workloads for a minimum of one year in an effort to eliminate the division's backlog of cases. The result is that a March 1997 backlog of 243 cases was completely eliminated by the summer of 1998.

Given future projections of workload, Division II is of the opinion that an additional judicial position is necessary.

Summary: An additional judicial position, effective July 1, 2000, is authorized for Division II of the Court of Appeals. The judgeship is added to Division 1, Pierce County.

At the general election held in November 2000, the voters are to select a person to fill the position for a six-year term.

Votes on Final Passage:

Senate	46	0
House	96	0

Effective: July 25, 1999

SB 5040

C 183 L 99

Modifying standards and requirements for the operation and inspection of boilers and other pressure vessels.

By Senators Fairley and Horn; by request of Department of Labor & Industries.

Senate Committee on Labor & Workforce Development
 House Committee on Commerce & Labor

Background: Boilers and unfired pressure vessels are widely used in Washington industries such as pulp and paper refineries. The Board of Boiler Rules is appointed by the Governor to represent specific categories of stakeholders and formulate rules for the safe construction, installation, repair, use, and operation of boilers and unfired pressure vessels. The board may adopt the rules of "The Boiler Construction Code of the American Society of Mechanical Engineers" to make up a part or the whole set of rules.

Current law provides for boiler and unfired pressure vessel inspections either by the Department of Labor and Industries or special inspectors commissioned by the department.

Some boilers and unfired pressure vessels are exempt from all or some of the controlling laws, including some specified small or low pressure tanks, some boilers and unfired pressure vessels controlled by federal interstate commerce regulation, and some specified tanks used in residences.

The current Washington regulation was originally enacted in 1951 and generally has not been updated since 1974. Changing industry practices and terminology are no longer accurately reflected in statute.

Summary: The membership of the Board of Boiler Rules is modified.

Rules formulated by the board are to be based upon nationally or internationally accepted engineering standards. Reference to "The Boiler Construction Code of the American Society of Mechanical Engineers" is deleted.

Unfired pressure vessels and hot water heaters that meet specified size and pressure restrictions and do not contain steam, lethal substances, or liquids with low flash points are exempt from regulation. Special inspectors may inspect boilers in addition to unfired pressure vessels.

Technical changes eliminate references to a form that no longer exists, substitute a specific definition for the term "ambient temperature," raise the maximum permitted temperature of one type of exempt vessel from 200 to 210 degrees, and clarify the application of one section to unfired pressure vessels in addition to boilers.

SSB 5046

Votes on Final Passage:

Senate	49	0	
House	94	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 25, 1999

SSB 5046

C 11 L 99

Revising hearing procedures for defendants receiving mental health evaluations.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Long, Hargrove and Costa).

Senate Committee on Human Services & Corrections
House Committee on Criminal Justice & Corrections

Background: Under 1998 legislation, a defendant whose misdemeanor charges have been dismissed due to his or her incompetency, but who remains in custody, is required to have an additional mental health evaluation under the civil commitment statute. If the professional person recommends that the defendant be released, the superior court must review the recommendation not later than the next judicial day. The 1998 legislation does not specify court procedures or provide guidance for the required hearing when the court disagrees with the professional person's recommendation.

Summary: Incompetent misdemeanor offenders who could not be made competent to stand trial, who have a prior history of violent acts or findings of either incompetence or not guilty by reason of insanity, who are still in custody at the time charges are dismissed, and regarding whom a judge disagrees with a mental health professional's recommendation of unconditional release are subject to a review.

At the review, the court may order the person held at an evaluation and treatment center for 72 hours prior to a hearing or may order the person conditionally released subject to a hearing within 11 days.

If the court releases the individual subject to a hearing and the person fails to appear, the court must order the person taken into custody at an evaluation and treatment facility and brought to court the next judicial day.

If the court releases the person subject to a hearing, the prosecutor may file a direct petition for 90-day inpatient or outpatient treatment. If the prosecutor files a petition, the court may order the person detained at the evaluation and treatment facility that performed the evaluation or order the person to participate in outpatient treatment.

Votes on Final Passage:

Senate	49	0
House	92	0

Effective: April 15, 1999

SSB 5047

C 12 L 99

Changing the standards for information sharing among mental health professionals.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Long, Hargrove and Costa).

Senate Committee on Human Services & Corrections
House Committee on Criminal Justice & Corrections

Background: Under 1998 legislation, a defendant whose misdemeanor charges have been dismissed due to his or her incompetency but who remains in custody is required to have an additional mental health evaluation under the civil commitment statute. Concern exists that present law does not permit the professionals providing the evaluation and treatment services or follow-up services to obtain relevant information or records without the consent of the patient.

Summary: Professionals providing evaluation and treatment or follow-up services under the criminal insanity law are permitted to obtain relevant mental health information or records without the patient's consent.

Votes on Final Passage:

Senate	49	0
House	92	0

Effective: July 25, 1999

SSB 5048

C 13 L 99

Making technical corrections to chapters 10.77 and 71.05 RCW.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Long and Hargrove).

Senate Committee on Human Services & Corrections
House Committee on Criminal Justice & Corrections

Background: The implementation of mentally ill offender legislation enacted in 1998 has revealed the need for several technical and clarifying amendments.

Summary: Several cross-references are corrected, grammatical corrections are made, past effective date and chapter law references are clarified by amending the sections to the actual calendar date that the provisions took effect, and the words "expert or" are stricken from the phrase "expert or professional person" in a definition section. Striking the words "expert or" clarifies actual usage and removes confusion related to other uses of the term "expert."

In addition, the definition of professional person is corrected to clarify that a professional person may be certified by either the American Board of Psychiatry and

Neurology or the American Osteopathic Board of Neurology and Psychiatry.

The procedural issue that for a court to give great weight to a matter it must do so based on the evidence before the court is also clarified. The existing language may have been ambiguous.

Only technical and clarifying changes are made. None of the amendments are intended to have substantive effect.

Votes on Final Passage:

Senate	49	0
House	92	0

Effective: July 25, 1999

SSB 5058

C 14 L 99

Regulating certain financial institutions.

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Prentice and Winsley; by request of Department of Financial Institutions).

Senate Committee on Commerce, Trade, Housing & Financial Institutions

House Committee on Financial Institutions & Insurance

Background: An existing mutual savings bank may convert to a stock savings bank. However, the initial organization of a stock savings bank is not allowed. The Department of Financial Institutions (DFI) has established a process which allows organizers to form a mutual savings bank and simultaneously convert the bank to a stock savings bank. This is a cumbersome process for DFI and the mutual savings bank.

Washington-based savings banks and savings and loans' assets are the largest in the nation. However, DFI is continually working to make state charters more attractive while implementing effective safety and soundness measures for state-chartered financial institutions. Simplification of administration and operation for state-chartered financial institutions may make state charters more attractive.

Currently, DFI must periodically interpret or clarify the application of state and federal law. Interpreting and clarifying the law can be time-consuming for DFI. In addition, unclear application of the law may have negative impacts on state-chartered financial institutions.

Summary: Organizers of a new institution may incorporate a stock savings bank under provisions similar to those required of commercial banks or mutual savings banks including provisions related to paid in capital stock, information required in the articles of incorporation, and investigation and determination by the director of the suitability of the bank.

State savings banks may provide pension or retirement benefits and health insurance for employees after approval by the board of trustees or a board committee as long as none of the committee members are officers. All compensation for a savings bank's officers and employees must be approved by the board of trustees or a board committee as long as none of the committee members are officers.

The board of a savings bank may authorize certain borrowings by means of a resolution, policy, or other governing document. A condition to certain investment powers is repealed. The dates of the state parity provisions are updated to allow state-chartered savings banks the same powers available to federally-chartered savings banks.

Interpretation of federal law and Washington State parity provisions are no longer necessary to confirm the following: (1) that a savings bank has the authority to make payments with satisfactory information that the recipient is entitled to the payment; (2) that savings banks may classify depositors and regulate interest based on the local markets of its branches; (3) that a mutual or converted savings bank's funds include borrowings, which may be invested; and (4) that all the investment options available for federally-chartered savings banks are available for state-chartered savings banks.

Consistent with federal law, a state-chartered savings bank's board of trustees must meet at least six times during any year.

A stock savings bank may directly convert to a savings bank without capital stock and any dissenting shareholders must receive their share value. A commercial bank may directly convert to a savings bank and a savings bank may directly convert to a commercial bank. A savings bank without capital may also directly convert to a credit union. The ability of savings banks to merge with other financial institutions is clarified and expanded.

Many of the changes do not create new substantive law; rather, they codify DFI's interpretations or modernize and streamline cumbersome administrative processes.

Votes on Final Passage:

Senate	48	0
House	92	0

Effective: July 25, 1999

SSB 5064
C 215 L 99

Protecting certain public transportation information.

By Senate Committee on Transportation (originally sponsored by Senators Haugen, Horn, Gardner, Benton, Long, Costa, B. Sheldon, Swecker, Patterson, Jacobsen, Shin, Oke, Morton, Eide, Spanel, Johnson, Goings, Sellar, Fraser, Thibaudeau, Franklin, Winsley, Rasmussen and McAuliffe).

Senate Committee on Transportation
House Committee on State Government

Background: Each state and local agency is required to make all public records available for public inspection and copying unless the record is exempt from disclosure. The Legislature has enacted a number of such exemptions, including residential addresses and phone numbers of employees or volunteers of a public agency, and the residential addresses and phone numbers of public utility customers.

Current law provides an exemption for the names or other personally identifiable information maintained by public transit agencies regarding persons who participate in vanpool, carpool, or other ride-sharing programs or services. However, there is no express exemption provided for such information maintained by agencies regarding transit pass purchasers or persons who participate in paratransit services.

Summary: The names and other personally identifiable information maintained by public transit agencies regarding persons who participate in public transportation programs administered by the agency are exempt from public inspection and copying. Persons whose information is protected include (1) users of paratransit services, and (2) transit pass purchasers.

Personally identifying information of persons who acquire and use transit passes and other fare payment media, such as smart cards and magnetic strip cards, may be disclosed to (1) those responsible for payment of the transit passes, (2) the news media when reporting on public transportation or safety, and (3) governmental agencies or groups concerned with public transportation or safety.

Public entities and private entities under the public-private transportation initiatives that provide transit, ferry service, toll facilities or other transportation services may only use personal information obtained from the use of electronic toll payments, transit passes or other fare media for billing purposes and not to track individuals' use of the facilities or services.

Votes on Final Passage:

Senate	45	0	
House	93	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

SB 5095
C 246 L 99

Clarifying that public corporations, commissions, and authorities are public agencies for purposes of the open public meetings act.

By Senators Thibaudeau, Horn, Kohl-Welles, Patterson, Haugen, Prentice and Costa.

Senate Committee on State & Local Government
House Committee on State Government

Background: Any city, town, or county may create a public corporation, commission or authority to: administer and execute federal grants or programs; receive and administer private funds, goods, or services for any lawful purpose; and perform any lawful public purpose or public function. The ordinance or resolution creating the public entity must limit the liability of these authorities to the assets and properties of the authorities in order to prevent recourse to the cities, towns, or counties or their assets or credit. The Pike Place Market in Seattle is an example of such a public authority. Questions have arisen as to whether these public authorities are governed by both the state's Open Public Meetings Act and public records statutes.

Summary: Public corporations, commissions, and authorities created by cities, towns, and counties must comply with the general laws regulating local governments, multi-member governing bodies, and local governmental officials (e.g., open public meetings, open public records, ethics for municipal officers, local government whistleblower law and the like).

Votes on Final Passage:

Senate	46	0	
House	92	0	(House amended)
Senate	45	0	(Senate concurred)

Effective: July 25, 1999

2SSB 5102
C 117 L 99

Funding fire fighter training and pensions.

By Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Snyder, Winsley, Goings, Gardner, T. Sheldon, Bauer, Rasmussen, Hale, McCaslin, Sellar, Swecker, Patterson, Morton, Prentice, Oke, Kohl-Welles and Costa).

Senate Committee on Transportation
Senate Committee on Ways & Means
House Committee on Appropriations

Background: *Fire Fighter Training.* Of the 23,000 fire fighters in Washington, 72 percent (16,800) are volunteers and/or paid on-call fire fighters. The State Patrol esti-

mates that 20 percent of those fire fighters have not been trained to the level of skill necessary to operate as a backup member of a team at a fire scene.

The Washington State Patrol (WSP) provides fire fighter training at its training academy in North Bend. There is currently no dedicated source of state funding to provide that training. As a consequence, the patrol currently charges fire departments and fire districts for the full cost of the training. Obtaining training is made more difficult by the fact that the North Bend training facility is geographically remote from many areas of the state.

Volunteer Fire Fighter Pensions. The Volunteer Fire Fighters Retirement System (VFFRS) Trust Fund is funded primarily through revenue generated by a 2 percent tax on fire insurance premiums, 40 percent of which is earmarked for VFFRS purposes. Unlike other public pension systems in Washington, the dollar amount for VFFRS pensions are set in statute. The Legislature periodically amends those statutes to increase the pension amount. This was last done in 1992.

Under current law a volunteer fire fighter is eligible for a maximum monthly pension of \$225 beginning at age 65 if the volunteer has 25 or more years of service. If a member retires prior to age 65 and/or with less than 25 years of service, his or her pension is reduced.

City Share of Fire Insurance Premium Tax. Another beneficiary of the 2 percent tax on fire insurance premiums are certain cities and fire districts. 45 percent of the revenue from the tax is earmarked for cities and fire districts with full-time fire fighters. The tax revenue is distributed based upon the number of full-time fire fighters currently employed by the employer. The revenue may be used to pay expenses incurred under the pre-1970 city fire fighter retirement system and for retiree medical expenses incurred for fire fighters retired under the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 1.

Some cities are still obligated to pay pensions under the pre-LEOFF system for fire fighters that retired under that system prior to March 1970. Some are also responsible for some bridge payments for persons who started under the pre-LEOFF system and retired under LEOFF Plan 1. Cities are also responsible for certain medical benefits statutorily granted to LEOFF Plan 1 retirees.

Summary: The State Fire Protection Policy Board of the WSP must develop a plan for making fire fighter 1 training available to all fire fighters in the state. The patrol's plan must include a minimum reimbursement of \$2 for every hour of fire fighter 1 training actually utilized by a department or district.

This training program is funded by reallocating 20 percent of 45 percent of the revenue generated by the fire insurance premium tax to fire services training account. This funding would have been distributed to cities.

Volunteer fire fighter pensions are increased as follows:

Base benefit for all retirees: From \$25/month to \$30/month

Incremental pension per year of service: From \$8/month to \$10/month

Maximum benefit: From \$225/month to \$280/month

The reductions for retirement before age 65, retirement with less than 25 years of service, or both, are reduced, resulting in larger pensions for persons who retire early. In addition, changes were made to death benefit and survivor benefit provisions. A member's estate is added as a death beneficiary if the member does not have dependent parents or children. If a member's survivor beneficiary predeceases the member, the member's benefit increases to the amount it would have been had the member not chosen a survivor benefit.

Votes on Final Passage:

Senate	46	0
House	89	5

Effective: July 25, 1999

SB 5105

C 118 L 99

Changing the definition of public water system.

By Senators Eide, Morton, Jacobsen and Winsley; by request of Department of Health.

Senate Committee on Environmental Quality & Water Resources

House Committee on Agriculture & Ecology

Background: In order to maintain the state's authority to regulate water supplies to protect public health, state laws must conform with the provisions of the federal Safe Drinking Water Act. The current definition of a public water system in state law does not conform to recent amendments to the act.

Summary: The definition of a public water system is changed to say that water can be provided through both pipes and other constructed conveyances.

Votes on Final Passage:

Senate	48	0
House	93	0

Effective: July 25, 1999

2SSB 5108

C 168 L 99

Creating a task force on missing and exploited children.

By Senate Committee on Ways & Means (originally sponsored by Senators Patterson, Johnson, Eide, Rossi, Prentice, T. Sheldon, Winsley, McAuliffe, Oke,

ESB 5109

Kohl-Welles and Costa; by request of Lieutenant Governor).

Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means
House Committee on Criminal Justice & Corrections

Background: Juveniles are reported missing for many reasons including running away, abduction by strangers, or custodial interference. Washington ranks 12th in the nation for active missing children cases on any given day. Compounding the problem is the fact that these cases can present very complex issues and fact patterns.

Summary: A task force on missing and exploited children is established and housed in the Washington State Patrol under the direction of the chief. Upon request, the task force may provide direct assistance and case management, technical assistance, personnel training, referral for assistance, and coordination and information sharing. By December 1, 2001, and annually thereafter, the chief must submit a performance report to the Legislature.

Wherever feasible, existing facilities and resources must be used. The Chief of the State Patrol must seek public and private grants to support the task force.

A six-member advisory board is established to advise the chief on the objectives, conduct, management, and coordination of task force activities. Five members are appointed by the chief and the sixth member is appointed by the Attorney General. Board members serve two-year terms.

Votes on Final Passage:

Senate	45	0	
House	97	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

ESB 5109

C 316 L 99

Creating limited immunity for school districts.

By Senators Patterson, McAuliffe, Prentice, Johnson, Hochstatter, Brown, Heavey, Kline, Finkbeiner, Benton, Winsley, Oke and Kohl-Welles.

Senate Committee on Education
House Committee on Judiciary

Background: Under current state law, a school district may permit school facilities to be used for public purposes.

In August 1998, Governor Locke and State School Superintendent Bergeson held a Youth Safety Summit. One of the recommendations contained in the Youth Safety Summit Report was that school facilities should be available beyond their traditional uses and hours for nonschool programs that serve youth, and that school district liability

should be limited when these other groups use school facilities.

Summary: Beginning January 1, 2000, a school district is not liable for injuries caused by the actions or inactions of an employee of a private nonprofit youth program using school district facilities.

Votes on Final Passage:

Senate	45	0	
House	90	0	(House amended)
Senate	41	0	(Senate concurred)

Effective: January 1, 2000

SB 5114

C 41 L 99

Exempting certain hospitals from annual inspections.

By Senators Honeyford, Thibaudeau and Deccio.

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: Hospitals in Washington State must obtain a license from the Department of Health prior to operating as a hospital. In order to maintain their licenses, hospitals are required to undergo an annual inspection of the premises and operations by the department. There is, however, an exemption from the inspection for hospitals accredited by the Joint Commission on the Accreditation of Health Care Organizations.

The joint commission is a not-for-profit organization that offers accreditation to hospitals that meet its professional standards and performance measures. The exemption is available as long as the joint commission's standards are equivalent to the department's, the hospital has been inspected in the last year, and a copy of the survey report is sent to the department.

The American Osteopathic Association is a private organization that also operates an accreditation program for hospitals that meet its criteria. It has received approval from the federal government's Health Care Financing Administration to conduct accreditation surveys of acute care hospitals and hospital laboratories. The American Osteopathic Association would like to have its accredited hospitals in Washington State receive the same exemption from inspections that the joint commission's hospitals have.

Summary: Hospitals that are accredited by the American Osteopathic Association are exempt from the Department of Health's annual inspection requirement as long as: (1) the department determines that the association's standards are substantially equivalent to its own, (2) the association has examined the hospital within the past 12 months, and (3) the department receives a copy of the survey report prepared by the association that states that the hospital meets these standards.

Votes on Final Passage:

Senate 48 0
House 89 0

Effective: July 25, 1999

SB 5122

C 119 L 99

Recovering industrial insurance benefits payments.

By Senators Fairley and Oke; by request of Department of Labor & Industries.

Senate Committee on Labor & Workforce Development
House Committee on Commerce & Labor

Background: When a worker obtains industrial insurance payments by fraud, the Department of Labor and Industries must demand or order recovery within one year. However, the investigation and documentation of fraud cases can be complex and time-consuming. It is believed that a three-year recovery period would be more realistic and lead to the recovery of more money.

Summary: The repayment or recoupment of industrial insurance payments induced by fraud must be demanded or ordered within three years of the discovery of the fraud.

Votes on Final Passage:

Senate 43 0
House 93 0

Effective: July 25, 1999

SB 5125

C 247 L 99

Giving direction to the commission on pesticide registration.

By Senators Loveland, Rasmussen, Morton, Stevens, T. Sheldon and Honeyford.

Senate Committee on Agriculture & Rural Economic Development
House Committee on Agriculture & Ecology

Background: In 1995, the Commission on Pesticide Registration was created in response to the passage of the Food Quality Protection Act by Congress that requires pesticides meet new registration requirements. The scope of the commission's work was limited to conducting studies and activities specifically related to the registration of pesticides.

Current law defines integrated pest management as a strategy that uses various combinations of pest control methods, biological, cultural, and chemical, in a compatible manner to achieve satisfactory control and ensure favorable economic and environmental consequences.

The commission is comprised of 12 voting members appointed by the Governor. Official action requires support by seven of the 12 voting members.

Summary: Added to the Commission on Pesticide Registration's authorities are research, implementation, and demonstration of any aspect of integrated pest management and pesticide resistance management programs.

Official action requires that at least seven voting members be present to have a quorum and that a majority of those present must vote in support.

Votes on Final Passage:

Senate 48 0
House 89 0 (House amended)
Senate 47 0 (Senate concurred)

Effective: July 25, 1999

SB 5127

PARTIAL VETO

C 389 L 99

Prohibiting law enforcement officers from conducting investigations of abuse or neglect concerning a child for which the officer is a parent, guardian, or foster parent.

By Senators Kohl-Welles, Hargrove, Long, Heavey, McCaslin, Stevens, Zarelli, Prentice, Kline, Winsley and Costa.

Senate Committee on Judiciary
House Committee on Judiciary

Background: The occurrence in Wenatchee where a law enforcement officer was allowed to investigate claims of child sexual abuse brought by a child in that officer's foster care has caused concern. Proponents of this bill believe such a situation generates a real or perceived conflict of interest that may damage the results of any investigation.

Summary: Various provisions are created to guide investigators from the Department of Social and Health Services (DSHS), law enforcement, prosecution, and local advocacy groups who investigate and/or interview child victims of alleged sexual abuse. Law enforcement, prosecution, and Child Protective Services workers who investigate allegations of child sexual abuse are provided with on-going specialized training in interviewing children who may be victims of sexual abuse. This training is designed and implemented by the Criminal Justice Training Commission, law enforcement, DSHS, and prosecutors.

The Washington State Institute for Public Policy must convene a work group to develop state guidelines for the development of child sexual abuse investigations protocols. It consists of representatives from DSHS, law enforcement, and the prosecuting attorneys association. The work group must solicit input from a mental health professional, a physician with experience in child sexual

abuse examinations, a defense attorney, the Attorney General, a superior court judge, a child development specialist, a representative from an agency serving the developmentally disabled, a nurse practitioner, a representative from a child serving agency and a victim's advocate. The work group guidelines include issues to be addressed within local protocols and include multi-victim cases, cases involving multiple suspects, information sharing between DSHS and law enforcement, methods to reduce the number of investigative interviews and documentation. The state work group is not precluded from identifying other issues that must be addressed within local protocols.

Each agency that investigates child sexual abuse cases must adopt a local protocol based upon the state guidelines. The prosecuting attorney of each county must develop a written protocol which addresses the coordination of investigations between affected agencies, law enforcement, and advocacy groups. Local protocols must be adopted and in place by July 1, 2000.

Three pilot projects are established by DSHS. They will use different methods and techniques to conduct and preserve interviews with alleged child victims of sexual abuse.

Every employee of DSHS who interviews a person involved in an allegation of abuse or neglect retains original written records. The written records must, at a minimum, be a near verbatim record of the disclosure interview and must be produced within 15 calendar days of the disclosure interview, unless waived by management.

A law enforcement officer is prohibited from participating as an investigator of alleged abuse or neglect concerning a child for whom the officer is, or has been, a parent, guardian, or foster parent.

Votes on Final Passage:

Senate	47	0	
House	97	0	(House amended)
Senate	41	3	(Senate concurred)

Effective: July 25, 1999

Partial Veto Summary: That portion of SB 5127 is removed that affirms the importance of ensuring child sexual abuse crimes are investigated thoroughly and objectively, including language emphasizing the need to bring perpetrators of such crimes to justice. Also stricken is the conclusion that the best approach to investigation of child sexual abuse crimes involves a coordinated effort by agencies that minimizes repetitive investigative interviews and improves the quality of the investigations.

VETO MESSAGE ON SB 5127

May 18, 1999

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 1, Senate Bill No. 5127 entitled:

"AN ACT Relating to investigations of abuse or neglect;"

Senate Bill No. 5127 requires specialized training for law enforcement officers and caseworkers who investigate allegations of child sexual abuse. It also prohibits a law enforcement officer from participating in an investigation of alleged abuse concerning a child for whom the officer is a parent, guardian or foster parent.

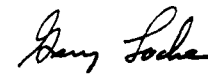
The training required by SB 5127 is not adequately funded by the operating budget for the 1999-2001 biennium that I signed on May 14, 1999. To fully implement the required training, the legislature must appropriate at least \$537,000 in supplemental funds next year.

The process of investigating child abuse allegations and prosecuting alleged perpetrators is complex and must adhere to many laws and procedures. Section 1 of SB 5127 is sufficiently vague that it could be misconstrued to alter existing law. Vetoing it does not weaken the substance of this bill.

For these reasons, I have vetoed section 1 of Senate Bill No. 5127.

With the exception of section 1, Senate Bill No. 5127 is approved.

Respectfully submitted,



Gary Locke
Governor

SSB 5134

C 184 L 99

Removing barriers faced by persons entitled to foreign protection orders.

By Senate Committee on Judiciary (originally sponsored by Senators Wojahn, Long, Patterson, Roach, Costa, Thibaudeau, Goings, McAuliffe, Kline, Brown, McCaslin, Heavey, Johnson, Prentice, Snyder and Kohl-Welles).

Senate Committee on Judiciary
House Committee on Judiciary
House Committee on Appropriations

Background: State law provides a number of protections for persons who are victims of domestic violence, abuse, or harassment. In the criminal context, a victim of domestic violence may be protected by a no-contact order prohibiting the offender from contacting the victim. In the civil context, a victim may petition for a domestic violence protection order or an anti-harassment protection order. In a pending dissolution, third-party custody, paternity action, or an action relating to the abuse of a child or dependent person, a person may seek a restraining order against another party.

A violation of a no-contact or protection order is generally a gross misdemeanor offense. A violation of a no-contact or protection order is a class C felony if the offender has two previous violations of an order, or if the violation involved an assault that is not first- or second-degree assault, or conduct that is reckless and creates a substantial risk of death or serious physical injury to

another person. A violation of a provision of a restraining order is a misdemeanor offense.

A police officer must arrest a person without a warrant if the officer has probable cause to believe that the person has violated a no-contact, protection, or restraining order, of which the person had knowledge. A police officer is immune from criminal and civil liability for making an arrest under this provision if the officer acted in good faith and without malice.

In 1994, Congress enacted the Violence Against Women Act (VAWA) as part of the Violent Crime Control and Law Enforcement Act. VAWA contains a requirement that each state, United States territory or possession, and tribal court provide full faith and credit to protection orders issued by another state, United States territory or possession, or tribal court. The issuing court must have had personal and subject matter jurisdiction, and reasonable notice and an opportunity to be heard must have been provided to the person subject to the restraint provisions of the order.

Summary: A statutory procedure for the filing and enforcement of foreign protection orders is created. "Foreign protection order" means an order related to domestic or family violence, harassment, sexual abuse, or stalking. The purpose of the foreign protection order is to prevent violent or threatening acts or harassment against, contact or communication with, or physical proximity to another person. It must be issued by a court of another state, United States territory or possession, a military tribunal, or a tribal court in a civil or criminal action.

A foreign protection order is valid if the issuing court had jurisdiction over the parties and matter under the law of the jurisdiction. A presumption is created that a foreign protection order is valid if it appears authentic on its face. The person subject to the restraint provisions of the order must have been given reasonable notice and the opportunity to be heard before the foreign order was issued. In the case of ex parte orders, notice and opportunity to be heard must have been given as soon as possible after the order was issued, consistent with due process. The failure to provide reasonable notice and opportunity to be heard is an affirmative defense to any charge or process filed seeking enforcement of a foreign protection order.

A procedure is created for filing foreign protection orders by presenting a certified, authenticated, or exemplified copy to the clerk of the Washington court where the person entitled to protection resides or believes enforcement may be necessary. Any out-of-state department, agency or court responsible for maintaining protection order records may by facsimile or electronic transmission send a copy of the foreign protection order to the clerk of the Washington court as long as it contains a facsimile or digital signature by a person authorized to make the transmission. The clerk may not charge a fee for the filing of foreign protection orders.

The court clerk must forward a copy of the filed foreign protection order to the county sheriff who must enter the order into a computer-based criminal intelligence information system used by law enforcement agencies to list outstanding warrants. The information entered into the criminal intelligence information system must include, if available, notice to law enforcement of whether the foreign order was served and method of service.

It is a gross misdemeanor for a person under restraint who knows of the foreign protection order to violate the provision prohibiting the person from contacting or communicating with another person; the provision excluding the person from a residence, workplace, school, or day care; or any provision for which the foreign protection order specifically provides that violation is a crime. Violation of a restraining order issued in a nonparental proceeding for child custody or a paternity action is a gross misdemeanor when the person restrained knows of the order.

A violation of a foreign protection order is a class C felony, ranked at seriousness level V under the Sentencing Reform Act, in the following three circumstances: the violation is an assault that does not amount to assault in the first- or second-degree; the violation involved conduct that is reckless and creates a substantial risk of death or serious physical injury to another person; or the offender has at least two prior convictions for violating the provisions of a no-contact order, a domestic violence protection order, or a comparable federal or out-of-state order.

A police officer must arrest a person under restraint when the officer has probable cause to believe that the person violated a provision of a foreign protection order, of which the person had knowledge.

The person entitled to protection must divulge other orders between the parties in order to alert the court to the existence of other orders or conditions that exist between the protected party and the person under restraint. Any disputes regarding provisions in foreign protection orders dealing with custody of children or visitation issues are to be resolved judicially. A peace officer is not to remove a child from his or her current placement unless a writ of habeas corpus issued by a court of this state is produced or the officer believes the child would be injured or could not be taken into custody if it were necessary to first obtain a court order.

Votes on Final Passage:

Senate	48	0	
House	96	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

ESB 5141
C 76 L 99

Allowing the department of health to charge a fee for newborn screening services.

By Senators Thibaudeau, Deccio, Prentice and Winsley; by request of Department of Health.

Senate Committee on Health & Long-Term Care
Senate Committee on Ways & Means
House Committee on Health Care
House Committee on Appropriations

Background: All newborn infants born in this state must be screened for several inherited genetic disorders before they are discharged from the hospital. This screening is only waived if there is parental objection for religious reasons. The Department of Health assesses a one-time charge for the screening which is added to the bill for maternity services. The current fee is \$35.75.

The newborn screening is done to detect four congenital diseases: phenylketonuria (PKU), congenital hypothyroidism, congenital adrenal hyperplasia, and hemoglobin diseases, such as sickle cell disease. Early treatment of these disorders prevents serious illness, disability or death in children.

The newborn screening fee does not cover follow-up treatment services for children. Clinics which service these families have been funded largely by federal grants which expire this year.

Summary: The Department of Health is authorized to collect an additional fee for supplying services in specialty clinics to children with congenital hypothyroidism, congenital adrenal hyperplasia, hemoglobin disorders and phenylketonuria under the state's infant screening program.

Appropriation: \$512,000 for the biennium, collected through a fee increase of \$3.50 per infant.

Votes on Final Passage:

Senate	48	0
House	93	0

Effective: July 25, 1999

SSB 5147
C 185 L 99

Prescribing procedures for payment of industrial insurance awards after death.

By Senate Committee on Labor & Workforce Development (originally sponsored by Senator Patterson).

Senate Committee on Labor & Workforce Development
House Committee on Commerce & Labor
House Committee on Appropriations

Background: If a person is entitled to industrial insurance benefits but dies before receiving a payment, current law allows only the surviving spouse, or the child or children if there is no surviving spouse, to receive the payment. The term "child" means a child under 18, or a child under 23 while a full-time student, unless the child is a dependent as a result of a physical, mental, or sensory handicap.

Summary: If there is no surviving spouse and no child or children at the time of death of a person entitled to industrial insurance benefits, the amount of the award or monthly payment must be paid according to the terms of the decedent's will, if there is one, or the state's statute controlling distribution of assets for those who die without a will. The Department of Labor and Industries or the self-insurer may send the final payment in the decedent's name to the decedent's last known address. If a self-insurer is also obligated to make a payment to the supplemental pension fund, the amount of that payment is reduced by the amount of the payment to be distributed as part of the decedent's estate.

Votes on Final Passage:

Senate	46	0	
House	93	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 25, 1999

SSB 5153
C 216 L 99

Modifying provisions concerning the freight mobility strategic investment board.

By Senate Committee on Transportation (originally sponsored by Senators Haugen, Goings, Gardner, T. Sheldon, Rasmussen and Patterson; by request of Legislative Transportation Committee).

Senate Committee on Transportation
House Committee on Transportation

Background: In 1998, the Legislature created the Freight Mobility Strategic Investment Program. The purpose of the program is to construct high-priority freight transportation projects using the greatest amount of partnership (non-state) funding possible.

The program is governed by the Freight Mobility Strategic Investment Board (FMSIB). FMSIB is comprised of freight mobility stakeholders, including the state, cities, counties, port districts, representatives of the trucking and railroad industry, barge and steamship operators, and a representative from the Governor's office.

FMSIB was directed to employ an executive director and submit a status report and staffing plan to the Legislature prior to the 1999 legislative session. It was anticipated that FMSIB would remain an autonomous board operating independently from the state Department of Transportation (DOT). Current law requires that DOT, the Transportation Improvement Board and County Road Administration Board provide staff support for most of FMSIB's functions.

The authorizing legislation does not permit board members to be reimbursed travel and other necessary expenses for attending board meetings. This was done with the expectation that each member of the board, or his/her representative agency, would pay for their travel expenses.

Summary: Members of the Freight Mobility Strategic Investment Board are eligible to receive customary and reasonable travel reimbursement as allowed under Office of Financial Management guidelines.

FMSIB is no longer required to hire an executive director. If FMSIB chooses not to hire an executive director, it may contract out with any transportation-related agency or with the private sector for that position.

Votes on Final Passage:

Senate	47	0	
House	96	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: July 25, 1999

SSB 5154

C 248 L 99

Limiting the liability of electric utilities.

By Senate Committee on Judiciary (originally sponsored by Senators Hargrove, McCaslin, Goings and Heavey).

Senate Committee on Judiciary
House Committee on Judiciary

Background: Currently, property owners may bring an action seeking damages when an electric utility worker trespasses on their land and injures or removes trees, timber or shrubs. Triple damages may be awarded if the trespass is "willful." There are three mitigating circumstances when triple damages are not available: (1) when the trespass was "casual or involuntary;" (2) when the trespass was based upon a mistaken belief of ownership of the land; or (3) when the vegetation is removed from open woodlands in order to repair any public highway or bridge on adjoining land. Under those three circumstances, the remedy for the trespass is single or compensatory damages. Damages are measured in various ways depending upon the type of vegetation affected, including stumpage value, production value, lost profits, and restoration/replacement value.

Electric utilities are also liable for damages for emotional distress for intentional interference with property interests, such as trees and other vegetation. *Birchler v. Castello Land Co., Inc.*, 133 Wn.2d 106 (1997).

Electric utilities are concerned about increasing liability when their workers go onto private land to remove or trim vegetation that poses an imminent hazard or potential threat to disrupt electrical service to the public.

Summary: Electric utilities are granted immunity from liability for damages, including damages for emotional distress, when their workers cut or remove vegetation that has come in contact with or damaged electric facilities or that poses an imminent hazard or potential threat to damage their facilities.

An imminent hazard occurs when there is a threat to the public health or safety. A potential threat occurs when the vegetation can be reasonably expected to damage electric facilities. Certified arborists or qualified foresters determine whether the vegetation is an imminent hazard or potential threat.

In case of an imminent hazard, the utility must make a reasonable effort to notify and obtain agreement from the property owner or the resident of the property before cutting or trimming vegetation. Notice may be provided by posting a flyer on the property.

Where there is a potential threat, the utility must notify the property owner and, if there is no response within two weeks, the utility may obtain agreement for cutting or trimming the vegetation from the resident of the property. The notice must contain a statement on the need for the work, a good faith estimate of the time frame for the work, and how to contact the utility.

A technical correction is made that merges a separate short subsection into another sentence.

Votes on Final Passage:

Senate	42	4	
House	94	1	(House amended)
Senate	41	1	(Senate concurred)

Effective: July 25, 1999

SB 5156

C 77 L 99

Amending housing authority law.

By Senators Prentice and Winsley.

Senate Committee on Commerce, Trade, Housing &
Financial Institutions
House Committee on Economic Development, Housing &
Trade

Background: Housing authorities may be formed in any city or county that has a shortage of safe and sanitary housing for low-income residents. Housing authorities are led by a board of commissioners appointed by city coun-

2SSB 5171

cils, mayors or county commissioners. Most authorities are limited to five board members; however, boards in large cities such as Seattle have seven. Seven-member boards must contain two commissioners that reside in housing authority projects.

The Quality Housing and Work Responsibility Act of 1998 revised federal law governing public housing. The act requires that one local housing authority board commissioner be a recipient of housing services.

Summary: If federal law requires that local housing authority boards contain one member who is directly assisted by the authority, a five-member board may increase its size to six members. The board may determine the length of term of the directly assisted member, and such a person may serve only so long as he or she is being assisted.

Votes on Final Passage:

Senate	47	0
House	94	1

Effective: July 25, 1999

2SSB 5171

C 217 L 99

Regulating Washington state patrol employment agreements.

By Senate Committee on Transportation (originally sponsored by Senators Goings, Prentice and Rasmussen).

Senate Committee on Labor & Workforce Development
Senate Committee on Transportation
House Committee on Commerce & Labor

Background: The Public Employment Relations Commission has jurisdiction over collective bargaining issues involving the Washington State Patrol. The State Patrol may not engage in collective bargaining over wages and wage-related matters.

Summary: The Washington State Patrol may enter into collective bargaining, mediation, and arbitration over wage related-matters, but not over wages, retirement benefits, health insurance benefits, or employee insurance benefits. Agreements must be conditioned upon approval by the Legislature of necessary funds.

Votes on Final Passage:

Senate	47	0
House	92	3

Effective: July 25, 1999

ESSB 5175

C 186 L 99

Authorizing the donation of surplus computers and computer-related equipment to school districts and educational service districts.

By Senate Committee on State & Local Government (originally sponsored by Senators Patterson, Horn, Franklin, Eide, B. Sheldon, Finkbeiner, McCaslin, Goings, Oke, Winsley, Kohl-Welles, Fraser, Rasmussen, Costa and Benton; by request of Department of General Administration and Superintendent of Public Instruction).

Senate Committee on State & Local Government
House Committee on Education

Background: The Division of Purchasing of the Department of General Administration sells or exchanges, at public or private sales, surplus personal property belonging to state agencies or educational institutions. Currently agencies are not allowed to donate surplus computers or computer-related equipment to school districts or educational service districts in Washington.

Summary: An agency may donate, to any school district or educational service district in Washington, surplus computers and computer-related equipment. The Office of Superintendent of Public Instruction and the Department of General Administration must, no later than September 1, 1999, develop guidelines and distribution standards to include considerations for quality, school-district need, and accountability.

The guidelines and distribution standards adopted by the Office of Superintendent of Public Instruction and General Administration must give priority to meeting the computer-related needs of children with disabilities, including those disabilities that require the portability of laptop computers.

The Chief Clerk of the House of Representatives, the Secretary of the Senate, and the directors of legislative agencies may authorize surplus computers and computer-related equipment owned by his or her respective entity to be donated to school districts and educational service districts.

Votes on Final Passage:

Senate	48	0	
House	92	0	(House amended)
Senate			(Senate refused to concur)
House	96	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 25, 1999

SB 5178

C 78 L 99

Correcting references to the third grade standardized achievement test.

By Senators McAuliffe, Winsley and Rasmussen.

Senate Committee on Education
House Committee on Education

Background: In 1998, the Legislature passed Second Substitute House Bill 2849 which, among other things, changed the statewide norm-referenced standardized achievement test in the fourth grade to a third grade test.

Summary: Two references to the fourth grade test are corrected to reflect the change from the fourth grade to the third grade.

Votes on Final Passage:

Senate	47	0
House	96	0

Effective: July 25, 1999

SSB 5179**PARTIAL VETO**

C 249 L 99

Creating Title 79A RCW, Public Recreational Lands.

By Senate Committee on Natural Resources, Parks & Recreation (originally sponsored by Senators Oke and Jacobsen).

Senate Committee on Natural Resources, Parks & Recreation

House Committee on Natural Resources

Background: The state parks are governed by a number of statutes located in diverse places throughout the code. Many of the statutes are antiquated and have not been addressed since they were enacted. The scattered locations, lack of cross referencing, and lack of clarity make the laws difficult to follow.

Summary: All parks and recreation statutes are placed together into a new title, 79A RCW. The provisions are grouped into subject areas. Cross referencing is added. Language is made gender neutral and more uniform. Obsolete language and sections are removed. Provisions that have caused confusion and uncertainty are clarified.

Votes on Final Passage:

Senate	44	0	
House	92	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

Partial Veto Summary: The Governor vetoed Section 903 because that same provision of law had been amended by HB 1331. The two changes would have conflicted

with each other. The vetoed provision replaced archaic language with modern terms. HB 1331 accomplishes a similar result.

VETO MESSAGE ON SB 5179-S

May 10, 1999

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 903, Substitute Senate Bill No. 5179 entitled:

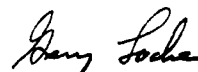
"AN ACT Relating to the authority of the parks and recreation commission;"

I am returning herewith without my approval as to section 903, Substitute Senate Bill 5179. Section 903 amends RCW 43.51.140 and chapter 156, section 2, Laws of 1982. This provision of law was recently amended by my signing of House Bill 1331. The language in section 903 does not correspond to the change made in House Bill 1331. To avoid conflicting statutory provisions, I am vetoing section 903.

For this reason, I have vetoed section 903 of Substitute Senate Bill No. 5179.

With the exception of section 903, Substitute Senate Bill No. 5179 is approved.

Respectfully submitted,



Gary Locke
Governor

ESSB 5180**PARTIAL VETO**

C 309 L 99

Making operating appropriations.

By Senate Committee on Ways & Means (originally sponsored by Senators Loveland, West, Brown and Winsley; by request of Governor Locke).

Senate Committee on Ways & Means

Background: Appropriations for the operations of state government and its various agencies and institutions are made on the basis of a fiscal biennium that begins on July 1 of each odd-numbered year.

Summary: Appropriations are made for the 1997-99 and 1999-01 fiscal biennia. The supplemental appropriation for the 1997-99 biennia provides a net \$71.9 million increase to expenditures from the state General Fund. The total appropriation for the 1999-01 fiscal biennium is \$32.361 billion, of which \$20.575 billion is from the state General Fund.

For additional information, see "Statewide Summary & Agency Detail" published by the Senate Ways & Means Committee.

Votes on Final Passage:

Senate	29	17	
House	53	44	(House amended)
Senate	34	15	(Senate concurred)

Effective: May 14, 1999 (Sections 927, 928, 931, 1101-1902)
 July 1, 1999
 September 1, 2000 (Section 929)

Partial Veto Summary: The Governor vetoed provisions affecting five state agencies: Attorney General’s Office, Department of Social and Health Services Mental Health Program, Department of Social and Health Services Medical Assistance Program, Superintendent of Public Instruction, and the Department of Retirement Systems. The vetoes do not affect any state General Fund appropriations. For more information, see “Legislative Budget Notes” published by the Appropriations Committee of the House of Representatives and the Senate Ways & Means Committee.

VETO MESSAGE ON SB 5180-S.E

May 14, 1999

To the Honorable President and Members,
 The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 124(3); 205(3)(b); 210(14); 502(10); and 722, Engrossed Substitute Senate Bill No. 5180 entitled:

“AN ACT Relating to fiscal matters;”

Engrossed Substitute Senate Bill No. 5180 is the state operating budget for the upcoming biennium. I disagree with some sections and have vetoed them for the following reasons:

Section 124 (3), page 15, Review of Ecology Policy and Guidelines (Office of the Attorney General)

This provision would require the state Attorney General to conduct a review of the policies, practices, and guidelines employed by the Department of Ecology in researching, analyzing, and issuing a certification under the authority of the federal Water Pollution Control Act for the proposed regional landfill in Pierce County. The findings of this review would be reported to the Legislature by December 1, 1999.

The Attorney General has asked for a veto of this subsection, citing the agency’s statutory role as one of legal advice and representation, not performance audits or policy reviews. I agree that this provision is inconsistent with the principal role and mission of the Attorney General’s Office.

Section 205 (3)(b), pages 43-44, Civil Commitment Legal Costs (Department of Social and Health Services—Mental Health Program, Civil Commitment Center)

This subsection would require that the Department of Social and Health Services (DSHS) implement strategies for limiting the average cost of civil commitment trials and annual court reviews. If the cost containment strategies were not effective, the DSHS would be directed to pay only 85 percent of allowable billed charges for all legal services except those provided by the Attorney General. There are several problems with this proviso. First, this limitation would not provide adequately for defense of sexually violent predators, increasing the chance of adverse court findings. Second, since the proviso would not apply to the Attorney General, it is expected that workload would be transferred from the county prosecutors to the Attorney General at a rate that would exceed what could be absorbed. Third, the proviso would place a responsibility for controlling costs on DSHS,

while placing the sanction with the county prosecutors and defenders.

Section 210 (14), page 54, Chiropractic Services (Department of Social and Health Services—Medical Assistance Program)

This subsection would require that the Medical Assistance program provide, within existing funds, chiropractic services for all people qualifying for medical assistance services under chapter 74.09 RCW. No additional appropriation authority was included for these services. Without additional funds, the Medical Assistance program would have a \$3.8 million General Fund-State shortfall to implement this proviso. I cannot support agency requirements of this magnitude that are clearly unfunded.

Section 502 (10), page 100, Increase in full-time equivalent student in basic education appropriation (Superintendent of Public Instruction—General Apportionment, Basic Education)

This subsection contains an error in the information on the percentage increase per full-time equivalent student used in the state basic education appropriation contained in this act. The correct percentage increase from the 1998-99 school year to the 1999-00 school year is 4.0 percent, not 7.0 percent as stated in the bill. This subsection is not essential for the correct apportionment of levy equalization funding to school districts, and is eliminated at the request of the Senate Ways and Means Committee chair to avoid confusion regarding the intent of the Legislature with regard to levy base calculations and equalization funding. I urge the Legislature to correct this technical error at its earliest opportunity.

Section 722, pages 155-156, Pension Advisory Committee (Department of Retirement Systems)

This section would create a Pension Advisory Committee in the Department of Retirement Systems (DRS) comprised of active and retiree members of the retirement system, representatives from local government, and the directors of DRS and the Office of Financial Management. The committee would be charged with making recommendations to the legislature’s Joint Committee on Pension Policy (JCPP) on major pension priorities and goals for the next five to ten years, proposals to promote equity between state pension systems, and a prioritized list of proposed pension system changes. While I agree with the need to focus on these issues, this effort would duplicate the very similar work performed by the JCPP, and adequate funding was not provided to respond to the magnitude of the task.

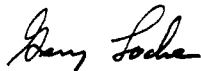
Other Comments

Section 206(1)(b) provides \$16 million in new funds to enhance developmental disabilities services. This section references the stakeholder work group that was created in statute to develop recommendations on future directions and strategies for service delivery improvement. I am directing the Department of Social and Health Services to implement this subsection giving significant consideration to the priorities that were established by the stakeholder work group in meetings over the past year. After the Department has developed its plan for the use of these new funds, it should present the plan to the stakeholder work group and consider any new advice the group might provide before making fund allocations from this subsection.

Section 222(2)(a) authorizes the Department of Corrections to expend up to \$3.0 million to support county drug courts. I have concerns with this language because no additional funding was provided. I also recognize the value of, and support the concept of drug courts. Therefore, I am directing the Department of Corrections and the Department of Social and Health Services to work together to develop a plan to provide temporary funding in fiscal year 2000 for existing drug courts whose federal funds are lapsing. This plan will give the county drug courts one year to develop other funding sources to continue these valuable programs.

With the exception of sections 124(3); 205(3)(b); 210(14); 502(10); and 722, Engrossed Substitute Senate Bill No. 5180 is approved.

Respectfully submitted,



Gary Locke
Governor

SSB 5185

C 15 L 99

Adjusting limits for highway work by state forces.

By Senate Committee on Transportation (originally sponsored by Senators Haugen, Benton, T. Sheldon, Finkbeiner, Goings, Gardner, Prentice, Sellar and Winsley).

Senate Committee on Transportation
House Committee on Transportation

Background: State law determines the dollar amount of highway construction work that may be performed by state work forces.

Current state law requires construction activities to be contracted out if the project activity will exceed \$30,000. Project activities less than \$30,000 may be contracted or performed by state work forces.

In emergency situations that constitute a danger to the traveling public, state forces may perform work activities that are less than \$50,000.

These contracting limits were last adjusted for inflation in 1984.

Summary: The project limit for activities that may be contracted out or performed by state work forces is increased from \$30,000 to \$50,000, and is increased to \$60,000 on July 1, 2005. In emergency situations, this limit is increased from \$50,000 to \$80,000 and is increased to \$100,000 on July 1, 2005.

These increases reflect adjustments for inflation.

Votes on Final Passage:

Senate	45	2
House	91	1

Effective: July 25, 1999

SSB 5191

C 79 L 99

Penalizing motor carriers that operate without a permit.

By Senate Committee on Transportation (originally sponsored by Senators Goings, Benton, Haugen, Sellar, Patterson, Winsley, T. Sheldon and Costa).

Senate Committee on Transportation
House Committee on Transportation

Background: Any for-hire motor freight carrier performing intrastate movements within the state of Washington must receive operating authority from the Utilities and Transportation Commission (UTC) prior to conducting business in the state. An operating permit is granted if the applicant is financially able to provide the service and presents proof of insurance. The insurance must be kept current in order for the permit to be valid. The application/operating permit fee is \$275. The penalty for operating on a highway without a permit carries a fine of \$500.

When the commission discovers an illegal carrier, a letter is sent asking the illegal carrier to obtain operating authority and file proof of insurance. If the carrier continues to operate without a permit, the commission issues a cease and desist order and offers the carrier the opportunity for a hearing. A show cause hearing examines the nature of the transportation service and whether that service falls within the commission's jurisdiction. If the carrier does not respond, the commission seeks an injunction in Thurston County Superior Court to enforce the cease and desist order. Because a show cause hearing or an injunction is a fairly lengthy process, the commission is sometimes prevented from responding in a timely manner.

Summary: The penalty for failure to obtain a for-hire intrastate operating permit from the UTC is increased from \$500 to \$1,500. Language is added that improves and makes more efficient the commission's ability to take administrative action against illegal carriers, and then pursue injunctions in superior court once a cease and desist order is issued.

Votes on Final Passage:

Senate	46	0
House	86	10

Effective: July 25, 1999

SB 5194
C 80 L 99

Changing information technology management provisions.

By Senators Brown, Rossi, Fraser, Finkbeiner, Gardner and Winsley; by request of Department of Information Services.

Senate Committee on Energy, Technology & Telecommunications

House Committee on Technology, Telecommunications & Energy

House Committee on Appropriations

Background: The Information Services Board (ISB) is the 12-member body charged with setting policy regarding information technology (IT) resources for state agencies. Its staff support comes from the Department of Information Services (DIS).

In January 1998, ISB directed agencies to adopt the portfolio management system for their IT resources. Under this system, each agency's IT resources, such as computers, computer systems, and telecommunications equipment, are managed as one would manage other investments such as real estate or stocks. Each proposed investment is examined in the context of the agency's current and planned investments as well as in the context of the state's overall IT holdings. DIS' enabling statute reflects the former IT management structure which focused on individual agencies' acquisition plans.

The DIS enabling statute also contains a limitation on the total number of deputy and assistant directors. DIS is one of only two cabinet-level agencies with such a restriction in its enabling statute. This restriction was placed in statute in 1987 when DIS was created to prevent proliferation of deputy and assistant directors during the consolidation of several service centers into the new department. Since that time, DIS services and responsibilities have expanded as the use of technology has increased. It has been suggested that this provision has become inconsistent with the development of the agency.

The department is requesting this legislation to bring its enabling statute into conformance with current policies and practices and to give the director more flexibility to organize and administer the agency.

Summary: A definition for "information technology portfolio" is added. References to "acquisition plans," "oversight committees" and other outdated language are replaced by terms such as "information technology portfolios" and "advisory board."

A provision requiring approval of project plans by the director of the agency and the directors of Financial Management and DIS is deleted.

Agencies are directed to develop IT portfolios and to consider those portfolios when making decisions about IT

investments. Requirements for review of agency IT budget requests are amended by requiring criteria consistent with the portfolio system.

A provision limiting the department to a total of four deputy and assistant directors is deleted.

Other clarifying and technical changes are made.

Votes on Final Passage:

Senate	47	0
House	93	0

Effective: July 25, 1999

ESSB 5195
C 81 L 99

Protecting employee benefits.

By Senate Committee on Judiciary (originally sponsored by Senators Heavey, Johnson, Kline and Winsley).

Senate Committee on Judiciary
House Committee on Judiciary

Background: Except for child support collection actions or unless otherwise provided by federal law, all federal and certain state pension plans are exempt from execution, attachment, garnishment or seizure by legal process. This exemption applies to family members who obtain these pensions after the debtor dies or absconds.

The Washington State Bar Association suggests that other commonly used types of pension plans (such as Roth IRAs, tax sheltered annuities, etc.) should be brought under these same protections from garnishment because federal law encourages these types of savings as a matter of public policy.

Summary: The existing statute which exempts various pension plans from execution, attachment, garnishment or seizure is expanded to include various types of retirement savings plans recognized by the federal government. Included in the term "employee benefit plan" are tax-sheltered annuities, individual retirement accounts, Roth individual retirement accounts, medical saving accounts, education individual retirement accounts, retirement bonds, and the monies deposited in the advanced college tuition payment plan. Language is added conforming the act to the numerical changes of the IRS Tax Code and to the alternate dispute resolution provisions that are required with disputes of wills or trusts.

Votes on Final Passage:

Senate	43	0
House	81	15

Effective: July 25, 1999

SB 5196

C 42 L 99

Resolving trust and estate disputes.

By Senators Johnson, Kline and Winsley.

Senate Committee on Judiciary

House Committee on Judiciary

Background: Currently, matters concerning probate and trusts are codified under Title 11 RCW. Procedures for resolving disputes that occur with trusts and estates are scattered throughout the various sections of this title and provide for resolution of disputes in the state courts or by written agreement between the parties.

The Real Property, Probate and Trust Section of the Washington State Bar has studied Title 11 for the past seven years and suggests that all the procedures for resolving trust and estate disputes be consolidated into a separate section of the probate code which would be referred to as the Trust and Estate Dispute Resolution Act. Centralization makes the procedures easier to locate and follow and would codify current practice in this area.

Summary: The Trust and Estate Dispute Resolution Act is created to centralize all procedures for resolving disputes that occur regarding trusts and estates. The act (1) reaffirms that the courts have full power to administer and settle all matters concerning trusts and estates; (2) specifically provides that the superior courts of each county have original subject matter jurisdiction over the probate of wills and the administration of trusts, identifies in which venue actions may be brought, and provides for a three-year statute of limitations in actions against personal or special representatives for breach of their fiduciary duty; (3) identifies the parties who can sue in state court and the procedures to follow, such as notice requirements, attorney's fees, obtaining jury trials, and execution on judgments; (4) provides mechanisms for resolving disputes by informal binding agreements between parties; and (5) outlines the process by which parties can obtain resolution of disputes using mediation and/or arbitration, methods to select mediators or arbitrators, determine the costs, and to obtain compliance with decisions.

The act also expressly adopts the common law doctrine of "virtual representation," which allows a living person, who is a member of a class of persons, to represent all members of the class in a dispute that determines interests in an estate, trust, or nonprobate asset. For example, if the terms of a trust state that the beneficiaries are the trustee's children during their life and then grandchildren, an adult grandchild could "virtually" represent all grandchildren, even those not yet born, to determine the interests of those grandchildren in the trust.

Votes on Final Passage:

Senate 48 0

House 90 0

Effective: July 25, 1999

January 1, 2000 (Section 703)

SSB 5197

C 43 L 99

Making technical corrections to the disclaimer statute.

By Senate Committee on Judiciary (originally sponsored by Senators Johnson and Kline).

Senate Committee on Judiciary

House Committee on Judiciary

Background: As used in the disclaimer statute, a disclaimer is the refusal by a beneficiary to accept an inheritance. The inheritance then passes, normally, to the children of the beneficiary. Transfer of an inheritance using this disclaimer is not treated as a taxable gift either to the beneficiary or to the children who receive the inheritance. There are generally two situations in which beneficiaries disclaim an inheritance: 1) if they have a sufficient estate and the inheritance would result in their paying large estate taxes; or, 2) if they are insolvent with many judgments against them and they do not want the inheritance monies to go to creditors.

The purpose of the disclaimer law is to insure that a disclaimer that is intended to provide no federal gift tax consequences will satisfy the requirements of the Internal Revenue Code. Currently, specific subsections of state law must be specifically referred to in the language of the disclaimer in order to avoid tax consequences.

Because of the extremely technical wording of the Internal Revenue Code regarding disclaimers, the Estate and Gift Tax Section of the Washington State Bar has concerns that attorneys in general practice may draft disclaimer language for their clients that inadvertently results in substantial estate taxes to the clients and in subsequent malpractice lawsuits directed against those attorneys.

Summary: A disclaimer of interest in an estate does not have to specifically refer to specific subsections of state law in order to avoid tax consequences. Unless otherwise designated within the disclaimer, a disclaimer meets the minimum requirements of the Internal Revenue Code. Disclaimed property does not have to pass into a trust in order for the disclaimer to apply. The word "executor" is changed to the more inclusive fiduciary term "personal representative."

The act applies retroactively to all disclaimers made after the date of the change in the Internal Revenue Code.

SB 5198

Votes on Final Passage:

Senate 47 0
House 90 0

Effective: July 25, 1999

SB 5198

C 44 L 99

Comporting with Internal Revenue Code language.

By Senators Johnson and Kline.

Senate Committee on Judiciary
House Committee on Judiciary

Background: The term “unified credit” appears only once in the Revised Code of Washington and is not defined. The current statute refers to “unified credit under section 2010 of the Internal Revenue Code.” However, the term “unified credit” is only used in the title of Internal Revenue Code Section 2010 and is neither defined or used in the text of the estate tax provisions of the code.

The Estate and Gift Tax Section of the Washington State Bar suggests that the word “unified” be deleted from the statute to harmonize state law with the federal tax code and to avoid possible confusion should litigation arise under this section.

Summary: The word “unified” is deleted from the term “unified credit” as that term is used in the marital deduction survivorship requirements section of the law.

Votes on Final Passage:

Senate 48 0
House 90 0

Effective: July 25, 1999

SB 5202

C 16 L 99

Preventing convicted embezzlers from working for the county treasurer.

By Senators Loveland, Hale and Winsley.

Senate Committee on State & Local Government
House Committee on Local Government

Background: A person may be denied employment by the state of Washington or any of its entities by reason of a prior conviction of a felony if the felony for which he or she was convicted directly relates to the position of employment sought and the time elapsed since the conviction is less than ten years.

Summary: A person convicted or having pled guilty to a felony involving theft or embezzlement may be disqualified from employment with the county treasurer’s office, even though the time of the guilty plea or conviction is ten years or more.

Votes on Final Passage:

Senate 48 0
House 92 0

Effective: July 25, 1999

ESSB 5208

C 381 L 99

Changing labeling requirements for specialty fertilizers.

By Senate Committee on Environmental Quality & Water Resources (originally sponsored by Senators Rasmussen, Stevens, T. Sheldon and Morton).

Senate Committee on Environmental Quality & Water Resources

House Committee on Agriculture & Ecology

Background: Packaged fertilizers must have a label which states that the product has been registered with the Washington State Department of Agriculture (WSDA) and, when applied as directed, meets this state’s standards for arsenic, cadmium, cobalt, mercury, molybdenum, lead, nickel, selenium, and zinc. The distributor shall also provide a copy of these standards to the purchaser, upon request.

After July 1, 1999, the label must also state that information received by the WSDA regarding the components in the product is available on the Internet at the department’s web site.

Summary: The amount of labeling information required on commercial fertilizers distributed within the state is reduced. The label is no longer required to state that the product meets state’s standards for the nine metals. The distributor is not required to provide a copy of the state’s metal standards.

Three label options are provided for announcing that information regarding the contents and levels of metals is available on the Internet. The options are as follows:

- (1) the statement and website information that must be on a label beginning after July 1, 1999, under current law;
- (2) a statement that information regarding the contents and levels of metals in the product is available on the Internet at the WSDA’s website; or
- (3) a statement that information regarding contents and levels of metals in the product is available on the Internet at a “regulatory-info” site containing an alpha numeric identifier for the registrant of the fertilizer.

The third label option may be used only if: (a) the registrant establishes and maintains the Internet site; (b) there is no advertising or company-specific information on the site; (c) the site contains a clearly visible, direct hyperlink to the WSDA’s Internet site; and (d) the site conforms to any other criteria adopted by the WSDA.

Votes on Final Passage:

Senate	38	10	
House	55	42	(House amended)
Senate	35	9	(Senate concurred)

Effective: July 1, 1999

2SSB 5210

C 17 L 99

Altering shelter care laws.

By Senate Committee on Ways & Means (originally sponsored by Senators Stevens, Hargrove, Long, Zarelli, Patterson and Franklin).

Senate Committee on Human Services & Corrections
 Senate Committee on Ways & Means
 House Committee on Children & Family Services

Background: Concern exists that present law does not adequately protect the bond between a parent and a child. It has been suggested that the Legislature should protect this bond by creating a duty to place children taken into protective custody with a relative whenever possible. Presently, a child taken into protective custody is placed in either a shelter care facility or with a relative. Current law does not require that priority placement of the child should be with a relative.

Summary: The Legislature has determined that an intervention into the life of a child is also an intervention into the life of a parent, guardian, or legal custodian. The Legislature finds that the bond between parent and child is a critical element of child development. If a child cannot be with a parent, the child should if possible be placed with a relative with whom the child has a relationship.

The procedure for placing children in shelter care has been clarified. Within available resources, when a child is taken into protective custody the supervising agency must try to place the child with a relative. The relative must be willing and available to care for the child and be able to meet any special needs of the child. If it is not possible for the supervising agency to place the child with a relative immediately, the supervising agency must try to do so on the next business day.

The supervising agency must document the efforts made by it to locate and place the child with the relative. If the supervising agency is unable to place the child with a relative, the agency must place the child in a shelter care facility. This does not establish an entitlement or the right to a particular placement.

Parents are provided with written notice that if a court commissioner presides over the shelter care hearing, the parent has the right to have the decision reviewed by a superior court judge within ten days upon a filing of a motion for revision.

At the shelter care hearing, the court hears evidence regarding the efforts made to place a child with a relative. If

the court does not release the child to his or her parent and the child was initially placed with a relative, the court must order continued placement with a relative, unless there is reasonable cause to believe the safety or welfare of the child would be jeopardized. If the child was not initially placed with a relative and the child is not released to his or her parent, guardian, or legal custodian, the supervising agency must make reasonable efforts to locate a relative. If a relative is not available, the court must order continued shelter care or placement with another suitable person.

Votes on Final Passage:

Senate	43	0
House	92	0

Effective: July 25, 1999

SB 5211

C 56 L 99

Clarifying the jurisdiction over drunk drivers.

By Senators Costa, Roach, Fairley, Goings, West and Winsley.

Senate Committee on Judiciary
 House Committee on Judiciary

Background: The district and municipal courts generally have jurisdiction over criminal defendants for two years. In 1998, in conjunction with many changes in DUI penalties, these courts were given five years of jurisdiction over drunk driving cases.

Although the specific DUI laws were amended to grant this five-year period of jurisdiction, the general laws on jurisdiction of district and municipal courts still provide for a two-year period of jurisdiction.

Very long periods of mandatory use of ignition interlocks were part of the 1998 changes to DUI laws. For a third-time offender, the minimum period of required use is ten years.

Summary: The statutes that deal generally with district and municipal court jurisdiction over criminal defendants are amended in two ways:

- the statutes are made to explicitly reflect the five-year jurisdiction granted in the DUI law changes;
- the enforcement of ignition interlock orders is exempt from the jurisdictional time restrictions.

Votes on Final Passage:

Senate	44	0
House	90	0

Effective: July 25, 1999

SSB 5213
C 187 L 99

Requiring record checks for employees of approved private schools who have regularly scheduled unsupervised access to children.

By Senate Committee on Education (originally sponsored by Senators McAuliffe, Kohl-Welles and Costa).

Senate Committee on Education
House Committee on Education
House Committee on Appropriations

Background: State law requires most classroom teachers in private schools to have a Washington State teaching certificate.

Since 1992, all applicants seeking an initial Washington State teaching certificate must undergo a fingerprint record check to discover any in-state or out-of-state criminal convictions. The applicant is responsible for the \$59 record check fee. In addition, there is a charge for obtaining the applicant's fingerprints, which ranges between \$10 and \$20.

Since 1992, all public school employee applicants (certificated and classified) who will have regularly scheduled unsupervised access to children must undergo a fingerprint record check. In 1996, the state required and funded fingerprint record checks for all public school employees hired prior to 1992 who have regularly scheduled unsupervised access to children but had not had a fingerprint record check.

Approved private schools are not required or authorized to obtain fingerprint record checks on employees.

Summary: Approved private schools are authorized to obtain a fingerprint record check on current and future employees who have not had such a check, if the employee will have regularly scheduled unsupervised access to children. The Superintendent of Public Instruction must provide the applicant a copy of the record report. The private school or the applicant must pay the costs associated with the record check. Applicants may be employed on a conditional basis pending completion of the investigation.

Votes on Final Passage:

Senate	48	0	
House	95	0	(House amended)
Senate	43	0	(Senate concurred)

Effective: May 5, 1999

SSB 5214
C 167 L 99

Providing for additional investigations when a student is charged with possession of a firearm on school facilities.

By Senate Committee on Education (originally sponsored by Senators McAuliffe, Long, Fairley, Kohl-Welles, Eide, Costa, Kline, Thibaudeau and Winsley).

Senate Committee on Education
House Committee on Judiciary
House Committee on Appropriations

Background: Under current law, it is illegal to possess dangerous weapons on school premises and school-provided transportation. Specific exemptions are provided for military academies, military and law enforcement activities, conventions, educational activities, rifle competitions, and persons licensed to carry concealed pistols who are picking up or dropping off students. A student who illegally possesses a firearm on school premises is subject to expulsion for at least one year, subject to modification by the local school district superintendent.

Summary: Detention for Illegally Possessing Firearm. A person must be detained up to 72 hours if the person has been arrested for illegally possessing a firearm on school premises, and the person is at least 12 and not more than 21 years of age. The arrested person may not be released from detention until a county designated mental health professional (CDMHP) has examined and evaluated the person. However, a court may release the person at any time after a determination regarding probable cause or on probation bond or bail.

Post-Arrest Notifications by Police. Within 24 hours of arresting a 12 to 21 year-old who has illegally possessed a firearm on school premises, the police must refer the person to the CDMHP for an examination and evaluation and contact the person's parent or guardian.

Mental Health Examination and Evaluation. The CDMHP must examine and evaluate the arrested person using the appropriate criteria in the RCW titles concerning mental illness and mental health services for minors. The examinations must occur at the facility where the person is being held or at any other appropriate place if the person has been released on probation bond or bail. Other mental health examinations may be administered while the person is detained or confined. In addition, the CDMHP may refer the person to the local regional support network for follow-up services or to other services. The CDMHP may also refer the person's family to the appropriate services.

Chemical Dependency Examination and Evaluation. The CDMHP may refer the arrested person to a chemical dependency specialist for examination and evaluation using the criteria in the RCW chapter concerning treatment for alcoholism, intoxication, and drug addiction. The examination may occur at the facility where the person is

being held or at any other appropriate place if the person has been released on probation bond or bail.

Results of Mental Health and Chemical Dependency Examinations. The examining CDMHP and chemical dependency specialist must send the results of their examinations to the court. The court must consider the results when making any determinations about the arrested person. To the extent permitted by law, the CDMHP and the chemical dependency specialist must notify the arrested person's parent or guardian that an examination and evaluation have taken place and provide the results of the examination.

Mandatory Locker Searches. School officials must search a student's locker if they reasonably believe the student is illegally possessing a gun on campus.

Votes on Final Passage:

Senate	47	0	
House	92	3	(House amended)
Senate	48	0	(Senate concurred)

Effective: July 25, 1999

SSB 5215

C 82 L 99

Extending veterans' exemptions from higher education tuition.

By Senate Committee on Education (originally sponsored by Senators Bauer, Oke, Kohl-Welles, Roach, Winsley, T. Sheldon and Rasmussen).

Senate Committee on Higher Education
House Committee on Higher Education
House Committee on Appropriations

Background: The governing boards of the state's public higher education institutions may exempt veterans of the Vietnam conflict who served in Southeast Asia from any increase in student tuition and fees. The veteran shall not be required to pay more than the total amount of tuition and fees paid by veterans of the Vietnam conflict on October 1, 1977. To qualify for the exemption, the veteran must be a resident student and must have served in Southeast Asia during the time period between August 5, 1964, and May 7, 1975. Currently, the expiration date for this tuition exemption is June 30, 1999.

The governing boards of the state's public higher education institutions may exempt veterans of the Persian Gulf combat zone from increases in tuition and fees that occur after the 1990-91 academic year. To qualify for the exemption, the veteran must have qualified as a resident student if enrolled as a student on August 1, 1990. The veteran also must have served on active duty in the armed forces of the United States during any portion of 1991 in the Persian Gulf combat zone. Currently, the expiration date for this tuition exemption is June 30, 1999.

Summary: The expiration date for the permissive and variable tuition exemptions is eliminated.

Votes on Final Passage:

Senate	47	0
House	96	0

Effective: April 22, 1999

SSB 5219

C 250 L 99

Allowing port district annexations.

By Senate Committee on State & Local Government (originally sponsored by Senators Swecker, Zarelli, T. Sheldon and Snyder).

Senate Committee on State & Local Government
House Committee on Local Government

Background: Port districts are allowed to annex territory. However, unlike water-sewer districts, no procedure exists for the annexation of territory where no registered voters reside.

Summary: A port district that is less than county-wide may petition for annexation of an area that is contiguous to its boundaries, is not located within the boundaries of any other port district, and contains no registered voters. Petitions must be written, contain a full legal description of the land, be filed with the Port District Commission, and signed by the owners of not less than 75 percent of the property value in the area to be annexed. Annexation for industrial development or other port district purposes requires a majority vote of the commission and the written consent of all owners of the property to be annexed. The commission determines a date, time, and location for a hearing on the petition and provides public notice of that hearing. The commission has the discretion to annex all or any portion of the proposed area described in the petition. No property within the territory annexed may be taxed or assessed for the payment of any outstanding indebtedness of the port district as it existed before the annexation, unless another law requires the tax or assessment. The definition of which ports are authorized to have this authority is changed to a port district that is less than county-wide, that is located in a county with a population of less than 90,000, and located in the I-5 corridor.

Votes on Final Passage:

Senate	44	2	
House	92	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

SSB 5231
C 18 L 99

Revising the duties of the county treasurer pertaining to management of debt.

By Senate Committee on State & Local Government (originally sponsored by Senators Hale, Winsley and Snyder).

Senate Committee on State & Local Government
House Committee on Local Government

Background: County treasurers do not have the statutory authority to invest funds from school districts that are not required for the immediate needs of the district in the same manner that they do funds from other units of local government. Other units of local government may request that the county treasurer combine their moneys for purposes of investment into a county investment pool. The county treasurer is authorized to deduct an amount for reimbursement for its actual expenses and to repay any county funds spent to establish the pool.

In addition, the county treasurer is authorized to invest state and local funds in bonds, warrants, mutual funds and money market funds. School boards may direct the county treasurer to invest school district funds in specified investment deposits or United States government obligations with all earnings inuring to school funds specified by the school board. Any interest earned that is not credited to the fund that earned the interest must be spent for instructional supplies, equipment or capital outlays.

The county treasurer is paid an investment service fee by the school district for each transaction the county treasurer completes as directed by resolution of the school board. The amount of the fee is 5 percent of the interest or earnings with an annual minimum of \$10 up to an annual maximum of \$50.

Authority for the county treasurer to make investments is clearly and specifically defined. The authority to redeem these investments prior to their stated maturity is not specifically defined.

The county finance committee approves the county investment policy. The committee is composed of the county treasurer, county auditor and the chair of the county legislative authority, ex officio. No provision is made for similar approval of a debt policy.

The county treasurer must issue a certificate of delinquency for purposes of foreclosure of liens for unpaid property taxes. The county treasurer must include taxes, interest and costs and any assessments.

Summary: Regarding funds not required for the immediate necessity of the school district, the common school boards of directors are permitted to choose to invest funds from state, county and federal sources in the county investment pool. School district moneys in the capital projects fund are not limited to investment only in United States government securities. These funds may be in-

vested in the same manner as city and town excess or inactive funds are invested and may also be invested in bonds, warrants, mutual funds and money market funds as state and local funds are authorized to be invested.

A school board may direct the county treasurer to invest in and redeem investment securities through the county investment pool. Either the 5 percent investment service fee or the fees for transactions made by the county treasurer for school districts through the county investment pool applies to each resolution by which the school board directs the county treasurer to perform a transaction.

The governing body of a municipal corporation and, by reference, school districts, may direct the county treasurer to sell or redeem investments before their stated maturity dates.

The county finance committee is given authority effective January 1, 2000, to approve a debt policy.

Interest for purposes of the county treasurers' issuance of certificates of delinquency for unpaid property taxes is defined to include penalties, unless the context requires otherwise.

A public utility district (PUD) commission is not required to demand that a PUD treasurer, who is not the county treasurer, obtain a bond.

Votes on Final Passage:

Senate	44	0
House	92	0

Effective: July 25, 1999
January 1, 2000 (Section 5)

SB 5233
C 122 L 99

Exempting specified positions within the department of corrections from civil service laws.

By Senators Patterson, Horn, McCaslin, Kline, Gardner, Haugen and Winsley; by request of Department of Corrections.

Senate Committee on Labor & Workforce Development
House Committee on State Government

Background: In 1997, the Department of Corrections internally reorganized. The restructuring changed some senior job titles from those listed in current statutes as civil service exempt. Personal secretaries of deputy secretaries and assistant deputy secretaries are not currently exempt.

Summary: The titles of the Department of Corrections' positions exempt from coverage of civil service law are updated to reflect current organizational structure. Exempt status is extended to all deputy secretaries and their personal secretaries, all assistant deputy secretaries and their personal secretaries, all regional administrators and program administrators.

Votes on Final Passage:

Senate	41	0
House	94	0

Effective: July 25, 1999**SSB 5234**

C 45 L 99

Defining the crime of custodial sexual misconduct.

By Senate Committee on Judiciary (originally sponsored by Senators Long, Horn, Kline, Gardner, McCaslin, Zarelli, Roach, Hargrove, Kohl-Welles, Haugen, Franklin, Stevens, Thibaudeau, Oke, Winsley, Costa and Benton; by request of Department of Corrections).

Senate Committee on Judiciary

House Committee on Criminal Justice & Corrections

Background: Currently it is not illegal for a prison or jail correctional officer to have consensual sexual relations with a prisoner in his or her custody. There are only 12 states that have not enacted a law forbidding this behavior. While a custodial situation may always raise questions of consent, rape cases against correctional officers are difficult to prosecute. It has been suggested that people who are under arrest or incarcerated are exceptionally vulnerable to sex offenses by persons with supervisory authority.

These situations cost the state money in the civil suits that are filed by prisoners. One correctional institution has paid out \$70,000 for two tort claims involving sexual relations between a prisoner and a correctional officer.

Summary: A new crime of custodial sexual misconduct is created. The victim must be a resident of a state, county, or city adult or juvenile correctional facility, or under correctional supervision. The perpetrator must be an employee or contract personnel of a correctional agency and have, or the victim must reasonably believe that the perpetrator has, the ability to influence the victim's incarceration or correctional supervision. Victims who are detained, under arrest, or in the custody of law enforcement are included.

Sexual intercourse is custodial sexual misconduct in the first degree, a class C felony. Sexual contact is custodial sexual misconduct in the second degree, a gross misdemeanor. The terms "sexual intercourse" and "sexual contact" are defined within RCW Chapter 9A.44.

Consent of the victim is not a defense. An affirmative defense is created if the sexual intercourse or sexual contact is the result of forcible compulsion by the other person.

The Department of Corrections is required to investigate an alleged violation for probable cause before reporting it to a prosecuting attorney.

Votes on Final Passage:

Senate	48	0
House	90	0

Effective: July 25, 1999**SB 5253**

C 46 L 99

Preventing a registered sex offender from holding a real estate license.

By Senators Benton, Prentice, Winsley, Shin, Deccio, Heavey, Rasmussen, West, T. Sheldon, Hale, Gardner, Rossi and Oke; by request of Department of Licensing.

Senate Committee on Commerce, Trade, Housing & Financial Institutions

House Committee on Commerce & Labor

Background: The Department of Licensing administers the real estate broker and salesperson licensing program. The department administers a test to each license applicant and insures that applicants meet certain admission standards. The department also disciplines brokers and salespersons if the director finds a violation of one of the various grounds for discipline. Once the director finds that an individual violates one of the grounds for discipline, the director may levy a fine, require completion of a course relevant to the violation, or deny, suspend, or revoke the individual's license.

One of the grounds for discipline is commission of a crime involving moral turpitude. Sex offenses are one of the crimes that the department considers in the moral turpitude category of crimes. Persons convicted of sex offenses must register with the sheriff in the county of their residence when released from incarceration. Depending on the level of the crime committed, sex offenders register for life, 15 years, or ten years.

The director's ability to deny a license to someone who has committed a crime of moral turpitude is limited by the general restriction that convictions more than ten years old may not be used as a basis to deny a professional license. As a result, the department cannot deny an application or suspend the license of a registered sex offender who was convicted more than ten years ago.

Summary: The director may suspend, deny, or revoke the license of a sex offender regardless of the date of the offender's conviction.

Votes on Final Passage:

Senate	49	0
House	90	0

Effective: July 25, 1999

SB 5255
C 280 L 99

Changing Washington Conservation Corps provisions.

By Senators Jacobsen, Oke, Rasmussen and Finkbeiner;
by request of Department of Fish and Wildlife.

Senate Committee on Natural Resources, Parks &
Recreation

Senate Committee on Ways & Means
House Committee on Natural Resources
House Committee on Appropriations

Background: Established in 1983, the Washington Conservation Corps (WCC) employs unemployed residents who are between 18 and 25 years old. It is intended to provide them with a meaningful work experience and is administered by six state agencies. Due to a sunset provision, the program is scheduled to expire on June 30, 1999. It is believed that continuation of the program, along with some expansion and updating, would be beneficial.

Summary: The sunset provisions affecting the WCC are repealed. A number of modernizing changes are made, including changed agency names. The WCC definition of distressed county is replaced by that used in RCW 43.168.020. It allows for optional raises for corps members and up to two years of membership, rather than one. The Department of Agriculture is removed from the program. Spending authority is clarified so that at least 80 percent of program funds must be spent on members' salaries, benefits, and supervision. Some support costs are likewise limited.

Votes on Final Passage:

Senate	43	0	
House	94	2	(House amended)
Senate	49	0	(Senate concurred)

Effective: May 13, 1999

SB 5262
C 84 L 99

Allowing unregulated persons to perform sleep monitoring tasks.

By Senators Thibaudeau and Deccio.

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: Respiratory care practitioner licensing provisions taking effect in July of 1998 concerned sleep technologists. Respiratory care practitioners treat and manage patients with cardiopulmonary system deficiencies. Sleep technologists monitor and evaluate sleep patterns and disturbances. The respiratory care practitioner licensing provisions referenced "related sleep abnormalities," suggesting sleep monitoring tasks were

within the exclusive scope of respiratory care practitioners' practice.

The revisions to the respiratory care practitioner licensing provisions were not intended to limit the practice of sleep technologists.

The Department of Health supports a statutory correction to the statute that clarifies sleep monitoring tasks can be performed by sleep technologists, without sleep technologists obtaining a respiratory care practitioner license.

Summary: The respiratory care practitioner's licensing statute does not preclude sleep technologists from performing their job functions if they do not have a respiratory care practitioner's license.

Votes on Final Passage:

Senate	46	0
House	96	0

Effective: July 25, 1999

SSB 5273
C 218 L 99

Creating a scenic byways designation program.

By Senate Committee on Transportation (originally sponsored by Senators Jacobsen, Haugen, Rasmussen, Gardner, Prentice, Patterson, Winsley and Fraser).

Senate Committee on Transportation
House Committee on Transportation

Background: The Transportation Equity Act of the 21st Century (TEA-21) continues the national "scenic byways" grant program that was created in 1991. This act requires all routes that are nominated as scenic byways to be officially designated by a state process. Currently only state highways with the designation "scenic and recreational highway" are eligible to compete for federal funding and recognition under the national program. Current state law does not allow local routes with similar characteristics and qualities to participate in the program.

Current law directs the Washington State Department of Transportation (WSDOT) to develop a scenic and recreational highways program that may identify entire highway loops or similar tourist routes that could be developed to promote tourist activity while protecting the scenic and recreational quality surrounding state highways. Many of these scenic and recreational highways were first designated in 1967 and additions to the system were included in 1993.

In 1995, the report "Defining Washington's Heritage Programs" made several recommendations on the management of a statewide scenic byways program which were adopted by the Transportation Commission. They included making local routes eligible for the program, revising the designation criteria to be contemporary with ISTEA (now TEA-21), and to provide for a

“de-designation process” if a route no longer possesses the intrinsic qualities that supported its initial designation.

During this same time, communities have requested WSDOT to re-evaluate several non-designated state highways for inclusion in the system.

The “Defining Washington’s Heritage Programs” report and community requests are the basis for this legislation.

Summary: A “scenic byway” designation program is created that includes both state and local transportation routes.

The nomination for a scenic byway can be either from the state, local jurisdictions, or organizations that receive demonstrated public support from the communities along the route. The nominating entity is responsible for the costs associated with the nomination. Participation in the program is voluntary.

Authority for designation of a scenic byway is the responsibility of the Transportation Commission. Byways so designated do not become part of the scenic and recreational highway system (state-owned highways) unless approved by the Legislature. De-designation of a route can occur if it no longer possesses the intrinsic qualities that supported its initial designation. De-designation results in discontinued state support for the route. De-designation may be initiated at the local or state level.

The original criteria for the selection of a scenic byway are repealed. By December 31, 1999, the Department of Transportation is required, in consultation with numerous agencies and organizations, to develop criteria for assessing scenic byways and heritage tour routes. The criteria are to include an appropriate method for the nomination and application for designation or de-designation of the byways. The criteria are clarified to state that it will not impose or require regulation of privately owned lands or property rights.

The Department of Transportation is authorized to designate eligible state highways as scenic byways on an interim basis, but only for the purposes of leveraging federal planning grant funds.

Technical corrections are made to reflect changes in funding programs at the federal level.

It is now optional for the Department of Transportation and the Parks and Recreation Commission to include byways on state maps or other relevant, descriptive materials.

Votes on Final Passage:

Senate	46	0	
House	96	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: May 7, 1999

SSB 5274

C 20 L 99

Allowing a regional transit authority to establish fines for certain civil infractions.

By Senate Committee on Transportation (originally sponsored by Senators Goings, Horn, Haugen, Costa, Winsley, Heavey, McCaslin, Long and Prentice).

Senate Committee on Transportation
House Committee on Transportation

Background: Regional transit authorities in Washington currently lack express statutory authority to enforce proof of fare payment of those individuals using transit services. Washington law does allow state and local governments to establish and enforce a system of civil infractions to be composed of minor offenses, noncriminal in nature, subject to the imposition of civil fines.

Summary: Regional transit authorities are authorized to: (1) require proof of fare payment; (2) set a schedule of fines and penalties, not to exceed \$250, for failure to pay required fares and failure to depart a train when requested to do so; and (3) employ individuals to monitor fare payment, issue citations for fare nonpayment, and request passengers to leave regional transit authority trains for failure to produce proof of fare payment.

Votes on Final Passage:

Senate	40	6
House	92	0

Effective: July 25, 1999

SSB 5277

C 375 L 99

Creating programs for child care at institutions of higher education.

By Senate Committee on Higher Education (originally sponsored by Senators Kohl-Welles, Hale, Shin, Brown, Patterson, Finkbeiner, Eide, Bauer, Swecker, Rasmussen, Sellar, Prentice and Winsley).

Senate Committee on Higher Education
House Committee on Higher Education

Background: Finding affordable, quality child care is one of the most difficult challenges that student parents face when pursuing a higher education. Many institutions report that they have long waiting lists for child care services and simply cannot meet the students’ demands for child care. Currently, Washington law provides a child care facility fund to assist businesses and organizations in developing child care facilities. However, there is no similar program to assist educational institutions.

Summary: In an effort to address the child care needs of parents attending state institutions of higher education, the Washington funds for student child care in higher education are established. The Higher Education Coordinating Board (HECB) and the State Board for Community and Technical Colleges (SBCTC), which administer the programs, may award child care grants to institutions that contribute matching funds. The grants are awarded for two-year periods. Institutions may apply for subsequent grant periods when the two years expire.

At least one review committee, established by the HECB and the SBCTC, assists in evaluating proposals for funding. In addition, the HECB and the SBCTC establish guidelines for submitting grant proposals and allocating grant funds. The funds are held in the custody of the State Treasurer.

Votes on Final Passage:

Senate 45 3
House 93 3

Effective: July 25, 1999

SB 5278
C 85 L 99

Changing provisions relating to foreign degree-granting institutions' branch campuses.

By Senators Kohl-Welles, Finkbeiner, Shin and Bauer.

Senate Committee on Higher Education
House Committee on Higher Education

Background: In 1993 the Legislature directed the Higher Education Coordinating Board (HECB) to authorize branch campuses of foreign degree-granting institutions of higher education based on satisfactory evidence that they are authorized to operate in their home country. The intent of the 1993 legislation was to encourage universities and colleges from other countries to establish branches in Washington. The law leaves no discretion to the HECB; once the evidence is clear that the institution is authorized to operate in the home country, the HECB shall certify the branch campus.

Summary: The Higher Education Coordinating Board may certify that a branch campus of a foreign degree-granting higher education institution is authorized to operate in Washington.

Votes on Final Passage:

Senate 48 0
House 93 0

Effective: July 25, 1999

SSB 5279
C 188 L 99

Regulating the placement of children in mental health treatment by the department of social and health services.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Kohl-Welles, Hargrove, Long, Fairley, Prentice and Winsley).

Senate Committee on Human Services & Corrections
House Committee on Children & Family Services

Background: In Wenatchee, a dependent child was placed in an out-of-state mental health facility, and the child's parents were unaware of the child's location and did not consent to placement of the child out of state.

Summary: When a dependent child is removed from the home, parental consent to admission in a mental health facility is required or the placement must be ordered by the court after notice to the parents and a court hearing.

The treatment facility must be closest to the child's family home unless the closest facility would jeopardize the health or safety of the child.

The Department of Social and Health Services must provide records needed for treatment to the treating physicians.

Votes on Final Passage:

Senate 44 0
House 91 0 (House amended)
Senate 44 0 (Senate concurred)

Effective: July 25, 1999

ESSB 5290
C 251 L 99

Changing the freshwater aquatic weeds management program by clarifying funding and creating an advisory committee.

By Senate Committee on Environmental Quality & Water Resources (originally sponsored by Senators Fraser, Swecker, Winsley, Fairley, Franklin, Morton, Prentice, Spanel, Jacobsen, Honeyford, Oke and Rasmussen).

Senate Committee on Environment Quality & Water Resources

House Committee on Agriculture & Ecology
House Committee on Appropriations

Background: The freshwater aquatic weeds account created in 1991 is funded by a \$3 annual licensing surcharge on boat trailers. The purposes of the account are to: (1) provide grants to state agencies and local governments to control aquatic weeds in waters with a public boat launch; (2) develop a public education program related to the prevention of the propagation of aquatic weeds; (3) provide technical assistance to local governments and citizen

groups; (4) fund pilot projects; and (5) conduct hydrilla eradication activities. Revenues generated to date total approximately \$4.9 million.

Summary: The Department of Ecology must allocate the freshwater aquatic weeds account as follows:

- (1) No less than two-thirds of the funds must be issued as grants to state agencies, local governments, tribes and special purpose districts to prevent or control freshwater aquatic weeds, conduct pilot projects and hydrilla eradication activities. All grants are to fund weed control activities in waters with public boat launch facilities, except hydrilla eradication activities and to control weeds in waters designated as fly fishing-only by the Department of Fish and Wildlife.
- (2) No more than one-third of the funds must be allocated for public education programs and technical assistance to local governments and citizens groups.

The department must appoint an advisory committee to oversee the freshwater aquatic weeds management program. The committee must include representatives of the following groups: recreational boaters; residents adjacent to lakes, rivers, or streams with public boat launch facilities; local governments; scientific specialists; aquatic pesticide applicators; and pesticide registrants.

Votes on Final Passage:

Senate	48	0	
House	94	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 25, 1999

SSB 5298

C 317 L 99

Changing local assistance funds provisions.

By Senate Committee on Education (originally sponsored by Senators McAuliffe, Winsley, Goings, Honeyford, Eide, Brown, Kohl-Welles and Patterson; by request of Superintendent of Public Instruction).

Senate Committee on Education
Senate Committee on Ways & Means

Background: School districts are authorized to run maintenance and operations levies to supplement state basic education funding. The amount which school districts may collect is limited by the 1977 Levy Lid Act. Initially, the act set the levy lid at 10 percent and established a four-year period in which districts above 10 percent would be reduced to 10 percent. Subsequently, the Legislature amended the act to grandfather a number of districts at higher percentages.

In 1987, the Legislature increased the levy lid to 20 percent and enacted the Local Effort Assistance Act, which is also referred to as levy equalization. It provided state assistance so that eligible districts could collect a 10

percent levy at a property tax rate which did not exceed the state average property tax rate for a 10 percent levy. To receive state levy equalization funds, a district had to pass a levy.

In 1997, the Legislature permanently increased the levy lid to 24 percent effective for the 1999 calendar year. At the same time, the Legislature increased levy equalization from 10 percent to 12 percent for the 25 percent of districts having the highest property tax rates for a 10 percent levy. This resulted in 74 school districts eligible for 12 percent levy equalization and 146 districts eligible for 10 percent levy equalization.

Summary: Levy equalization is provided at 12 percent for all districts passing a levy requiring a property tax rate for a 12 percent levy that exceeds the state average property tax rate for a 12 percent levy.

Votes on Final Passage:

Senate	47	0
House	94	2

Effective: January 1, 2000

SB 5301

C 86 L 99

Modernizing traffic offense processing.

By Senator Heavey.

Senate Committee on Judiciary
House Committee on Judiciary

Background: In 1979 a number of criminal traffic offenses (such as speeding and vehicle equipment violations) were decriminalized and made into traffic infractions. Not all of the laws related to the processing of traffic offenses were updated to coincide with the decriminalization effort.

Current law requires the judge or court commissioner who adjudicates a traffic ticket to sign every traffic ticket before forwarding it to the Department of Licensing. The judicial officer is subject to removal from the bench if he or she fails to comply with this signature requirement. The signature requirement prevents the court from electronically transferring such information to the department. It is believed that the judge and staff time needed to prepare, sign, and mail the paper copies of the tickets to the department could be saved, as well as the time it takes the department to manually re-enter the information from the tickets into the department's computer system.

RCW 46.61.475 requires a person accused of speeding to be informed of his or her alleged speed and the maximum legal speed where the violation occurred. The statute requires this information to be recorded on the complaint and summons/notice. Because complaints and summons/notice of appearance forms are only used in criminal matters, not traffic infractions, the courts have

struggled to interpret this statute. Most courts have interpreted this statute to mean that the speed and speed zone information must be recorded on both the traffic ticket form (now called the Notice of Infraction) and on any hearing notices sent to the defendant. Because the defendant receives a copy of his or her ticket at roadside with the alleged speed and speed zone information on it, the courts believe it is redundant and wasteful to print this information again on the hearing notice.

Current law requires the court to wait 15 days or more prior to issuing a "failure to appear" notice to the Department of Licensing when an individual violates his or her written promise to appear in court in a traffic offense case; however, no such requirement exists for the issuance of a warrant in the same case. A failure to appear notice will prompt the department to send a driver's license suspension notice to the defendant which will remain in effect until the defendant appears in court. Courts issue the failure to appear notices and the warrants of arrest at the same time, but the statutes require the courts to hold on to the failure to appear notices for 15 days before sending them to the department. This holding period requires courts to individually track the dates the notices were issued to prevent them from accidentally mailing the notice before the 15 days. Concern exists that manually tracking the date the notice was issued is very cumbersome and labor intensive.

Summary: Courts are allowed to electronically transfer traffic offense disposition information to the Department of Licensing. The requirement that speed and speed zone information be recorded and printed on hearing notice forms is removed. Courts can simultaneously generate and issue the failure to appear notice with the warrant of arrest whenever the person violates his or her written promise to appear in court.

Votes on Final Passage:

Senate	44	0
House	96	0

Effective: July 25, 1999

SSB 5304
C 189 L 99

Making violations of the liquor code misdemeanor offenses.

By Senate Committee on Judiciary (originally sponsored by Senators Costa, Heavey, Fairley, Goings, McCaslin and West).

Senate Committee on Judiciary
House Committee on Commerce & Labor

Background: Keg Registration; Drinking in Public. Washington law requires the seller and purchaser of kegs or other containers containing four gallons or more of malt

liquor to complete certain registration requirements prior to the sale. In addition, the kegs or containers themselves must carry certain identification marks. The only penalty provided for a violation is a fine up to \$500. No jail time may be imposed.

With certain exceptions, opening a liquor container or consuming liquor in public is a violation of the code. A violation of this law is designated as a misdemeanor, and the only penalty provided for a violation is a fine of up to \$100. No jail time may be imposed.

Because no jail time may be imposed for the above offenses, a court may not issue a bench warrant for the arrest of a defendant who fails to appear in court. This has resulted in a significant number of cases languishing indefinitely.

General Penalty Provision. The state's liquor code has a variety of penalty provisions for violations of the code. Violations of provisions that lack their own penalty provisions are covered by a general criminal penalty provision. This general provision provides the following criminal penalties for individual persons: on a first conviction, a fine of up to \$500 and imprisonment for up to two months; on a second conviction, imprisonment for up to six months; and on a third conviction, imprisonment for up to one year.

Because of the way this general provision is structured, fines may not be imposed against individuals for second or third convictions. The maximum imprisonment allowed for a third conviction against an individual under the general penalty provision is one year. This maximum is the same as the maximum imprisonment possible for a gross misdemeanor. The maximum fine for a gross misdemeanor is \$5,000.

Summary: Keg registration violations and furnishing kegs to minors are gross misdemeanors. Consuming liquor in public is a class 3 infraction which is punishable by a fine of up to \$50. The violation of selling liquor to a minor, RCW 66.44.320, is repealed due to the fact it is addressed in another section of law which makes a similar violation a gross misdemeanor.

Votes on Final Passage:

Senate	48	0	
House	94	0	(House amended)
Senate	43	0	(Senate concurred)

Effective: July 25, 1999

SB 5307

C 252 L 99

Concerning reclamation of underground mine tailings.

By Senators Jacobsen, Swecker, Fraser and Kline; by request of Commissioner of Public Lands.

Senate Committee on Natural Resources, Parks & Recreation

House Committee on Natural Resources

Background: The Department of Natural Resources employs geologists as part of the department's enforcement of reclamation laws for surface mining in Washington. Most of the mines in the state are open pit sand and gravel operations, and there are a few metal mines which are also regulated by the Department of Natural Resources.

In addition, there are a few underground metal mines, and in this case, the Department of Ecology regulates the reclamation of those sites. Since there are very few sites, the Department of Ecology uses the expertise of the Department of Natural Resources when preparing reclamation plans for the surface activities of these underground mines.

Summary: The surface mining definition of "disturbed area" in the Department of Natural Resources' surface mining law is expanded to include aboveground waste rock sites and tailings for underground mines. The authority to regulate ongoing projects remains with the Department of Ecology until they are completed.

Votes on Final Passage:

Senate	46	0	
House	90	0	(House amended)
Senate	45	0	(Senate concurred)

Effective: July 25, 1999

SSB 5312

C 377 L 99

Providing for the prevention of workplace violence in health care settings.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Costa, Deccio, Winsley, Wojahn, Thibaudeau and Kohl-Welles).

Senate Committee on Health & Long-Term Care
Senate Committee on Ways & Means
House Committee on Commerce & Labor

Background: Studies show that violence in the workplace is a significant cause of injury and death. For some groups, violence on the job is reportedly the leading cause of workplace mortality. Concern exists that health care facilities in particular are experiencing increasing amounts of workplace violence.

Summary: By July 1, 2000, and based on a formal security and safety assessment, all health care settings must develop and implement a plan to prevent and protect employees from violence at the setting. In developing such plans, consideration must be given to any relevant guidelines or standards issued by government agencies or private accrediting organizations. The Department of Labor and Industries, Department of Health, and Department of Social and Health Services are required to assist employers in developing and implementing these plans.

By July 1, 2001, and on a regular basis thereafter, each health care setting is to provide violence prevention training to all its employees, as appropriate to the particular setting and to the duties and responsibilities of the particular employee being trained.

Beginning no later than July 1, 2000, each health care setting must keep a record of any violent act against an employee, a patient, or a visitor occurring at the setting. Records must be kept for at least five years, and must be available to the Department of Labor and Industries upon request.

A health care setting failing to comply with the requirements of the act is subject to citation from the Department of Labor and Industries under the state Industrial Safety and Health Act.

"Health care setting" is defined to include hospitals, home health, hospice, and home care agencies, mental health evaluation and treatment facilities, and community mental health programs.

The Department of Labor and Industries must allow flexibility in recognition of the unique circumstances in which home health, hospice, and home care agencies operate when enforcing the act as to these settings.

Votes on Final Passage:

Senate	46	0	
House	92	4	(House amended)
Senate	45	0	(Senate concurred)

Effective: July 25, 1999

SSB 5313

C 87 L 99

Limiting the scope of mental health record audits.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Wojahn, Zarelli, Thibaudeau, Deccio and Winsley).

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: The term "utilization review" is often used to describe a range of managed care cost containment strategies including monitoring a provider's pattern of treatment, determining the medical necessity of certain types or levels of treatment, and evaluating the efficacy, appropriateness, or efficiency of certain treatments for cer-

E2SSB 5345

tain health conditions. As managed care financing arrangements have come to dominate health insurance, health insurance carriers have begun applying a number of these utilization review strategies, not only to medical services, but also to mental health services.

Health carriers may also periodically perform financial audits of providers to determine compliance with reimbursement standards. Current law limits further disclosure of audit information and requires information that would enable a particular patient to be identified to be destroyed as soon as possible.

Concerns exist regarding the information used in performing utilization review and audits of outpatient mental health services.

Summary: A health carrier performing a utilization review of mental health services for a specific enrollee is limited to accessing only the specific health care information contained in the enrollee's record.

A health carrier performing an audit of a provider that has furnished mental health services to a carrier's enrollees is limited to accessing only the records of enrollees covered by the specific health carrier for which the audit is being performed.

Votes on Final Passage:

Senate	48	0
House	96	0

Effective: July 25, 1999

E2SSB 5345

C 273 L 99

Creating the school district credit enhancement program.

By Senate Committee on Ways & Means (originally sponsored by Senators Bauer, McCaslin, Snyder, Loveland, McAuliffe, Winsley and Oke; by request of State Treasurer).

Senate Committee on Education
Senate Committee on Ways & Means
House Committee on Capital Budget

Background: School districts are authorized to issue general obligation bonds. Voters authorize bond levies to repay the bonds. The bonds are sold to investors with the pledge that the district will repay the debt by assessing taxes on property within the school district. To make these bonds attractive to investors, school districts will often purchase bond insurance to guarantee payments. In exchange for this additional security, investors are willing to accept a lower interest rate on the bonds.

According to the State Treasurer, 80 percent of school districts in the state of Washington purchase bond insurance. Twenty-three states currently provide various types of bond guarantee programs for school district debt. These guarantees are used in lieu of bond insurance.

Summary: A new chapter is added to RCW Title 39, Public Contracts and Indebtedness, creating a school district credit enhancement program under the authority of the State Treasurer.

Full Faith and Credit of State to Guarantee Bonds.

The full faith and credit of the state are pledged to guarantee full and timely payment of bonds of participating school districts. To qualify for the state guarantee, the bonds must be voter-approved general obligation bonds and be certified by the State Treasurer. To become certified, a school district, by resolution of its board of directors, must apply for the certification and be approved by the State Treasurer based on rules adopted by the State Finance Committee. The certificate of guarantee is valid for one year.

Procedure for the Payment of Unpaid Bonds. If a school district has outstanding, unpaid bonds, the county treasurer must make the scheduled payments. If the county treasurer is not able to make the scheduled payments, it must notify the bond paying agent and the State Treasurer. The State Treasurer makes the scheduled payments on behalf of the school district and the amount of the state payment becomes an obligation of the district. The school district is obligated to reimburse the state for any amounts the state paid on its behalf, including any interest charges, as well as penalty fees up to 5 percent of the amount paid by the state. If the school district is not able to reimburse the state within one year, the State Treasurer may pursue legal action against the school district to meet its repayment obligation. The State Treasurer may also direct the county officials to restructure its collection of taxes to pay the obligation to the state if all other debt obligations have been fully provided for. If a school district has bonds paid by the state under this program, the district cannot issue additional bonds guaranteed by the program until all payment obligations to the state are satisfied and the State Treasurer and the Superintendent of Public Instruction certify that the district is fiscally solvent.

Contingent Appropriation to Make Bond Payments.

The Legislature must appropriate sufficient amounts as may be required to make payments under the school district credit enhancement program.

Exclusion From 7 Percent Debt Limit. Any state indebtedness incurred under the school district credit enhancement program is excluded from the statutory 7 percent debt limit.

Votes on Final Passage:

Senate	39	8	
House	95	0	(House amended)
Senate	36	10	(Senate concurred)

Effective: January 1, 2000 (if SJR 8206 is ratified)

SB 5347

C 47 L 99

Extending the period of time to expend funds from the fruit and vegetable district fund.

By Senators Rasmussen, Honeyford, Prentice and Morton.

Senate Committee on Agriculture & Rural Economic Development

House Committee on Agriculture & Ecology

Background: In 1997, \$200,000 was authorized for control of the apple maggot (*Rhagoletis pomonella*). This authorization was in response to the discovery of apple maggots in eastern Washington. Only about \$5,000 of this authorization has been spent to date. The authorization expires June 30, 1999, if it is not extended.

Summary: The authorization of \$200,000 for the control of the apple maggot in some parts of eastern Washington is continued until June 30, 2001. Titles which have changed since the prior bill was enacted are updated.

Votes on Final Passage:

Senate	48	0
House	91	0

Effective: June 30, 1999

ESSB 5348

C 123 L 99

Reorganizing the state library commission.

By Senate Committee on State & Local Government (originally sponsored by Senators Gardner, Horn and Spanel; by request of Superintendent of Public Instruction and Washington State Library Commission).

Senate Committee on State & Local Government
House Committee on State Government

Background: The State Library is established as a state agency and mandated to have a facility on the state capitol campus grounds.

Among other responsibilities, the State Library: (1) provides library and other information services to members of the Legislature, state officials, and state employees in connection with their official duties; (2) acquires materials that pertain to the history of the state; (3) serves as a depository for newspapers published in the state; (4) promotes and facilitates electronic access to public information and services; (5) provides advisory services to state agencies on their information needs; (6) provides library and information services to persons throughout the state who are blind or physically handicapped; (7) assists libraries and persons around the state to establish and develop library services; (8) acts as an interlibrary loan center for libraries in the state; and (9) assists in providing direct library information and services to individuals.

The State Library Commission consists of five members including the Superintendent of Public Instruction, who is the chair of the commission, and four commissioners appointed by the Governor, one of whom is a library trustee when appointed and one of whom is a certified librarian actually engaged in library work when appointed. Commissioners are appointed to four-year terms of office. The State Library Commission sets general policies, proposes budgets, hires the State Librarian, and establishes rules and examinations for persons seeking to be certified as librarians.

Summary: Statutes relating to the State Library and State Library Commission are revised and reorganized.

It is clarified that the State Library Commission is the governing board of the State Library.

Membership on the State Library Commission is altered no longer to include the Superintendent of Public Instruction. The Governor appoints all five commissioners with added requirements for persons who are appointed, beyond the existing requirement that one commissioner must be a certified librarian actively engaged in library work when appointed and another commissioner must be a library trustee when appointed. The appointed commissioner replacing the Superintendent of Public Instruction must be an educator with knowledge of library and information technology policy. One commissioner must be a representative of the legislative branch of state government. One commissioner must be a member of the general public. The commission elects its chair from among its membership.

Provision is made for the staggering of the board members' terms of office. Full terms are increased to five years. The Governor may remove a commissioner for cause.

The duties of the State Library Commission are revised. The commission must monitor agency progress toward its goals and objectives, exert leadership in developing information access and library services, and establish content-related standards for common formats and agency indexes for state-agency produced information. A number of the specific responsibilities of the commission are deleted and the commission is authorized to delegate responsibilities to the State Librarian.

Testing and certification requirements of librarians remain the responsibility of the State Library Commission but are placed into a new section of law.

The express responsibilities of the State Librarian are revised. The State Librarian is responsible to implement policies and delegated authority, acquire library materials, employ and terminate personnel in accordance with civil service laws, enter into agreements with public or private entities to implement the mission and objectives of the State Library, and provide information through electronic means to assist agencies in making their information more readily available to the public. Services may be provided in lieu of monetary reimbursement under agreements with

SSB 5352

others. The State Library is authorized to charge lending fees to other libraries that charge the State Library for similar services. The duplicate reference to assisting in the provision of direct library and information services to individuals is eliminated.

The authority to provide grants to local libraries for children learn-in-library programs is eliminated.

Votes on Final Passage:

Senate	49	0
House	94	0

Effective: July 25, 1999

SSB 5352

C 124 L 99

Removing the term limit for members of boundary review boards.

By Senate Committee on State & Local Government (originally sponsored by Senator McCaslin).

Senate Committee on State & Local Government
House Committee on Local Government

Background: Boundary review boards (BRBs) were created by the Legislature in 1967 to help guide and control the creation and growth of municipalities in metropolitan areas. In counties of one million or more population, BRBs consist of 11 members. In counties of less than one million population, BRBs consist of five members.

Appointments to BRBs are made by the Governor, the county appointing authority, the mayors of the cities and towns of the county and by BRBs from among nominees of the special districts of the county. The terms of the members of the boards are four years running from February 1 of the year in which the terms commence, except for the term of the member representing the special districts, which runs from March 1.

No board member may serve more than eight consecutive years. If no appointment is made by the appropriate appointing authority, the size of the board is reduced by one member for each position that remains vacant or unappointed.

Summary: The limitation to eight consecutive years as the maximum that may be served by any board member is removed.

Votes on Final Passage:

Senate	44	5
House	82	12

Effective: April 28, 1999

SB 5358

C 275 L 99

Eliminating motorcycle handlebar height restrictions.

By Senators Benton, Snyder, Shin, Patterson, Costa, Rasmussen, Finkbeiner, Swecker, T. Sheldon, Sellar, Haugen, Hochstatter, Zarelli, Jacobsen, Heavey, Gardner, Prentice, Rossi, Horn and Stevens.

Senate Committee on Transportation
House Committee on Transportation

Background: The maximum height for motorcycle handlebars or grips was established in 1967 at no more than 15 inches higher than the seat or saddle. One of two standards is usually used by the states in establishing the maximum height of the handlebars: (1) a maximum number of inches high measured from the seat, or (2) established at a height that is no higher than the shoulders of the operator.

Summary: The height restriction for motorcycle handlebars is increased from 15 inches to 30 inches.

Votes on Final Passage:

Senate	44	0
House	91	0 (House amended)
Senate	47	0 (Senate concurred)

Effective: July 25, 1999

SSB 5364

C 281 L 99

Administering and designating liquor licenses.

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Prentice, Winsley and Shin; by request of Liquor Control Board).

Senate Committee on Commerce, Trade, Housing & Financial Institutions
House Committee on Commerce & Labor

Background: The Liquor Control Board licenses those who manufacture, distribute, or sell to the public beer, wine, or liquor. During 1997 and 1998, the Legislature eliminated an alphabet based licensing structure and replaced it with a licensing structure that names the specific privilege or privileges granted to the licensee. For example, a restaurant that sells spirits, beer, and wine by the drink is issued a spirits, beer, and wine restaurant license.

The Liquor Control Board must set aside 10 percent of gross liquor sales made to certain licensees. However, there is a conflicting statute which requires the board to give a 15 percent discount to licensees who purchase liquor directly from the board. The set aside statute does not take into account the 15 percent discount and requires

the board to set aside income not received because of the discount.

The board requires wine warehouse licensees to post a wine tax surety bond in the amount of \$5,000. The law also requires a tax to be paid on any beer sold in Washington whether manufactured inside or outside the state. The board requires a surety bond for this beer tax. The board sets the amount of the bond.

Summary: Many technical changes are made to delete outdated alphabetical licensing references and replace them with new terms describing the specific privilege granted to the licensee. The Liquor Control Board pays 10 percent of gross sales less a 15 percent discount to the liquor revolving fund. Instead of automatically requiring tax surety bonds, the board decides on a case by case basis whether a wine warehouse license is required to have a tax surety bond, and whether a surety bond is required for taxes on beer.

Votes on Final Passage:

Senate	47	0	
House	96	0	(House amended)
Senate			(Senate refused to concur)
House	95	0	(House receded)

Effective: July 25, 1999

SB 5365
C 88 L 99

Regulating the preparation and sale of dietary supplements containing alcohol.

By Senators Prentice and Winsley; by request of Liquor Control Board.

Senate Committee on Commerce, Trade, Housing & Financial Institutions
House Committee on Commerce & Labor

Background: The Washington State Liquor Control Board has a three-member board appointed for six-year terms by the Governor. The board's responsibilities include overseeing the sale and distribution of alcohol beverages in Washington State. In addition, the board enforces alcohol beverage control laws.

There are some exceptions to the alcohol beverage control laws. These exceptions relate to items that contain liquor, but are not manufactured for consumption as an alcoholic beverage. Examples include perfumes, lotions, and medications prepared by a druggist that contain alcohol.

Summary: Dietary supplements as defined by the federal Food and Drug Administration are exempt from liquor control laws. Exempt dietary supplements containing more than one-half of 1 percent alcohol must be labeled clearly, and the ingredients must be listed on the label as required by federal law.

Votes on Final Passage:

Senate	47	0
House	95	0

Effective: July 25, 1999

ESB 5371
C 253 L 99

Developing intercity passenger rail service.

By Senators Jacobsen, Horn, Haugen, Franklin, Costa and Kohl-Welles; by request of Department of Transportation.

Senate Committee on Transportation
House Committee on Transportation

Background: The Department of Transportation is granted a range of powers associated with developing and operating facilities for which it is responsible. These powers apply to highways, ferries and toll facilities, and airports and include the authority to acquire property, design and build facilities, and operate those facilities necessary to provide the modal service.

Statutory language which authorizes the intercity passenger rail program is more limited and provides broad directives for the department to implement a rail passenger program including station development, grade crossing improvements, track improvements, and contracting for services. It is not clear that existing statutes grant the department sufficient authority to engage in a partnership to improve the King Street Terminal in Seattle, or in other rail depot, parking, and maintenance facility projects.

Summary: Subject to legislative appropriation, the Department of Transportation is granted certain powers relative to real property used in association with the state intercity rail passenger program including, but not limited to depots, platforms, parking areas, and maintenance facilities.

These powers include: (1) acquiring such properties through purchase, lease, condemnation, or grant; and (2) constructing, improving, and operating such properties even if the real property is owned or controlled by another entity, provided that the expenditure of public funds must be directly related to public benefit of the rail program and the public investment must be secured with the owners of real property through written contract. The department may also accept and utilize gifts, grants and donations for the public benefit.

Votes on Final Passage:

Senate	35	13
House	95	0

Effective: July 25, 1999

SB 5374
C 274 L 99

Making corrective amendments to certain drivers' licensing laws.

By Senators Heavey and Johnson; by request of Department of Licensing.

Senate Committee on Transportation
House Committee on Transportation

Background: The Department of Licensing (DOL) currently issues paper instruction permits not containing a photograph, both for security reasons and to facilitate student participation in traffic safety education courses provided by public schools during on-site school visits. DOL currently waives \$1 of the fee charged, as past legislation has indicated that \$1 of the fee is for the photograph.

DOL currently has authority to suspend an individual's driver's license for failure to pay traffic infractions by the time required. However, the current RCW section authorizing DOL to suspend driver's licenses for failure to respond to a notice of traffic infraction lacks a reference to the statute authorizing DOL to suspend for failure to pay the traffic infraction penalty.

Recent legislation has restricted participation in a deferred prosecution program for persons arrested for alcohol-related traffic offenses to one program in a person's lifetime. However, this change was not reflected in DOL's license sanctions statute.

The current statute addressing driving while license suspended or revoked in the second degree does not reflect conviction of reckless endangerment of roadway workers, nor does it reflect convictions of offenses substantially similar to violations included in this statute (for example, out-of-state convictions).

Recent legislation made occupational driver's licenses (ODL) available for those individuals with suspended licenses due to alcohol-related traffic offenses. However, this legislation created situations where a driver's license may be suspended twice for actions arising from the same incident (once as a result of the arrest, and again if the arrest results in a criminal conviction). The procedure for issuance of an ODL is not clear if an individual facing two license suspensions for the same incident applies for an ODL.

The statutory requirement for courts to forward abstracts of convictions for traffic offenses to DOL contains an archaic reference to certification of the abstract.

The authority to suspend and revoke driver's licenses has been delegated to DOL. However, some lower court decisions have made license suspensions or revocations a duty of the courts.

Recent legislation increased the time period for a revocation of a driver's license of an individual declared to be an habitual traffic offender from five to seven years.

However, this legislation inadvertently omitted a conforming amendment to DOL statutes.

Summary: DOL's authority to issue non-photo instruction permits for a reduced fee is clarified.

Failure to pay traffic infractions by the time required subjects an individual to license suspension by DOL.

A conforming amendment is made to account for 1998 DUI amendments that restricted participation in a deferred prosecution program to once in a person's lifetime.

An amendment reflects that individuals driving under a suspended or revoked license due to conviction of reckless endangerment of roadway workers or conviction of an offense substantially similar to violations included in current law are guilty of driving while license suspended or revoked in the second degree.

Procedures for issuance of an ODL where there has been administrative license sanctions imposed as the result of an alcohol-related traffic offense are clarified.

An archaic requirement that abstracts of conviction transmitted by the courts be certified is removed.

License suspension or revocation based on conviction for alcohol-related offenses remains the responsibility of DOL.

An amendment accounts for a change in habitual traffic offender revocation time periods made by the Legislature in 1998.

A motorcycle endorsement authorizes the holder to operate any size motorcycle. Motorcyclists holding a motorcycle learner's permit are allowed to drive (1) on a controlled, limited access facility and (2) without visual supervision.

Votes on Final Passage:

Senate	45	0	
House	91	4	(House amended)
Senate			(Senate concurred in part)
House	95	0	(House receded)
Senate	44	0	

Effective: July 25, 1999

SB 5382
C 276 L 99

Strengthening the Scenic Vistas Act.

By Senators T. Sheldon, Horn, Haugen and Winsley; by request of Department of Transportation.

Senate Committee on Transportation
House Committee on Transportation

Background: The Scenic Vistas Act has several sections regulating the type and use of signs that are on private property that is visible to the Interstate, primary highways, and scenic highways. Regulated signs fall into two broad categories: (1) signs that are regulated, but do not require

a permit fee, and (2) signs that are regulated and require a permit fee, such as billboards.

Signs that require a permit fee pay an initial \$10 and an annual renewal fee of \$10. The Department of Transportation maintains an inventory of both permitted signs and illegal signs, and performs periodic field reviews of signs. This inventory and field review documentation makes the need for annual permit renewals redundant.

Summary: The Scenic Vistas Act is modified. The permitting process that requires an initial \$10 and an annual \$10 renewal fee is replaced with a single, one-time fee. The Department of Transportation determines the one-time fee by administrative rule. The department also replaces the annual renewal fee with an annual certification process.

Votes on Final Passage:

Senate	46	2	
House	85	10	(House amended)
Senate	40	3	(Senate concurred)

Effective: July 25, 1999

SB 5384

C 219 L 99

Phasing in lightweight tire studs.

By Senators Heavey, Benton, Haugen and Horn; by request of Department of Transportation.

Senate Committee on Transportation
House Committee on Transportation

Background: The state of Washington permits the use of studded tires from November 1 to April 1 of each year. A 1991 study found that 24 states allow the use of studded tires during specified time periods, while Illinois, Maryland, Michigan, Minnesota, and Wisconsin prohibit studded tires.

Studies indicate that 14 percent to 35 percent of vehicles in Washington use typical studded tires. Typical studs have a steel body and are heavier than the newer generation studs currently mandated in most of northern Europe. As the tire wears, the stud protrusion increases, exacerbating road wear. Furthermore, the rate of road wear increases when the pavement is wet.

Recent study data indicate that over the course of its 30,000 mile useful life, a studded tire will remove between one-half and three-quarter tons of asphalt concrete mix. The cost of material replacement alone would range from \$8 to \$15 per tire, depending on material costs. The state of Alaska has estimated that repairing ruts caused by studded tires requires that pavement adjacent to the rutted lane also be extracted, driving the repair costs up \$40 to \$50 per studded tire.

The newest generation of lightweight studs are estimated to reduce road wear by at least 15 percent, without any decrease in performance.

The state of Oregon recently passed a law mandating the use of lightweight tire studs.

Summary: Wholesalers must sell only lightweight studs to tire dealers in Washington, beginning on January 1, 2000. An exception is granted for wholesalers who currently have the heavier studs in inventory. Tire dealers may continue to sell the heavier metal studs until July 1, 2001.

Votes on Final Passage:

Senate	38	8	
House	89	2	(House amended)
Senate	41	3	(Senate concurred)

Effective: July 25, 1999

SB 5385

C 254 L 99

Providing an alternative method for dissolution of cultural arts, stadium and convention districts.

By Senators Shin, Prentice, Winsley, Jacobsen, Patterson, T. Sheldon, Benton, Finkbeiner, Snyder, Rasmussen, Goings, Haugen, Hargrove, Gardner, Heavey, Deccio and McAuliffe.

Senate Committee on State & Local Government
House Committee on Local Government

Background: A cultural arts, stadium and convention district provides cultural arts facilities, convention facilities, and stadiums. Approval by simple majority vote creates the district. The district may include both unincorporated and incorporated areas, but not part of a city or town. The governing body is composed of up to nine elected or appointed officials of the county, cities, port districts, school districts, or community colleges. The boundaries of the district must follow school district or community college boundaries as far as practicable. The activities of the district are funded by: revenue bonds; general obligation bonds; excess voter approved property taxes; and regular property taxes of up to 25 cents per \$1,000 of assessed valuation for a six-year period when authorized by 60 percent or more voter approval.

A cultural arts, stadium and convention district may only be dissolved and its affairs liquidated when so directed by a majority of the persons in the district voting on such question.

Summary: An alternative procedure for dissolution of a cultural arts, stadium and convention district is authorized. A petition for an order of dissolution may be submitted to the superior court of a county of the district. The petition must be signed by at least two-thirds of the legislative authorities who have representatives on the district

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governing body. All signatures must have been collected within 120 days of the date of submission to the court. Dissolution procedures are specified.

Votes on Final Passage:

Senate	49	0	
House	95	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: July 25, 1999

SSB 5399

C 331 L 99

Changing provisions relating to traffic offenses.

By Senate Committee on Judiciary (originally sponsored by Senators Rossi, Kline, Costa and McCaslin).

Senate Committee on Judiciary
House Committee on Judiciary

Background: The 1998 Legislature enacted ESSB 6166 to increase the penalties for driving while under the influence (DUI). The bill amended one part of the code and added a two-year enhancement for each prior DUI related offense when the current offense is vehicular homicide while under the influence. The same bill also amended another part of the code to exclude prior DUI related convictions from consideration in the computation of the offender score when the current offense is vehicular homicide while under the influence since, under the bill, each prior DUI conviction requires a two-year sentence enhancement. However, the language in the bill had the unintended effect of preventing consideration of prior, non-DUI related, serious traffic offenses when computing the score for the current offense of vehicular homicide while under the influence. Consequently, an offender convicted of vehicular homicide while under the influence could benefit by having a DUI related conviction in his or her criminal history.

ESSB 6166 directed courts to order people convicted of DUI to drive only a motor vehicle that is equipped with an ignition interlock device. The bill set forth the required time periods for the use of the ignition interlocks in cases where the DUI involved an alcohol concentration (BAC) level of .15 or more or in second or subsequent DUI convictions. The bill was silent as to the required length of time first time DUI offenders must use an ignition interlock and also those subject to a DUI related deferred prosecution.

Summary: Prior DUI related convictions are not considered when computing the offender score for the current offense of vehicular homicide while under the influence but a two-year sentence enhancement is added for each prior DUI related offense. Other prior, non-DUI related, serious traffic offenses are included in the offender score

when the current offense is vehicular homicide while under the influence.

A person convicted of DUI with a BAC of .15 or more or in situations where the DUI is the second or subsequent DUI conviction, the court must order the person to drive only a vehicle equipped with an ignition interlock device. In cases where there is no BAC test result because the person refused to take the test, the court must order the person to drive only a vehicle equipped with an ignition interlock device. As a condition of granting a DUI related deferred prosecution petition, the court must order installation of an interlock device when the DUI that gave rise to the deferred prosecution petition involved a BAC of .15 or higher, the person refused the breathalyzer test or the person is charged with his or her second or subsequent DUI.

The Department of Licensing may waive the \$100 fee if the person requesting a hearing before the department regarding administrative license suspension or revocation following an arrest for DUI is an indigent as defined in law.

Votes on Final Passage:

Senate	48	0	
House	97	0	(House amended)
Senate	45	0	(Senate concurred)

Effective: May 14, 1999

SB 5401

C 89 L 99

Repealing an obsolete provision pertaining to hydraulic project applications.

By Senator Haugen.

Senate Committee on Natural Resources, Parks & Recreation

House Committee on Natural Resources

Background: The major flooding in western Washington in 1990 necessitated some changes to the Hydraulics Act in order to achieve restoration of damaged lands. The Legislature granted special exemptions for flood damage mitigation for Whatcom County. That restoration is complete and the need for legislative authorization no longer exists.

Summary: RCW 75.21.001 is repealed.

Votes on Final Passage:

Senate	48	0	
House	93	0	

Effective: July 25, 1999

SB 5402

C 90 L 99

Concerning the compensation of the forest practices appeals board.

By Senator Haugen.

Senate Committee on Natural Resources, Parks & Recreation

House Committee on Natural Resources

Background: During the 1997 session, the Legislature amended RCW 76.09.220 twice in slightly different ways. Usually when this happens, the Code Reviser merges the amendments as part of the revised code. However, if there is any question, the Code Reviser includes both legislative changes as part of the code until the multiple sections can be merged into a single section.

Summary: RCW 76.09.220 and Chapter 423, section 2, along with Chapter 290, section 5, are re-enacted combining the dual amendments of 1997.

Votes on Final Passage:

Senate	48	0
House	95	0

Effective: July 25, 1999

SSB 5416

C 370 L 99

Creating the children's health insurance program.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Thibaudeau, Eide, Patterson, Franklin, Rasmussen, Snyder, Wojahn, Bauer, Kohl-Welles and McAuliffe; by request of Governor Locke).

Senate Committee on Health & Long-Term Care
Senate Committee on Ways & Means

Background: In August 1997, federal legislation was approved establishing the state Children's Health Insurance Program (CHIP) under a new Title XXI of the Social Security Act. Authorized for ten years, the program makes federal matching funds available to states at an "enhanced" rate in order to expand health insurance coverage of low-income children.

CHIP matching funds may be used to provide health coverage to children under 19 with family incomes below 200 percent of the federal poverty level (FPL), or 50 percentage points higher than a state's Medicaid eligibility levels. The funds may not be used to cover any child who was eligible for coverage under an existing state program as of June 1997.

Since 1993, Washington has provided health insurance coverage through Medicaid and Basic Health Plus for children with family incomes up to 200 percent of FPL.

Thus, Washington may receive CHIP matching funds only for children in families with incomes between 200 and 250 percent of FPL, and only for children within that range that state coverage is expanded to include.

The law allows the state to expand its coverage in one of three basic ways: (1) Medicaid expansion; (2) creating or expanding a separate program that provides coverage through participating insurers; or (3) a combination of both. Under option (1), the state would be required to follow all Medicaid requirements regarding, for example, the entitlement nature of the program, eligibility, benefits, and cost sharing. Option (2) would give the state greater flexibility regarding program design, but would require benefits consistent with one of three "benchmark plans" set forth in the federal law. Option (3) may require the state apply for waivers of Title XXI provisions through Section 1115 of the Social Security Act.

Washington's CHIP allotment for FFY98 and FFY99 is approximately \$46.7 million each year. To the extent needed to cover eligible children, the state would be able to draw on these funds at a matching rate of 66.51 percent, compared to a current Medicaid matching rate of around 52 percent. To preserve these allotments, the state must have a CHIP plan approved by the Health Care Finance Administration (HCFA) by September 30, 1999. Once a plan is approved, this allotment, and each annual allotment thereafter, may be drawn upon for up to three years after the allotment year. The state plan may be amended at any time, subject to HCFA approval.

Washington's congressional delegation has indicated its intention to continue working for an amendment to CHIP which would allow Washington to access the matching funds to cover children eligible but not enrolled in Medicaid under the state's current eligibility standards.

Summary: The children's health insurance program is created under the auspices of the Department of Social and Health Services (DSHS). The program, the benefits of which are not an entitlement, is to provide health insurance coverage to persons age 18 and under whose family income is between 200 and 250 percent of the federal poverty level.

DSHS is given general authority to design and implement the program consistent with the requirements of Title XXI of the Social Security Act, although enrollees will be required to receive coverage from a managed care plan and to share costs. The department is also explicitly authorized to purchase coverage for uninsured children whose families have access to dependent coverage.

DSHS is directed to seek a change in the federal law which would allow the state's CHIP dollars to be used to cover children under 200 percent of the federal poverty level, and to report back to the Legislature regarding these efforts.

SSB 5418

Votes on Final Passage:

Senate 38 7
House 67 28

Effective: July 25, 1999

SSB 5418

C 388 L 99

Changing school accountability and assistance provisions.

By Senate Committee on Education (originally sponsored by Senators McAuliffe, Rasmussen, Patterson and Kohl-Welles; by request of Governor Locke, Superintendent of Public Instruction and Commission on Student Learning).

Senate Committee on Education
House Committee on Education
House Committee on Appropriations

Background: *The Commission on Student Learning (CSL)*: CSL consists of three members of the State Board of Education (SBE) and eight Governor appointees. The primary duties of CSL are to identify what all public school students should know and be able to do (the Essential Academic Learning Requirements (EALRs)), develop student assessments to test EALRs, and develop a statewide school accountability system. CSL must make recommendations regarding a statewide accountability system by June 30, 1999. CSL expires on June 30, 1999. CSL must transfer the EALRs, the completed assessments and the assessments in development to SPI before it expires.

Goals: In 1998, the Legislature required each school district and school to establish a goal to increase the percentage of students who meet or exceed the reading standard on the fourth grade Washington Assessment of Student Learning (WASL) and establish annual increments to meet the goal.

Reporting: The Superintendent of Public Instruction (SPI) must report by school and school district the fourth grade WASL results to schools, school districts and the Legislature, including posting the results on the SPI Internet site.

Each school district must annually report, in writing, the district's progress toward meeting the reading goals to the parents, community and local media.

The Center for the Improvement of Student Learning (CISL): The 1993 Education Reform Act created CISL within the office of SPI to serve as a clearinghouse for successful education restructuring programs and best practices to improve student learning as well as provide training and consultation services. SPI must annually report to CSL on the activities of the CISL.

Student Learning Improvement Grants (SLIGs): The 1993 Education Reform Act created SLIGs for the 1994-95 school year through the 1996-97 school year to

provide staff development and planning to improve student learning. The Legislature has funded some form of SLIGs since 1993.

Accountability Task Force: The CSL convened an Accountability Task Force to develop recommendations for a statewide school accountability system. CSL adopted the task force recommendations on October 19, 1998. The proposed legislation contains some of the recommendations.

Summary: Provisions for a statewide K-12 accountability system are enacted.

The Academic Achievement and Accountability Commission (A+ Commission): The A+ Commission is created to provide oversight of the accountability system. The commission consists of the SPI and eight members appointed by the Governor. Each major caucus of the Senate and the House of Representatives must submit a list of three names to the Governor. The Governor must select a commission member from each list. The duties of the commission are to: (1) establish and revise statewide academic goals in reading, writing, science and mathematics, subject to legislative review and comment; (2) in consultation with the SPI, identify the scores students must achieve in order to meet the standard on the WASL; (3) identify schools and school districts for assistance, recognition, and intervention. However, no state intervention must occur prior to June 30, 2001, or prior to the Legislature authorizing a set of intervention strategies; (4) identify performance incentive systems; (5) annually review the reporting system and recommend changes as necessary; and (6) annually report to the Legislature, the Governor, the SPI and the SBE.

By September 5, 2000, the commission must recommend accountability policies to the Governor, the SPI and the Legislature, including additional assistance and rewards, state intervention strategies using multiple sources of information, and any statutory changes necessary to give the SPI authority to implement the intervention strategies.

Commission on Student Learning (CSL): The powers, duties, functions, and materials of the CSL are transferred to SPI or the A+ Commission as appropriate, beginning July 1, 1999.

Goals: By December 15, 2001, each school district and school must establish a goal to increase the percentage of students who meet or exceed the math standard on the fourth and seventh grade components of the WASL and establish annual increments to meet the goal. The A+ Commission may establish and revise statewide goals in additional content areas and grade levels.

Reporting: SPI must report to the public, schools, school districts, and the Legislature the results of the WASL and the state-mandated norm-reference standardized tests. Report information is specified. SPI must post the reports on the Internet and ensure that the data is complete and accurate prior to reporting. The percentage and

the number of special education and limited English students exempt from taking the assessments is monitored by SPI to ensure compliance with the exemption guidelines.

Each school district must annually report to parents and the community on the district and school improvement goals, student performance relative to the goals, and plans to achieve the goals. Schools and school districts with fewer than ten students in a grade level are not required to report the progress toward meeting the goals, but must report plans to improve student performance.

Each school must include in the annual school performance report specified information relating to the school improvement goals. SPI must make the school performance report information available on or through the SPI's Internet web site.

The Center for the Improvement of Student Learning (CISL): The information to be provided by CISL is expanded to include information on systems to analyze student assessment data and technology systems. CISL must also develop and maintain an Internet web site to provide access to information. CISL's training services are expanded to include regional summer institutes. The annual report by SPI to CSL on the activities of CISL is eliminated.

Student Learning Improvement Grants (SLIGs): The SLIGs statute is repealed.

Accountability Implementation Funds (AIFs): To the extent funds are appropriated, SPI must allocate funds to school districts to provide time for school staff to develop and implement student learning improvement plans. The plans must be available to the public. Activities for expenditure of the AIFs are listed and must minimize the use of substitute teachers. The School for the Blind and the School for the Deaf are eligible to receive AIFs.

Helping Corps: A regional "helping corps" of school improvement coordinators and specialists is created to provide schools and school districts with technical assistance to improve student learning. Types of assistance to be provided are listed. The specialists are not permanent employees, but serve on a rotating basis for one to three years.

Study of Fourth Grade Math Assessment: SPI must complete an objective analysis of the fourth grade math assessment and report to the Legislature by August 15, 2000.

Consolidated Planning: SPI must consolidate and streamline the requirements for major state and federal categorical and grant programs and increase the use of electronic applications and reporting.

Votes on Final Passage:

Senate	31	18	
House	93	0	(House amended)
Senate			(Senate refused to concur)
House			(House receded)
House	95	0	(House amended)
Senate	42	6	(Senate concurred)

Effective: May 18, 1999 (Sections 502 and 604)
July 1, 1999 (Section 101)
July 25, 1999

E2SSB 5421

C 196 L 99

Enhancing supervision of offenders.

By Senate Committee on Ways & Means (originally sponsored by Senators Hargrove, Long, Franklin, Costa, Patterson, Winsley and McAuliffe; by request of Governor Locke).

Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means
House Committee on Criminal Justice & Corrections
House Committee on Appropriations

Background: The Sentencing Reform Act of 1981 abolished Washington's parole system. Beginning in 1988, however, the Legislature has required the Department of Corrections (DOC) to supervise several classes of offenders following release but has not removed limitations on DOC's ability to effectively supervise offenders in the community. In addition, the existing structure of community supervision is very complex and the terminology that describes it is confusing. Concern exists that the current structure does not reflect either the risks posed by offenders in the community or public expectations of DOC's ability to monitor offenders and protect the public.

Summary: Community supervision for sex offenses, violent offenses, crimes against persons, and felony drug offenses committed after July 1, 2000, is community custody. Conditions of community custody and levels of supervision are based on risk. Stalking, custodial assault, and felony violations of domestic violence protection orders are crimes against persons. The Sentencing Guidelines Commission establishes community custody ranges and must make recommendations to the Legislature by December 31, 1999. The Legislature may adopt or modify the recommendations. If the Legislature does not act, the initial ranges recommended by the commission become law. The commission may propose annual modifications, but modifications become law only if enacted by the Legislature.

The court must sentence offenders subject to community custody to a range of community custody. It may impose conditions of supervision, including affirmative conditions such as rehabilitative treatment, based on

reasonable relation to the circumstances of the offense, the risk of recidivism, or community safety. Offenders may not be discharged from community custody before the end of the period of earned release but DOC may discharge an offender between the end of the earned release and the end of the range specified by the court.

When sex offender treatment is imposed, the treatment provider must be certified by the state. There are four exceptions to the certification requirement: the offender lives out of state; there is no certified provider within a reasonable geographic distance from the offender's home; the treatment provider is employed by DOC; or the treatment program meets Department of Health rules and the provider consults with a certified provider. An offender's failure to participate in required treatment is a violation.

The court may also impose conditions on sex offenders beyond the end of the term of community custody. DOC is not required to monitor conditions beyond the end of community custody. Where a sex offender lives in a city or town, the police chief or town marshal, rather than the county sheriff, may verify that the offender lives where he or she is registered to live.

DOC may establish and modify additional conditions based on risk to community safety. DOC must provide the offender written notice of any modifications to the conditions. DOC may not impose conditions contrary to conditions set by the court and may not contravene or reduce any court imposed conditions.

DOC must complete risk assessments of offenders using a validated risk assessment tool. When directed by a sentencing court, the initial risk assessment must be completed prior to sentencing and used by the court in sentencing. If not performed prior to sentencing, the initial risk assessment is completed when an offender is placed in a DOC facility. A risk assessment must also be done prior to release. The results of a risk assessment cannot be based on unconfirmed allegations. DOC has jurisdiction over offenders on community custody status and may enforce the conditions through sanctions for violations. DOC must develop a structure of graduated sanctions for violations up to and including a return to full confinement.

Offenders subject to sanctions for violations have the right to a hearing, unless they waive the right. A violation finding cannot be based on unconfirmed or unconfirmable allegations. Violation hearing officers and community corrections officers (CCOs) must report through separate chains of command. Due process protections include notice, timelines for hearings, the right to testify or remain silent, to call and question witnesses, and present documentary evidence. The sanction is overturned if it is not reasonably related to the crime of conviction, or the violation committed, or the safety of the community.

DOC may arrange to transfer the duties of collecting legal financial obligations (LFOs) to county clerks or other entities if the clerks do not assume this responsibility. Post-release supervision for purposes of collecting

LFOs are no longer tolled when the offender is not available for supervision. DOC, in conjunction with the Washington Association of Sheriffs and Police Chiefs and counties, must establish a baseline jail bed utilization rate and negotiate terms of any increase. The rate of reimbursement is the lowest rate charged for counties with their contract with their respective municipal governments.

The year term of community supervision for unranked felonies becomes a term of community custody. The First Time Offender Waiver becomes a term of community custody and includes conditions of supervision. The term must not exceed one year unless the court orders treatment for between one and two years, in which case supervision ends with treatment.

Except as otherwise prohibited, DOC has the authority to access records maintained by public agencies and may require periodic reports from treatment providers and providers of other required services for the purposes of setting, modifying, or monitoring compliance with the conditions of supervision. DOC must develop and monitor transition and relapse prevention strategies, including risk assessment and release planning, for sex offenders. DOC must also deploy CCOs on the basis of the geographic distribution of offenders and establish a systematic means of assessing the risk to community safety. The Washington State Institute of Public Policy must conduct a study of the effect of the act on recidivism and other outcomes and report annually to the Legislature.

No defense to liability for personal injury or death based solely on availability of funds is created.

Votes on Final Passage:

Senate	45	0	
House	95	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999
July 1, 2000 (Section 10)

ESSB 5424
C 255 L 99

Allowing the use of certain commercially approved herbicides for aquatic plant management.

By Senate Committee on Environmental Quality & Water Resources (originally sponsored by Senators Winsley, Fraser, Honeyford, Hochstatter, Hale, McCaslin, West and Haugen).

- Senate Committee on Environmental Quality & Water Resources
- Senate Committee on Ways & Means
- House Committee on Agriculture & Ecology
- House Committee on Appropriations

Background: The Department of Ecology authorizes and guides the use of pesticides to control aquatic plants and

weeds based on information in the 1992 Aquatic Plant Management Program Environmental Impact Statement (EIS). The EIS reviewed the aquatic plant control methods available at the time and recommended conditions or prohibitions to be placed on pesticide use. Since 1992, the Environmental Protection Agency has approved aquatic plant pesticides for commercial use, but the state has not had an instrument to review these products or evaluate new information relevant to pesticides evaluated in the 1992 EIS.

Summary: The Department of Ecology must update the final environmental impact statement completed in 1992 for the aquatic plant management program to reflect new information on herbicides evaluated in 1992 and new, commercially available herbicides. The department must maintain the currency of the information on herbicides and evaluate new herbicides as they become commercially available.

The experimental use of hydrothol 191 is authorized during the 1999 treatment season to control algae in certain lakes. If the use of this herbicide is ineffective, then the Department of Ecology may permit the use of copper sulfate after consulting with federal, state, and local agencies as well as interested parties. The Washington State Institute for Public Policy is directed to contract for a study on the effectiveness of any herbicide used on the lake. A general fund appropriation in the amount of \$35,000 is provided for the study.

Government entities are authorized to use the pesticide 2,4-D to treat an initial infestation of Eurasian water milfoil. If the entity complies with the pesticide label requirements and notifies lake residents of the intended pesticide use, the entity is exempt from the requirement of obtaining short-term water quality modification from the Department of Ecology. A 21-day notice is required to the Departments of Ecology, Health, Agriculture, and Fish and Wildlife prior to applying 2,4-D. The Department of Fish and Wildlife may impose timing restrictions on the use of 2,4-D to protect salmon and other fish and wildlife. The Department of Ecology may prohibit the use of aquatic 2,4-D if it exceeds the standard for dioxin established by EPA. The use of funds from the freshwater aquatic weeds account for 2,4-D application is authorized.

Votes on Final Passage:

Senate	48	0	
House	65	30	(House amended)
Senate	44	0	(Senate concurred)

Effective: May 10, 1999

SB 5432

C 83 L 99

Authorizing charitable deductions from retirement allowances.

By Senators Fraser, Winsley, Fairley, Hale, Long, Heavey, Franklin, Rasmussen, Prentice, Costa, Jacobsen, Bauer and Kohl-Welles.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: Under current law, state employees may arrange through the annual state Combined Fund Drive to have payments deducted from their pay for contributions to various charitable organizations. Under current law, the retirement allowances paid by the Public Employees Retirement System (PERS) may not be assigned by the retiree, except pursuant to certain specific statutory exceptions. This general restriction prevents PERS retirees from being able to authorize automatic deductions to charitable organizations.

Summary: A PERS retiree or beneficiary is permitted to authorize deductions for charitable purposes on the same terms as employees who participate in the state Combined Fund Drive.

Votes on Final Passage:

Senate	45	0
House	93	0

Effective: July 25, 1999

SB 5442

C 48 L 99

Increasing the defined amount of "nominal deposit" affecting real estate brokers.

By Senators Kline, Roach and Wojahn.

Senate Committee on Commerce, Trade, Housing & Financial Institutions
House Committee on Commerce & Labor

Background: Real estate brokers sometimes receive client funds in trust in connection with purchase transactions or property management functions.

Brokers are required to place client funds in a pooled interest bearing account. Interest on "nominal amounts" placed in these accounts is aggregated statewide and is paid to the State Treasurer for deposit into the housing trust fund and the real estate education account.

Property management trust accounts that are larger than nominal are excepted from this process. "Nominal" is defined as amounts of not more than \$5,000.

Summary: The definition of "nominal" is changed from not more than \$5,000 to not more than \$10,000.

2SSB 5452

Votes on Final Passage:

Senate 47 0
House 91 0

Effective: July 25, 1999

2SSB 5452

C 165 L 99

Authorizing the creation of public facilities districts.

By Senate Committee on Ways & Means (originally sponsored by Senators Bauer, Deccio, Benton, Goings, Winsley, Rasmussen, Franklin, Eide, Zarelli, Wojahn and Hale).

Senate Committee on State & Local Government
Senate Committee on Ways & Means
House Committee on Economic Development, Housing & Trade
House Committee on Finance

Background: Public facilities districts (PFDs) are municipal corporations and independent taxing districts. They are created by resolution of the county legislative authority and their boundaries are coextensive with those of the county. A PFD is authorized to build, own and operate sports facilities, entertainment facilities or convention facilities. King County's construction and operation of a new Mariners baseball stadium is governed by PFD statutes. King and Spokane counties are the only counties to have established PFDs.

Summary: The legislative authority of a city or a group of contiguous cities located in a county or counties each having a population of less than one million may create a regional PFD to build a regional center that costs at least \$10 million, including debt service. The city-created PFD has authority to build, own and operate the regional center. The county PFD is given like authority.

The boundary of the city-created PFD is coextensive with the boundaries of the city or cities that establish it. The governing body is a board of directors appointed by the city's legislative authority. Members of the city's legislative authority are not eligible to serve on the board.

The city-created PFD may impose a 0.2 percent voter-approved sales and use tax after August 1, 2000. This tax may be used to build, maintain and operate the regional center. A similar 0.1 percent sales tax is available for the county-created PFD.

If the construction of the new regional center or improvement of an existing regional center begins before January 1, 2003, then the city-created or county-created PFD may impose a 0.033 percent sales and use tax that is deducted from the state sales tax. It must be matched by the PFD from public or private sources to 33 percent of the sales tax collected. Nonvoter-approved taxes may not be used for the match. This tax may not be collected before August 1, 2000. It expires when the bonds issued for

the construction of the regional center are retired but not more than 25 years after the tax is first collected. If both the city-created and county-created PFDs assess this sales tax, the city-created PFD tax is credited against the county-created PFD tax. It is not available to a county-created PFD if the county legislative authority has imposed a sales tax for a football or baseball stadium.

The city-created PFD may issue 30-year general obligation bonds. The city-created PFD may also issue 30-year revenue bonds to fund the revenue-generating facilities that it operates. These bonds are not an indebtedness of the district and are payable only from the revenues pledged to meet the principal and interest of the bonds.

Both the city-created and county-created PFDs may charge taxes on admissions and parking fees that preempt any city, town, or county tax of a similar nature. Leasehold interests in both city-created and county-created PFDs are exempt from tax.

The county-created PFD may reauthorize its 2 percent hotel/motel tax by a vote of the voters of the district to fund additional public facilities or a regional center.

Votes on Final Passage:

Senate 42 5
House 86 10 (House amended)
Senate 39 7 (Senate concurred)

Effective: July 25, 1999

SSB 5457

C 91 L 99

Revising provisions relating to conditions involving diversion agreements for juveniles.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Costa, Zarelli, Hargrove and Long).

Senate Committee on Human Services & Corrections
House Committee on Judiciary

Background: Concern exists over juveniles accused of crimes initiating contact with victims or witnesses of crimes they are accused of committing. A diversion agreement is a contract between a juvenile accused of committing an offense and a diversionary unit in which the juvenile agrees to certain conditions in lieu of prosecution.

Summary: A diversion agreement may include a requirement that, upon the request of the victim or witness, the juvenile who entered into the diversion agreement must refrain from any contact with victims or witnesses of offenses committed by the juvenile.

When a respondent declines to enter into a diversion agreement, the courts may impose terms of community

supervision that exceed conditions allowed in a diversion agreement.

Votes on Final Passage:

Senate	42	0
House	95	0

Effective: July 25, 1999

ESB 5485

C 393 L 99

Regulating certain tobacco product manufacturers.

By Senators Thibaudeau, Deccio, McDonald, Snyder, Winsley, Kline, Oke and Costa; by request of Attorney General.

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: On November 23, 1998, Washington State joined 45 other states in settling litigation brought against the tobacco industry for violations of state laws concerning consumer protection and antitrust. In doing so, Washington became part of the so-called Master Settlement Agreement, which had the effect of settling ours and all the states' suits against the industry.

Four of the country's largest tobacco manufacturers signed the agreement, and thus became bound by the following conditions: the companies agreed to significant curbs on their advertising and marketing campaigns; to fund a \$1.5 billion anti-smoking campaign; and to open previously secret industry documents and disband industry trade groups. Further, they are prohibited from using cartoon characters in tobacco advertising, from targeting youth in ads and marketing, using billboards and transit advertising, and from selling and distributing apparel, backpacks and other merchandise which bear brand name logos.

The financial provisions of the Master Settlement Agreement include billions of dollars paid out to the settling states in perpetuity, beginning with up-front payments of more than \$12 billion by 2003. Washington State could receive approximately \$4.02 billion over 25 years. Annual payments will begin on April 15, 2000, and will result in Washington receiving approximately \$323 million by the end of the 1999-2001 biennium.

Settlement negotiations originated with the four major tobacco companies; however, there are tobacco product manufacturers in business now and there could be those in the future who can sell products at a reduced price with no marketing or advertising restrictions because they are not bound by the Master Settlement Agreement.

States are encouraged to pass model statutes that create a reserve fund for nonparticipating manufacturers to pay future claims. The fund would serve as a source of compensation should these companies be found culpable in future litigation, and go bankrupt or out of business,

rendering them judgment-proof. Requiring that nonparticipating companies pay into this fund also provides some protection against these companies selling their products at reduced rates, undercutting the market and making huge short-term profits.

Summary: Any tobacco product manufacturer selling cigarettes to consumers in this state, whether directly or through intermediaries described in the act, is required to either join the Master Settlement Agreement and perform its financial obligations, or place money into a qualified escrow fund. The funds placed in escrow can only be used to pay a judgment or settlement on any claim brought against the company, or to reimburse a manufacturer if an annual payment into this account is greater than the payment required under the Master Settlement Agreement. The amount nonparticipating companies pay into escrow is based on their market share. If at the end of 25 years no funds are released for the two cited reasons, all funds, including interest, are released back to the manufacturer.

Any tobacco product manufacturer that elects to place money into the escrow account must annually certify compliance with the provisions of this act with the Attorney General. The state may bring civil action on behalf of the state against any tobacco product manufacturer that fails to comply.

Votes on Final Passage:

Senate	40	8
House	77	19

Effective: May 18, 1999

SSB 5495

C 96 L 99

Modifying a restriction on regular property tax levies.

By Senate Committee on Ways & Means (originally sponsored by Senators Snyder and Zarelli).

Senate Committee on Ways & Means
House Committee on Finance

Background: In 1971, the Legislature limited a taxing district's property tax levy beginning in 1973 to a 6 percent increase over its highest levy in the preceding three years, plus an amount equal to the tax on new construction occurring in the previous year. As originally enacted, a taxing district that had not levied in the previous three years would not be able to levy a tax in subsequent years. In 1979, the Legislature provided that a taxing district that had not levied in the preceding three years that elected to restore its levy could use the amount that could have been levied in 1973, plus an amount equal to the tax on new construction occurring since 1973.

In the early 1980s, because of this revenue limitation, taxing districts were maintaining high levies to protect

their future levy capacity. To remove the incentive to maintain a high levy and to protect future levy capacity, in 1986 the Legislature allowed a taxing district's levy to be based on the district's maximum allowable levy since 1986 rather than on its actual levy. However, a taxing district that has levied since 1985 but that has not levied in the three most recent years loses the levy capacity protection and must use the 1973 value.

Summary: A taxing district that has levied since 1985 but that has not levied in the three most recent years does not lose its levy capacity protection. For a taxing district that has not levied since 1985 that elects to restore its levies, the restored levy is limited to the taxing district's last levy instead of the amount it could have levied in 1973, plus an amount equal to the tax on new construction occurring since the last levy.

Votes on Final Passage:

Senate	46	0
House	93	0

Effective: July 25, 1999

SB 5499
C 190 L 99

Making modifications to the home health, hospice, and home care agency licensure law.

By Senators Wojahn, Deccio, Franklin, Winsley, Costa, McAuliffe, Kline and Rasmussen.

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: The home care licensure law regulates home health, hospice, and home care agencies. Implementing legislation was in 1988, with some revisions in 1993. Since that time, the home care industry has undergone significant changes. Today the industry treats many more people in their homes than it did ten years ago. It also provides services to a much more diverse population, thanks in part to advances in medical technology. Services are provided to clients of all ages, and include everything from highly medically acute, to long-term care for people with diabetes, AIDS, Alzheimer's, and cancer.

Last year licensure fees for home care, home health, and hospice agencies were raised by 20 percent. These fees reflect changes in survey practices and other regulatory activities performed by the department in response to the growth of the industry.

The industry has sought changes in the home care licensure law to make regulatory practices more efficient than current law permits.

Summary: The Department of Health is authorized to determine home care licensure fees based on the geographic area served, the number of agency sites, and volume of service provided.

The department is given authority to prorate licensure fees to facilitate combined inspections when the same entity has multiple licenses.

The definition of "branch office" is removed and replaced with the term "service area."

The department is directed to report to the health care committees of the Legislature by November 1999 with recommendations for any further changes needed to the licensure law. The department is directed to study certain areas to determine if additional enforcement tools are needed for public protection.

It is stated that it is not the intent to expand or disallow the number or types of home health care services unless related to the need for trained and available staff.

Votes on Final Passage:

Senate	49	0	
House	93	0	(House amended)
Senate	45	0	(Senate concurred)

Effective: July 25, 1999

SB 5502
C 256 L 99

Reporting the salary survey of ferry employees.

By Senator Haugen; by request of Marine Employees' Commission.

Senate Committee on Transportation
House Committee on Transportation

Background: Under current law, the Marine Employees Commission (MEC) is required to conduct a biennial salary survey which collects wage and benefit information from both private and public ferry systems and shipyards along the West Coast, Alaska, and British Columbia. Participation by private employers is purely voluntary, with some or all of the participants requesting that their responses be kept confidential.

The purpose of the salary survey is to compare Washington State Ferry System employee wages, hours, employee benefits, and conditions of employment with those of other comparable ferry systems. This survey allows the Washington State Ferry system and the 13 labor unions representing state ferry employees to obtain prevailing wage and benefit conditions prior to contract negotiations that take place every two years.

The results of the survey are published in a final report, which communicates the findings as a composite average of the data collected, as opposed to identifying the specific, raw data from each participant. This final report is made public, but the actual raw data from each employer is kept confidential. However, if anyone should request a copy of the raw data, the MEC must release the information, per current public disclosure laws. Because many of the private participants request confidentiality, this fact alone may cause them to stop participating in the survey.

Should the private participants drop out, the survey would then only be a query of public owned operations, and thus the value and validity of the results would be significantly decreased when being used as a comparative, bench marking tool in contract negotiations.

Summary: Provisions are established which limit the MEC to publishing a report on the survey results only. The salary and benefit information collected from private employers that identifies a specific employer with the salary and employee benefit rates which that employer pays to its employees is not subject to public disclosure. The state Auditor's Office is established as the entity authorized to review all the raw data collected in the Marine Employees Commission salary survey, including the data provided by private employers. This review by the Auditor's Office would be prompted only after receiving a petition from a person or entity who believes that the salary survey results are inaccurate. However, the Auditor's Office is prohibited from disclosing the salary survey data to any other person or entity, except by court order.

Votes on Final Passage:

Senate	44	0	
House	94	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 25, 1999

ESSB 5508
PARTIAL VETO
C 399 L 99

Increasing harvest data accuracy for the recreational crab fishery.

By Senate Committee on Natural Resources, Parks & Recreation (originally sponsored by Senators Spanel, Oke, Snyder, Jacobsen, Rossi and Rasmussen).

Senate Committee on Natural Resources, Parks & Recreation
House Committee on Natural Resources
House Committee on Appropriations

Background: The Department of Fish and Wildlife currently requires catch record cards of salmon, steelhead, sturgeon and halibut recreational fishermen. Catch record cards are utilized as a means of recording each fish caught and providing catch data to the department at the end of the license year.

Catch record cards are not currently required in the recreational shellfish fishery. Increased harvest data accuracy could be achieved in the crab fishery with the use of catch record cards.

Summary: Recreational crab fishers are required to possess a crab catch record card and immediately enter harvest data when dungeness crab are caught. The Fish and Wildlife Commission must develop rules for the administration of the crab catch record card.

Data from crab catch record cards must be utilized in preparing catch reports and in catch-sharing negotiations.

Votes on Final Passage:

Senate	46	0	
House	89	5	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

Partial Veto Summary: The statutory requirement for crab fishers to possess a crab catch record card is vetoed, as is the emergency clause.

VETO MESSAGE ON SB 5508-S

May 18, 1999

*To the Honorable President and Members,
The Senate of the State of Washington*

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 2 and 3, Engrossed Substitute Senate Bill No. 5508 entitled:

"AN ACT Relating to catch record card requirements for recreational crab fishers;"

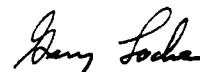
Engrossed Substitute Senate Bill No. 5508 requires the Department of Fish and Wildlife to utilize crab catch record cards in determining the recreational harvest of crab. Sections 2 and 3 of the bill would require recreational Dungeness crab fishers to have catch record cards on July 15, 1999, before they could fish. While I support the intent of this bill, the 1999 Dungeness crab license year has already begun, and this requirement would create significant difficulties for fishers who have already purchased licenses. It would also be practically impossible for the Department of Fish and Wildlife to notify crab fishers, and create and distribute catch record cards by mid-July.

The Department of Fish and Wildlife strongly agrees that catch record cards would be very valuable in tracking crab harvest and population statistics. And, it has committed to implementing the program by administrative rule, effective with the next license year beginning in April 2000.

For these reasons, I have vetoed sections 2 and 3 of Engrossed Substitute Senate Bill No. 5508.

With the exception of sections 2 and 3, Engrossed Substitute Senate Bill No. 5508 is approved.

Respectfully submitted,



Gary Locke
Governor

SSB 5509
C 8 L 99

Creating the Holocaust victims insurance relief act.

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Kline, Jacobsen, Heavey, Horn, Finkbeiner, Patterson, Franklin, Fairley, Prentice, Hochstatter, Bauer, Gardner, Costa, Eide, McDonald, B. Sheldon, Goings, McAuliffe, Kohl-Welles, Rasmussen and Oke).

Senate Committee on Commerce, Trade, Housing & Financial Institutions

House Committee on Financial Institutions & Insurance

Background: The proceeds of many insurance policies issued prior to and during World War II to Holocaust victims have not been paid to victims or their survivors. The burden has generally been on the victims and/or their families to provide paperwork to prove their claims. However, locating old insurance policies may be difficult and sometimes impossible with the passage of time and the fact that many Holocaust victims were forced from their homes and divested of their personal property, including their records. In many instances, insurance company records are the only proof of the insurance policies.

An international commission was established to investigate and facilitate the payment of insurance proceeds to Holocaust victims and their survivors. Other states have established or are establishing Holocaust survivor assistance offices and registries of insurance policies to help Holocaust victims and their survivors.

Summary: The Insurance Commissioner may establish a Holocaust Survivor Assistance Office to assist Washington State's Holocaust victims, their families and heirs to recover insurance proceeds and other assets improperly denied or processed. The Insurance Commissioner may establish a Holocaust Insurance Company Registry to contain information required of Washington insurers about insurance policies that were sold to persons in Europe and were in effect between 1933 and 1945. The commissioner may suspend the certificate of authority of an insurer who fails to provide the required information. A civil penalty of up to \$10,000 is established for knowingly filing false information.

The statute of limitations is extended to December 31, 2010 for Holocaust insurance claims.

The act expires on December 31, 2010.

Votes on Final Passage:

Senate	48	0
House	91	0

Effective: July 25, 1999

SSB 5513
C 332 L 99

Augmenting provisions for execution witnesses.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Costa, Long, Franklin, Zarelli, Heavey, Hargrove, T. Sheldon, Rossi and Shin).

Senate Committee on Human Services & Corrections
House Committee on Criminal Justice & Corrections

Background: Persons wanting to witness the execution of an offender sentenced to death must apply at least 20 days prior to the execution date. The superintendent of the penitentiary designates the total number of witnesses and determines the number of witnesses allowed from media representatives, judicial officers, representatives from the victim's families, and representatives from the family of the defendant. Not less than 10 days prior to the execution, the superintendent files the witness list with the superior court and the court certifies the list.

Summary: No less than five media representatives can be designated as witnesses. Representatives of victims' families includes victim advocates of the immediate family members. Up to two law enforcement representatives may be selected as witnesses. The chief law enforcement officer of the agency that investigated the crime designates the law enforcement representatives. The prosecuting attorney may send a deputy prosecuting attorney.

Votes on Final Passage:

Senate	44	0	
House	83	10	
House	79	11	(House reconsidered, amended)
Senate	43	1	(Senate concurred)

Effective: July 25, 1999

SB 5525
FULL VETO

Revising provision for appointment of a county legislative authority member of the forest practices board.

By Senators Hargrove, Morton, T. Sheldon, Snyder, Oke, Winsley and Rasmussen.

Senate Committee on Natural Resources, Parks & Recreation

House Committee on Natural Resources

Background: The Governor appoints an elected member of a county legislative authority to the Forest Practices Board.

Summary: The Governor must appoint the elected member of a county legislative authority from one list of three persons provided by the Washington State Association of Counties. The authority creating staggered terms is repealed.

Votes on Final Passage:

Senate 46 1
House 93 0

VETO MESSAGE ON SB 5525

April 15, 1999

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Senate Bill No. 5525 entitled:

"AN ACT Relating to appointment of a county legislative authority member of the forest practices board;"

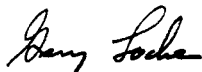
Senate Bill No. 5525 limits a governor's appointment authority to the Forest Practices Board. Under the current statute, a governor must appoint an elected member of a county legislative authority to serve as one of the members of the Forest Practices Board. SB 5525 would limit a governor's selection to an exclusive list of three provided by the Washington State Association of Counties. A governor would not have the ability to ask for more names if none of the first three were acceptable.

The current statutory arrangement for the appointment of the county member to the Forest Practices Board has worked well. A governor should, and most governors have, as a matter of practice consulted with the Washington State Association of Counties when selecting the county member.

I will continue to consult with the Washington State Association of Counties on this important appointment. SB 5525 is too restrictive and sets an unnecessary precedent in limiting a governor's discretion in making appointments. A limitation of such extent is not warranted.

For these reasons, I have vetoed Senate Bill No. 5525 in its entirety.

Respectfully submitted,



Gary Locke
Governor

2SSB 5536

C 257 L 99

Creating a pilot project for a municipal watershed on state trust lands.

By Senate Committee on Ways & Means (originally sponsored by Senators Spanel and Gardner).

Senate Committee on Natural Resources, Parks & Recreation

Senate Committee on Ways & Means
House Committee on Agriculture & Ecology
House Committee on Appropriations

Background: Local governments have expressed concern over the impact of timber harvest within municipal watersheds. Under existing law, a city or town may request that the Department of Natural Resources alter land management practices within a watershed to ensure that drinking water exceeds water quality standards.

Summary: The Department of Natural Resources must initiate a pilot project in the Lake Whatcom watershed to determine what management actions could be taken to achieve water quality standards beyond those required by state law. The department must establish an advisory committee with representatives of state agencies, local governments, and citizens.

The pilot project must be completed by June 30, 2000. All timber sales within the Lake Whatcom watershed must be deferred until the pilot project is complete. The advisory committee must attempt to resolve any differences of opinion through various means, including facilitation or mediation, and the department is required to report to the natural resources committees of the House of Representatives and of the Senate with study results.

Votes on Final Passage:

Senate 47 0
House 95 0 (House amended)
Senate 45 0 (Senate concurred)

Effective: July 25, 1999

SSB 5553

C 282 L 99

Regulating professional athletics.

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Prentice and Winsley; by request of Department of Licensing).

Senate Committee on Commerce, Trade, Housing & Financial Institutions
House Committee on Commerce & Labor

Background: The Department of Licensing (DOL) regulates boxing, wrestling and martial arts events held within the state. DOL licenses individuals to participate in these events, sets and collects fees for licensing, collects taxes on event revenue, controls conduct by participants, sets parameters for events, establishes safety and health requirements for events, and disciplines licensees.

Summary: The professional athletics program is excluded from the general state requirement that licensing programs be self supporting.

The director must prohibit events unless all the contestants are either licensed or trained by an amateur or professional sanctioning body recognized by the department.

Pankration, which is a combination of kickboxing and grappling, and muay thai, which is a combination of boxing, kicking and knee kicks, are included in the definition of martial arts and are under the authority of DOL.

Event physicians, referees, matchmakers, kickboxers, and martial artists must be licensed along with promoters, managers, boxers, seconds, wrestlers, inspectors, judges,

timekeepers, and announcers. When applying for an annual license as a boxer, wrestler, kickboxer, martial artist, or referee, a physical by a physician is required.

The director may adopt rules limiting rounds and bouts and defining clean and sportsmanlike conduct for kickboxing, martial arts and wrestling. Contestants for boxing, kickboxing or martial arts must be examined by an event physician and may be subject to random urinalysis or chemical tests within 24 hours of an event. An event physician is a physician who is licensed by DOL and who is responsible for the exams. DOL may require the presence of an event physician at a wrestling event. An event physician must be present at a boxing, kickboxing, or martial arts event. DOL may select the event physician. A promoter is required to have an ambulance or paramedical unit at the event location, rather than within five miles of the event.

DOL may suspend or revoke a license or fine a licensee, including a manager, or applicant for violating the department's rules. Fines may not exceed \$5,000.

Gross receipts, for purposes of taxing event receipts, include only the face value of tickets sold and complimentary tickets redeemed and does not include revenue from the sale of souvenirs, programs, and other concessions. Complimentary tickets are subject to tax to the extent they exceed 300 tickets or are more than 5 percent of the total tickets sold for the event. The value of a complimentary ticket does not include charges and fees, such as dinner, gratuity, parking, or other charges that must be paid by the consumer to view the event.

Votes on Final Passage:

Senate	44	0	
House	95	0	(House amended)
Senate	43	1	(Senate concurred)

Effective: July 25, 1999

ESB 5564

C 92 L 99

Taxation of park trailers and travel trailers.

By Senators Gardner, Winsley, Spanel and Loveland.

Senate Committee on Commerce, Trade, Housing & Financial Institutions

House Committee on Economic Development, Housing & Trade

House Committee on Finance

Background: In 1993, the Legislature subjected park trailers to ad valorem property taxes if the trailers substantially lost their identity as mobile units by being permanently fixed in location by placement on a permanent foundation of either posts or blocks with fixed pipe connections for sewer, water, or other utilities.

As a result of the 1993 legislation, county assessors assessed park model trailers for property taxes. Some park

trailer owners in Whatcom County appealed their property tax assessments asserting that their park model trailers were not permanently fixed in location. For example, they explained that a flexible garden hose for water did not constitute a fixed pipe utility connection. The Board of Tax Appeals ruled in the taxpayers' favor, and Whatcom County refunded property taxes paid.

Summary: Park trailers are real property subject to property taxation, if the trailers are permanently sited in location. A park trailer is permanently sited if it is placed on blocks or posts with connections for water, sewer, or other utilities. There is no longer a requirement to place the park trailer on a permanent foundation and the utility connections need not be fixed pipe connections.

This act is effective for taxes levied in 1999 for collection in 2000 and thereafter.

Votes on Final Passage:

Senate	31	18	(Senate failed)
Senate	44	3	(Senate reconsidered)
House	82	10	

Effective: July 25, 1999

SB 5567

C 19 L 99

Using federal funds to reduce the outstanding debt of school districts within counties.

By Senators Hale and Snyder.

Senate Committee on State & Local Government

House Committee on Local Government

Background: Federal legislation in 1954 authorized, but did not require, the Atomic Energy Commission (and its successor the U.S. Department of Energy) to render financial assistance to localities in which it acquired private property previously subject to local property taxes. The Department of Energy's Hanford site is the only such site in Washington State. The federal authorization states "such payments may be in the amounts, at the times, and upon the terms the Commission deems appropriate."

In 1996, after more than a decade of difficult negotiations, the Department of Energy and Benton County entered into a settlement agreement for federal assistance payments or payments in lieu of taxes. These settlement payments are intended to mitigate the burden on the affected locality where the Department of Energy's activities are being conducted. The settlement agreement designates the annual property tax levies as the method to allocate each year's federal assistance payment among the various local taxing jurisdictions. This formula includes the levy for state schools.

Using this levy-based allocation formula, about \$500,000 per year of the annual on-going federal assistance payment would be designated "state schools." This

is not a property tax. It has no relation to or impact on the county's assessed valuation or levy calculations. It has no impact on the state property tax levy or state apportionment to schools.

Funding for on-going assistance payments is subject to the annual federal budgeting and appropriations process. Funding is vulnerable to an apparent low priority status within the Department of Energy. The settlement states that "... assistance payments will be made, without interruption but subject to the availability of funds,"

Summary: A mechanism is provided for the Benton County legislative authority to direct the county treasurer to use that portion of the federal assistance payments, which the levy-based formula in the settlement agreement allocates to state schools, to pay the school districts' outstanding voter-approved school debt.

Votes on Final Passage:

Senate	47	0
House	93	0

Effective: July 25, 1999

SSB 5573

C 49 L 99

Improving criminal history record dispositions.

By Senate Committee on Judiciary (originally sponsored by Senators Horn, Johnson, Costa, Patterson and Winsley; by request of Washington State Patrol).

Senate Committee on Judiciary
House Committee on Judiciary

Background: The Washington State Criminal Records Privacy Act and the Criminal Justice Information Act provide for the acquisition, retention, deletion and dissemination of criminal history record information. The policy of the acts, when read together, is to ensure complete, accurate, confidential and secure criminal history.

State and local criminal justice agencies are in the process of updating electronic data bases and now have the ability to store prosecutor-filed "charges" pending final disposition. At this time, pending "arrest offenses" under one year old without final disposition are disseminated without restriction. Law enforcement officials want to be able to disseminate information on criminal charges in the same manner as arrest information.

The current statutory language limits the chief law enforcement officer to forwarding all criminal disposition reports to the prosecuting attorney. However, in counties where an electronic method of disposition reporting has been implemented, it may be the local practice to forward the disposition report for filed felonies directly to the county clerk. For arrests other than felonies, the disposition report is usually forwarded directly to the court of limited jurisdiction.

Summary: The Criminal Records Privacy Act is amended to allow information regarding criminal charges to be disseminated in a similar manner as arrest information. The Criminal Justice Information Act is amended to allow disposition reports that are currently transmitted only to the prosecuting attorney to be also transmitted to the county clerk or appropriate court of limited jurisdiction, whichever has authority.

Votes on Final Passage:

Senate	48	0
House	91	0

Effective: July 25, 1999

E2SSB 5594

PARTIAL VETO

C 164 L 99

Enhancing economic vitality.

By Senate Committee on Ways & Means (originally sponsored by Senators Rasmussen, T. Sheldon, Prentice, Fairley and Winsley; by request of Governor Locke).

Senate Committee on Agriculture & Rural Economic
Development

Senate Committee on Ways & Means

House Committee on Economic Development, Housing &
Trade

House Committee on Finance

Background: The Department of Community, Trade, and Economic Development (CTED) is responsible for assisting in community and economic development in the state; providing technical and financial assistance to local governments, businesses, and community-based organizations; soliciting private and federal grants for economic and community development programs; and conducting the necessary research and analysis to support economic and community development efforts.

The key service areas of the department are: (1) local development assistance; (2) trade and economic sectors that include tourism, film and video, business development and forest products; (3) community services that support local efforts to develop self-reliant individuals and families through prevention, intervention, technical assistance and advocacy programs; (4) housing and housing-related services; (5) growth management; (6) archaeology and historic preservation; and (7) energy.

Distressed Area Tax Incentives. Washington has developed various incentives that are designed to assist in job creation or retention in economically distressed areas. To be eligible, a business must be in either the manufacturing, research and development or computer-related service industry. There are currently seven (often overlapping) categories of eligibility for distressed area sales and/or business and occupation tax relief.

Summary: CERB Provisions. The types of projects that the Community Economic Revitalization Board (CERB) may invest in are broadened to include telecommunications infrastructure, transportation and pre-construction costs. The Joint Legislative Audit and Review Committee (JLARC) is directed to study the effectiveness of CERB.

Distressed Area Tax Incentives. The eligibility requirements are significantly changed for distressed area sales and/or business and occupation tax relief. The current seven categories are converted into a single category based on a definition of "rural" population density. Businesses in counties with populations per square mile of 100 or less are allowed both the sales tax and B&O exemption. Eligibility based on the "contiguous county" definition is no longer allowed. Eligibility under the community empowerment zones (CEZ) definition is redefined.

Housing Finance Commission (HFC). The HFC statutory debt limit is increased from \$2 billion to \$3 billion. The HFC makes loans for affordable housing.

Temporary Housing. CTED establishes a "one-stop clearinghouse" to coordinate state assistance to growers and nonprofit organizations to develop housing for agricultural employees.

Economic Vitality Committee. A new working group comprised of CTED, the Department of Revenue, the Department of Agriculture, and Economic Development Council representatives is established to prepare for "projects of statewide significance."

Public Facilities Grants and Loans. The preference for state public facilities grants and loans based on participation in a county-wide planning policy is changed. A state agency considering a request from a county or city planning under the Growth Management Act (GMA) must consider whether the jurisdiction has adopted a comprehensive plan and implementing development regulations as required by the GMA. State agencies considering competing requests from GMA jurisdictions must accord additional preference to the GMA jurisdictions that have adopted a comprehensive plan and development regulations.

Votes on Final Passage:

Senate	48	0	
House	95	0	(House amended)
Senate			(Senate refused to concur)
House			(House receded)
House	94	1	(House amended)
Senate	48	0	(Senate concurred)

Effective: August 1, 1999

Partial Veto Summary: The Governor vetoed the creation of the Economic Vitality Committee and the JLARC study of CERB. The increase in the Housing Finance Commission debt limit was also vetoed because it was already signed into law in ESB 5843.

VETO MESSAGE ON SB 5594-S2.E

May 3, 1999

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 106, 201 and 401, Engrossed Second Substitute Senate Bill No. 5594 entitled:

"AN ACT Relating to enhancing economic vitality;"

E2SSB 5594 is an omnibus rural economic development bill. Among other things it will provide the Community Economic Revitalization Board (CERB) with greater ability to fund new types of infrastructure projects; it will create the Rural Washington Loan Fund for making direct loans to business in eligible areas with federal money; and it will create a one-stop clearinghouse in the Department of Community, Trade and Economic Development (CTED) for farmworker housing.

Section 106 of the bill would require the joint legislative audit and review committee to conduct performance reviews of the program administered by CERB. JLARC is an entity controlled by the legislature, so it is unnecessary and unwise to dictate the work schedule of JLARC in statute. The legislature can authorize funding for such performance reviews any time it believes they are warranted.

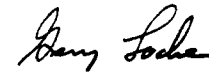
Section 201 of the bill is identical to section 2 of Engrossed Senate Bill No. 5843 which I signed on April 28, 1999, and is unnecessary.

Section 401 of the bill would establish an ad hoc economic development group to analyze projects, make recommendations, and to promote economic development and business diversification. The membership of the group is unclear, and I have concerns about violation of the separation of powers doctrine. The group would be organized by the legislature, but have control over executive agencies. A process already exists in CTED for using a similar ad hoc groups. Additionally, I will be organizing an economic development sub-cabinet, chaired by my Chief of Staff, to provide greater input on projects of statewide significance.

For these reasons, I have vetoed sections 106, 201 and 401 of Engrossed Second Substitute Senate Bill No. 5594.

With the exception of sections 106, 201 and 401, Engrossed Second Substitute Senate Bill No. 5594 is approved.

Respectfully submitted,



Gary Locke
Governor

2E2SSB 5595
PARTIAL VETO

C 13 L 99 E1

Establishing the salmon recovery funding board.

By Senate Committee on Ways & Means (originally sponsored by Senators Jacobsen and Fraser).

Senate Committee on Natural Resources, Parks & Recreation

Senate Committee on Ways & Means

Background: A coordinated framework for responding to the endangered salmon crisis was passed in the 1998

legislative session. A number of grant programs were developed and funded resulting from that legislation.

Concern exists that the decision-making process for habitat project or activity approval needs to be administered by a professional board with fiscal oversight and knowledge of local government and salmon recovery processes and functions. In addition, needs were identified for increased monitoring of project effectiveness, integration with the Department of Fish and Wildlife salmon recovery programs, development of a statewide salmon recovery strategy, strengthening of technical and scientific review of projects, and to effect the technical changes necessary to transition from current law to the more comprehensive salmon recovery approach.

Summary: A ten-member salmon recovery funding board is created to make grants and loans for salmon habitat projects and salmon recovery activities. Five voting board members are chosen by the Governor, subject to Senate confirmation. Five nonvoting members represent the Department of Fish and Wildlife, Conservation Commission, Department of Transportation, Department of Ecology, and Department of Natural Resources. Staff support to the board is provided by the Interagency Committee for Outdoor Recreation. The board is provided with a statutory framework for elements that must be considered while making funding decisions.

A technical review team is created to assist the funding board in ranking projects and activities, and developing standardized monitoring indicators and data quality guidelines in conjunction with the independent science team. The technical review team is composed of at least five members selected by the Director of the Department of Fish and Wildlife and staffed by the Department of Fish and Wildlife.

The Governor and the Governor's Salmon Recovery Office are required to develop a statewide salmon recovery strategy and submit it to the federal regulatory agencies by September 1, 1999. The strategy must be updated through an active public involvement process beginning September 1, 2000.

The Independent Science Panel must develop guidelines for monitoring the effectiveness of salmon habitat restoration projects and report its findings to the Governor and the Legislature. The Independent Science Panel shall be compensated by personal service contracts administered by the Salmon Recovery Office.

The Department of Fish and Wildlife's salmon and steelhead inventory and assessment project and the salmon and steelhead habitat inventory and assessment project are integrated into the statewide salmon recovery framework.

The interagency review team established in the 1998 legislation is left in effect until July 1, 2000, when it expires.

Funding for administration of the Salmon Recovery Board is transferred from the office of the Governor and Office of Financial Management to the Interagency Com-

mittee for Outdoor Recreation. Funding is provided for grants to salmon recovery projects and activities including:

- a) fish passage barrier removal
- b) habitat projects
- c) critical area updates
- d) Southwest Washington recovery region
- e) People for Salmon recovery initiative
- f) conservation district implementation of Puget Sound plan
- g) monitoring
- h) technical assistance
- i) stream corridor guidelines
- j) engineering services
- k) fish screening improvement
- l) development of selective harvest techniques
- m) reducing by-catch
- n) jobs for the environment
- o) commercial license buy-back

A salmon recovery account is created within the state treasury.

Numerous technical changes are made.

A severability clause is included.

Votes on Final Passage:

Senate 35 14

First Special Session

Senate 31 16

House 91 5 (House amended)

Senate 38 9 (Senate concurred)

Effective: July 1, 1999

Partial Veto Summary: The section changing salmon recovery definitions was vetoed. The technical review team section was vetoed in its entirety, resulting in the removal of the science-based review process for salmon recovery projects. Two sections removing funding for the Governor's office and the Office of Financial Management were vetoed. Also vetoed was the majority of section 22, which provided specific appropriations for various salmon recovery activities, resulting in more discretion for funding decisions of the salmon recovery funding board.

VETO MESSAGE ON SB 5595-S2

June 11, 1999

*To the Honorable President and Members,
The Senate of the State of Washington*

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 2, 7, 19, 20, 22(3), 22(4), and 22(5), Second Engrossed Second Substitute Senate Bill No. 5595 entitled:

"AN ACT Relating to salmon recovery funding;"

Second Engrossed Second Substitute Senate Bill No. 5595 establishes a Salmon Recovery Funding Board (Board) to oversee \$119,928,000 in state and federal money dedicated to salmon recovery. The primary purposes of this legislation are to promote public oversight of funding for salmon recovery and to provide a coordinated state funding process.

Taxpayers, the federal government, and the Legislature demand and deserve greater accountability for the large sums of

money we currently spend and will spend in the future on salmon recovery activities in our state. The Legislature has chosen to create the Board to oversee the selection of science-based salmon recovery projects and to make certain that the taxpayers' money is wisely spent. Clearly, the best projects are those that will bring back or protect the most fish.

A strong Board consisting of knowledgeable and concerned citizens from across our state is essential to the success of our statewide efforts to restore salmon runs. This legislation appropriately endows the Board with the broad powers necessary to oversee allocation of the salmon funding and to ensure that projects get done on time, stay within budget and achieve results for salmon.

In section 22 of this bill, however, the Legislature would have defeated the purpose of the Board by taking away its real authority and responsibility. Section 22 would have specifically allocated every single dollar of the salmon recovery money. Such allocation is contrary to giving the Board the responsibility to approve and finance those projects that will have the largest beneficial impact. This detailed itemization of appropriations and projects makes it almost superfluous to have a Board. It is our responsibility to make certain that there is strict accountability for the chosen projects and the money spent on them. Only a strong Board, with the authority and discretion, can do this. Further, after personally consulting with members of our congressional delegation - from both parties - I am convinced that our receipt of federal funds to restore salmon in our state would be placed in serious jeopardy without these vetoes. Members of our congressional delegation and local groups committed to salmon recovery have great expressed concern about our ability to have an effective salmon recovery plan if every dollar is pre-allocated.

For these reasons, I am compelled to veto several sections of 2E2SSB 5595 as follows:

Section 2 of the bill would have added new, important and necessary definitions to the salmon recovery statutes. However, one change would have prohibited funding updates related to the Growth Management Act, which are necessary components of salmon recovery and should not be excluded from funding.

Section 7 of the bill would create a Technical Review Team (Team) to establish funding criteria and policies, and to review requests for funding grants on behalf of the Board. Under section 7, the Team would be appointed by the Director of the Department of Fish and Wildlife and be staffed by that department. However, the Board is staffed by the Interagency Committee for Outdoor Recreation (IAC), and the IAC is to administer contracts approved by the Board. The Team would be a new scientific review group when we already have at least two other salmon recovery science entities. I agree that the function of the Team is essential to the success of salmon recovery projects, and that we should fully utilize the scientific and other expertise in the Department of Fish and Wildlife. But the scientific review and all other parts of our salmon recovery need to be part of a unified structure. Accordingly, I am requesting the director of the IAC, in consultation with the Director of the Department of Fish and Wildlife and the chair of the Board, to examine all of the various scientific and technical review groups, with the goal of recommending a comprehensive streamlined mechanism to handle the scientific aspects of salmon recovery. Additionally, I request a recommendation of an appropriate project review structure within the IAC and a report back to me on both tasks by July 15, 1999.

Sections 19 and 20 of this legislation would have removed funding for the Governor's Office and the Office of Financial Management related to the implementation of this act. My office and OFM have fundamental responsibilities related to salmon recovery and, accordingly, I have vetoed these sections to retain their funding.

Section 22 of the bill would provide a full and detailed allocation of how each of the \$119,928,000 in state and federal funding for salmon recovery is to be spent. Many of the projects are

worthwhile and I will request that the Board consider and give appropriate deference to the allocation provisions in section 22. However, we must preserve the Board's authority to make fundamental decisions about how state and federal salmon recovery money is to be spent, to ensure the recovery and preservation of our wild salmon.

For these reasons, I have vetoed sections 2, 7, 19, 20, 22(3), 22(4), and 22(5) of Second Engrossed Second Substitute Senate Bill No. 5595.

With the exception of sections 2, 7, 19, 20, 22(3), 22(4), and 22(5), Second Engrossed Second Substitute Senate Bill No. 5595 is approved.

Respectfully submitted,

Gary Locke
Governor

ESSB 5599

C 374 L 99

Regulating temporary worker housing.

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Prentice, Deccio, Rasmussen, Jacobsen, Hale and Winsley; by request of Governor Locke).

Senate Committee on Commerce, Trade, Housing & Financial Institutions
Senate Committee on Ways & Means
House Committee on State Government
House Committee on Appropriations

Background: In 1995 the Legislature enacted several initiatives to deal with the chronic shortage of decent housing for farm workers. These included regulatory streamlining, and the development of a Farm Worker Housing Code according to certain guidelines.

In 1996 the Legislature exempted goods and services used to construct, repair or improve housing for temporary farm workers from sales and use tax.

In 1998 the Legislature authorized the adoption, by administrative rule, of a Farm Worker Housing Code that had been developed by a special task force created by the 1995 act mentioned above. This code was designed to stimulate the production of housing for temporary workers through certain economies of design without compromising health and safety standards.

In 1995 an agreement was negotiated between several state agencies and the Occupational Safety and Health Administration to allow the use of worker-supplied shelter, primarily tents and campers, for the cherry harvest, if the grower provided showers, toilets, potable water, and food storage, refrigeration and preparation facilities. The cherry harvest is very labor intensive and very short in duration.

The Occupational Safety and Health Act allows the states to administer worker protection standards so long as

state standards are as effective as those established under the federal act. Generally, a single state agency is required to adopt and administer these standards.

The Legislature has designated the Department of Health as the single state agency responsible for encouraging the development of additional farm worker housing and coordinating state and local agencies to assure a regulatory system free of duplication.

The Board of Health and the Department of Labor and Industries have rule-making authority for temporary labor camps, including those which house farm workers.

Summary: The Departments of Health and Labor and Industries are directed to adopt joint rules for the licensing, operation and inspection of farm worker housing, and to adopt a formal agreement that identifies the roles of each of the two agencies with respect to the enforcement of temporary worker housing operation standards.

The Departments of Health and Labor and Industries are directed to adopt joint rules to establish worker protection standards for temporary labor camps for the cherry harvest, which are defined as a place where housing is provided for agricultural employees by agricultural employers for a period of no more than 21 days in any calendar year. Occupancy of temporary labor camps may be extended for an additional seven days under certain conditions, with the joint approval of the Department of Health and the local health officer.

Definitions of "agricultural employee" and "agricultural employer" are provided. The current definition of "temporary worker housing" is amended to limit it to agricultural worker housing.

The Department of Health must report to the Legislature on utilization of the Farm Worker Housing Building Code authorized by the Legislature in 1998. The report must be completed by December 15, 2000.

The authority of the Board of Health to adopt rules related to temporary labor camps is repealed. A direction to four agencies to develop an interagency agreement regarding inspection of farm worker housing is repealed.

Votes on Final Passage:

Senate	49	0	
House	95	0	(House amended)
Senate	43	0	(Senate concurred)

Effective: July 25, 1999

SB 5606

C 125 L 99

Providing procedures for discipline and termination of administrative appeals judges in the environmental hearings office.

By Senators Heavey and McCaslin; by request of Environmental Hearings Office.

Senate Committee on Judiciary
House Committee on Judiciary

Background: The Environmental Hearings Office was created in 1979 and consists of the Pollution Control Hearings Board, the Forest Practices Appeals Board, the Shoreline Hearings Board, and the Hydraulics Appeals Board. Currently, there are three administrative law judges with the Environmental Hearings Office.

The administrative appeals judges in the Environmental Hearings Office have concerns that, absent specific legislation, they could be disciplined or terminated at will, which would have a deleterious effect on their independence and impartiality. A "for cause" provision would formalize long standing informal office policy and would provide parity with their counter-parts in the Office of Administrative Hearings.

Summary: Judges with the Environmental Hearings Office can be terminated or disciplined only for cause. Judges who are disciplined or terminated for cause may request a written reason for the action and are entitled to review of the written decision by the Superior Court of Thurston County.

Votes on Final Passage:

Senate	45	1
House	94	0

Effective: July 25, 1999

SSB 5609

C 50 L 99

Making awards for state employees' suggestions.

By Senate Committee on Ways & Means (originally sponsored by Senators Horn, Prentice, Winsley, Haugen and Costa; by request of Secretary of State).

Senate Committee on State & Local Government
Senate Committee on Ways & Means
House Committee on State Government

Background: Employee suggestion programs are developed to encourage and reward meritorious suggestions by state employees that promote efficiency and economy in the performance of any function of state government.

The program is governed by the Productivity Board and administered by the Secretary of State. The board may approve employee suggestion awards up to \$10,000 to individual employees or employee teamwork incentive awards to groups of employees who achieve cost savings or increased revenue, not to exceed 25 percent of the savings or revenue. In addition to suggestion awards and teamwork incentive awards, agencies may give recognition awards to employees to recognize outstanding achievements, safety performance, or longevity. Such awards cannot exceed a value of \$100.

SB 5614

Summary: The Productivity Board must adopt rules establishing a payment awards schedule. Detailed criteria for determining savings or revenue generated by employee teamwork is deleted, and the board is directed to establish criteria by rule.

The board may delegate to an agency head the authority to establish an agency-unique suggestion program, with awards to be granted by the agency head pursuant to the payment award schedule adopted by the board.

The maximum allowable amount of employee recognition awards is increased from \$100 to \$200.

Votes on Final Passage:

Senate	46	0
House	91	0

Effective: July 25, 1999

SB 5614

C 93 L 99

Concerning the issuance of citations under the Washington industrial safety and health act.

By Senators Hochstatter, Oke, T. Sheldon and Heavey.

Senate Committee on Labor & Workforce Development
House Committee on Commerce & Labor

Background: Washington State employers can be cited by the Department of Labor and Industries (L&I) for violations of the Industrial Safety and Health Act. Some unsafe acts by employees may be due to unpreventable employee misconduct. Concerns exist that it would be inappropriate to penalize employers who have demonstrable safety programs, in cases of employee misconduct. Federal courts and the Occupational Safety and Health Administration (OSHA) have allowed employers to raise "unpreventable employee misconduct" as a defense to a citation.

Summary: No citation may be issued by L&I to employers in the event of unpreventable employee misconduct, if the employer can demonstrate the federal OSHA criteria for use of the defense including: the existence of a safety program, with rules and training; employer communication of the rules; discovery and correction of safety violations; and effective enforcement of its safety program.

Votes on Final Passage:

Senate	45	0
House	95	0

Effective: July 25, 1999

SSB 5615

C 94 L 99

Deleting reference to obsolete transportation accounts.

By Senate Committee on Transportation (originally sponsored by Senators Horn, Goings, Benton, Gardner, Sellar and Finkbeiner; by request of Legislative Transportation Committee).

Senate Committee on Transportation
House Committee on Transportation

Background: The Legislative Transportation Committee (LTC) has been assessing and moving towards implementation of performance based budgeting since 1995. During the 1998 interim, the LTC Fiscal Working Group had the primary responsibility for overseeing LTC efforts with respect to performance based budgeting implementation. One of the key tenets of government performance based budgeting is flexibility for executive and legislative decision-makers and department managers.

Dedicated accounts have many positive and negative attributes associated with their existence. For example, on the positive side, they usually offer a dedicated stream of revenue that can only be used for a specific purpose. Conversely, on the negative side, this binds decision-makers in both the executive and legislative branches as to their ability to make investment decisions using all available resources at their disposal.

During the 1998 session, legislation was introduced as the recommendation of the LTC Budget Working Group that eliminated and consolidated various transportation accounts following review during the 1997 interim. The 1998 interim LTC Fiscal Working Group continued the review of the over 40 transportation-related funds and accounts for possible elimination or consolidation. The funds and accounts from the 1998 legislation are included and expanded upon in this LTC request legislation.

Summary: The transfer relief account, the gasohol exemption holding account, the highway construction stabilization account, and the economic development account are repealed.

The transportation capital facilities account is repealed and the activities are transferred to the motor vehicle fund.

The marine operating account is repealed and the activities and revenue streams currently within the account are consolidated within Puget Sound ferry operations account.

The small city account and city hardship account are repealed and their activities and revenue streams are consolidated into the urban arterial trust account.

In addition, the central Puget Sound public transportation systems account is repealed and its activities and revenue stream is consolidated into the public transportation systems account. The current distribution into the public transportation systems account is simplified through the setting of a specific rate.

Votes on Final Passage:

Senate 42 0
House 95 0

Effective: June 30, 1999 (Sections 32 and 37)
July 1, 1999 (Sections 1, 2, 5-24, 29-31 and 33)
July 1, 2000 (Section 3, 25-28 and 34)
September 1, 2000 (Section 4)

SSB 5619
FULL VETO

Modifying the forest fire protection assessment process.

By Senate Committee on Natural Resources, Parks & Recreation (originally sponsored by Senator Jacobsen; by request of Office of Financial Management).

Senate Committee on Natural Resources, Parks & Recreation

House Committee on Natural Resources

Background: The Department of Natural Resources provides fire protection on private lands, which is funded partially by an assessment on private landowners and partially by the general fund. Fire protection includes both preventive measures and the actual fighting of fires when they occur. Forest landowners of small parcels can get a refund for fire assessments on more than one parcel in each county where they own land.

Summary: Owners of small parcels of forest lands may submit an application listing the parcels owned to the Department of Natural Resources (DNR) for the computation of forest fire protection assessments. The property owner may submit only one application per county. DNR must compute the assessment and allocate one parcel for collecting the assessment. The county bills the assessment to this one identified parcel. The property owner is required to notify DNR of any changes in ownership of the parcels.

Property owners with the following number of parcels may apply to DNR in the year indicated:

10 or more parcels: 2000
8 or more parcels: 2001
6 or more parcels: 2002
4 or more parcels: 2003
2 or more parcels: 2004 and thereafter

Votes on Final Passage:

Senate 46 0
House 92 0 (House amended)
Senate 44 0 (Senate concurred)

VETO MESSAGE ON SB 5619-S

May 17, 1999

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 5619 entitled:


"AN ACT Relating to forest fire protection assessment;"

Substitute Senate Bill No. 5619 created a new mechanism for owners of multiple parcels of forested land, that would have allowed them to pay the correct fire protection assessment fee, without being required to over pay and apply later for a refund. The cumbersome payment mechanism is a problem that requires attention.

However, the mechanism in this bill is also flawed and could, in time, result in inaccurate assessments and a reduction in revenues for a program that is already deficient in funding. Both the overall revenue situation and the fee collection mechanism need to be considered together as part of a comprehensive package. By vetoing of this bill, it is my intention that this fee collection issue, and broader forest fire protection, prevention, and fee issues, will be dealt with in the next legislative session.

For these reasons I have vetoed Substitute Senate Bill No. 5619 in its entirety.

Respectfully submitted,



Gary Locke
Governor

SSB 5626

C 318 L 99

Changing disbursement of medicaid incentive payments to school districts.

By Senate Committee on Education (originally sponsored by Senators Franklin, McAuliffe, Fairley, Kohl-Welles, Patterson, Costa, McCaslin, Kline, Wojahn and Rasmussen).

Senate Committee on Education
House Committee on Education
House Committee on Appropriations

Background: Washington receives federal Medicaid funds to reimburse school districts for costs incurred in providing medical services to special education students. School districts pay for medical services with state funds. The Department of Social and Health Services (DSHS) then bills Medicaid for covered services.

After administrative and billing fees are paid, the Office of the Superintendent of Public Instruction (OSPI) pays 50 percent of the Medicaid reimbursement to DSHS. The OSPI divides the remaining 50 percent, sometimes called the net federal portion, between the state general fund and the school districts. The general fund receives 80 percent of the net federal portion. The school districts receive 20 percent. Currently, a school district that bills Medicaid for \$100 would see \$10.37 returned to the district. The money received by the school districts must be used for special education students.

The 1997-99 state budget was developed on the assumption that \$11.6 million in Medicaid funds will offset state general fund expenditures as a result of billings

submitted by 264 school districts, including 201 districts with enrollments of fewer than 2,000 full-time equivalent students (second class districts). The 1998 supplemental budget assumed the passage of legislation that would have increased the Medicaid reimbursement share of second class school districts. However, the legislation did not pass.

Summary: From the time the act takes effect until July 1, 1999, second class school districts receive 50 percent and first class school districts receive 20 percent of the net federal portion of Medicaid reimbursements. Beginning on July 1, 1999, all school districts have the potential to receive up to 50 percent if they bill for all Medicaid eligible students. The corresponding rate change is made regarding private insurer funds. If the school district does not bill all its Medicaid eligible students, then the district receives less than 50 percent reimbursement.

Votes on Final Passage:

Senate	47	1	
House	95	0	(House amended)
Senate			(Senate refused to concur)
House			(House refused to recede)
Senate	45	1	(Senate concurred)

Effective: May 14, 1999 (Sections 1 and 3)
 July 1, 1999 (Sections 2 and 4)

SB 5628
 C 378 L 99

Modifying license duration and continuing education requirements for accountants.

By Senators Gardner, Heavey, Shin, Prentice, Winsley and T. Sheldon.

Senate Committee on Commerce, Trade, Housing & Financial Institutions
 House Committee on Commerce & Labor

Background: The Board of Accountancy regulates Certified Public Accountants (CPAs) to protect the public interest and promote dependable financial information. The board prescribes the qualifications of CPAs including licensing and continuing professional education requirements.

Certificates of CPAs are renewed on a biennial basis with renewal subject to completion of 80 hours of continuing education during the preceding two-year period.

Public accounting licenses must be renewed biennially, and are subject to satisfactory proof of sufficient accumulation of approved continuing education.

Summary: The CPA continuing education requirement is 120 hours during the preceding three-year period.

The Board of Accountancy provides for the transition to the three-year continuing professional education requirement terms. The board may also adopt by rule other

education standards that are consistent with those of other states to provide the most consistency with national standards.

CPA licenses must be renewed every three years, with renewal subject to the accumulation of 120 hours of continuing education.

Votes on Final Passage:

Senate	43	0	
House	90	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

SSB 5638
 C 258 L 99

Correcting fish and wildlife enforcement code provisions.

By Senate Committee on Natural Resources, Parks & Recreation (originally sponsored by Senators Hargrove, Oke, Morton and T. Sheldon; by request of Department of Fish and Wildlife).

Senate Committee on Natural Resources, Parks & Recreation
 House Committee on Natural Resources

Background: In 1998 the enforcement codes dealing with fisheries and game were merged into a single fish and wildlife enforcement code. This was a result of the merger of the two departments into the Department of Fish and Wildlife. After review of the newly merged laws by law enforcement and prosecutors, some oversights and omissions were discovered. With this input, an effort has been made to correct problems with the merged enforcement code.

Summary: Hunting and fishing regulation statutes are clarified to include trafficking and possession. Also, the regulation of the hunting of wild animals and birds, not just game animals and birds is allowed. Wild animals and birds are larger groups than game animals and birds and include animals such as coyotes.

Shellfish are clearly included as one of the animals it is illegal to waste. Shellfish collecting is subject to special restrictions or physical descriptions the department may impose. Suspensions apply to all licensed activities including dealing, guiding, and others, not just hunting and fishing.

The use of department-controlled lands, in addition to department-owned lands, is made subject to rules of the department. Firearm laws are clarified to forbid possession of a loaded firearm on a motor vehicle or unlawful use of a firearm. Current enforcement officer titles replace outdated titles.

Unlicensed commercial taxidermy, regardless of profit, is outlawed. Duplicative provisions dealing with game farms and trapping requirements are repealed.

The elements of the crime of hunting under the influence of liquor or drugs are modernized and the offense is increased to a gross misdemeanor.

Votes on Final Passage:

Senate	44	0	
House	93	0	(House amended)
Senate	43	0	(Senate concurred)

Effective: July 25, 1999

SSB 5640

C 259 L 99

Studying primary dates and speeding counting.

By Senate Committee on State & Local Government (originally sponsored by Senators Gardner and McCaslin; by request of Secretary of State).

Senate Committee on State & Local Government
House Committee on State Government

Background: General elections held by the state, county, city, town and special purpose districts for the election of federal, state, legislative, judicial, county, city, town, special purpose district and precinct officers are held on the first Tuesday after the first Monday in November. Other provisions apply for the statewide elections held every year versus those held in odd-numbered years. These provisions are usually considered to be unnecessarily confusing.

Special elections are called by the county auditor and are held on the date chosen by the governing body of the city, town or special purpose district that requests the county auditor to call the election. The local government must request the special election at least 45 days before the proposed election date. The calling of the special election is not mandatory and may occur only if the county auditor determines that an emergency exists. There is a choice of six dates on which the special election usually is held with an exception for certain years having presidential preference primaries.

Primary elections are held on either the third Tuesday of the September preceding the general election or on the seventh Tuesday immediately preceding the general election, whichever occurs first.

The filing period for declaring candidacy lasts until the Friday following the fourth Monday in July.

The nominating convention held by minor parties for candidates for partisan offices can be held not earlier than the last Saturday in June and not later than the first Saturday in July.

For the most part, overseas absentee ballots are treated similarly to other absentee ballots in the statute. The county auditor must have absentee ballots ready to mail to absentee voters at least 20 days before the primary or general election. Absentee ballots must be requested no

earlier than 45 days and no later than the day before the primary or election.

The absentee ballot must be mailed back to the county auditor no later than the day of the election or primary. The security envelopes in which the absentee ballots are mailed may not be opened until after 8:00 p.m. on the day of the primary or election. Special instructions govern the duties of the canvassing board relative to the custody of the opened return envelopes and the sealed security envelopes prior to and during the tabulation of the ballots. The canvassing board must examine the postmark and signature on the return envelope that contains the security envelope to verify the signature and that the postmark on the return envelope reflects that the ballot was mailed no later than the day of the election or primary. There is no statutory time limit by which absentee ballots must be tabulated.

The county auditor must send a mail ballot for a special election to each active registered voter not sooner than the 25th day before the election and not later than the 15th day before the election.

Summary: A 13-member task force is established to examine the issues of the timing of primary elections, canvassing of ballots, and certification of election results. The task force must report to the Governor and Legislature by December 1, 1999.

County auditors must convene canvassing boards or their designees at least every third day following an election until the time when the election is certified as long as there are at least 25 ballots remaining to be canvassed. The county auditor may exercise discretion during the final four days before certification to protect the secrecy of the ballots. Ballots received two or more days prior to the convening of each canvassing board are eligible to be canvassed. The results of each canvass are public information immediately upon completion of the canvass.

Votes on Final Passage:

Senate	36	11	
House	93	2	(House amended)
Senate			(Senate refused to concur)
House	93	2	(House amended)
Senate	39	9	(Senate concurred)

Effective: July 25, 1999

SB 5643

C 260 L 99

Revising laws on the state voters' pamphlet.

By Senators Gardner, Horn, McDonald and Oke; by request of Secretary of State.

Senate Committee on State & Local Government
House Committee on State Government

Background: Current law sets standards for the formatting, content, printing, and distribution of voters' and candidates' pamphlets. Provisions relating to the contents, submissions, rejection of statements, publication, and distribution of voters' pamphlets are addressed independently of similar provisions relating to candidates' pamphlets, although the two pamphlets must be consolidated into a single pamphlet whenever possible.

The Secretary of State's Office is requesting this legislation to combine the chapters into one law and provide greater efficiency and responsiveness through simplified language, a more effective format, a more flexible schedule of deadlines for submissions, and a simplified process for committee creation.

Summary: The provisions governing the publication and distribution of state voters' pamphlets and state candidates' pamphlets by the Secretary of State are consolidated. A single voters' pamphlet, including both candidate and ballot measure information, is published and distributed to each household, public library, and other location deemed appropriate preceding any general election when at least one statewide measure or office is scheduled to appear on the ballot.

The Secretary of State is directed to determine the format and layout of the voters' pamphlet. Information regarding candidates, participation process, party information, and an application form for an absentee ballot must be included in the pamphlet in specified years. The pamphlet must provide legal identification of measures by serial number and ballot title, Attorney General's statements regarding the current law and effect of the proposed measure, total number of votes cast if passed by the Legislature, arguments for and against measures and rebuttal statements, names of the committee members who submitted the statements, and the full text of each measure.

A committee of the Secretary of State and the presiding officers of the Senate and House appoint two members of each drafting committee to prepare statements for and against ballot measures, including referendum bills and state constitutional amendments. The appointing committee must consider appointing, but need not appoint, legislators to any of these committees. The initial two members of each committee may select up to four additional members.

Arguments prepared by committees for or against ballot measures may contain graphs and charts supported by factual statistical data and pictures or other illustrations, but not cartoons or caricatures. The Secretary of State may petition the court for a judicial determination that a statement may be rejected if, in the secretary's opinion, a statement contains matter that is obscene or otherwise prohibited from mail circulation. A person who believes he or she may be defamed by a statement may also petition the court for a judicial determination that the statement may be rejected.

The Secretary of State is given discretion to establish, by rule, deadlines for submission of materials, standards for candidate photographs, and determine the format and printing standards for the pamphlet. Standards for printing amendments to the state Constitution, reflecting deletions and additions, are modified and made applicable to all ballot measures.

Chapters relating to voters' pamphlets and candidates' pamphlets are repealed.

Other clarifying and technical changes are made.

Votes on Final Passage:

Senate	46	0	
House	91	0	(House amended)
Senate	41	0	(Senate concurred)

Effective: July 25, 1999

SB 5648

C 95 L 99

Providing consistency in definitions regarding businesses furnishing lodging.

By Senator Haugen.

Senate Committee on Commerce, Trade, Housing & Financial Institutions

House Committee on Commerce & Labor

Background: Hotels, inns or public lodging houses are defined for some purposes as accommodations having 15 or more rooms.

Hotels must keep records on the arrival and departure of guests for one year. Hotels also have limited liability for the property of guests under several circumstances, including for hotels with safes or for loss or damage to luggage.

It is a gross misdemeanor to obtain services at a hotel by fraud, and for more than \$75 of services, it is a felony.

Hotel keepers may have a lien for charges due upon a guest's baggage or other property that is brought into the hotel. After retaining the property for certain amounts of time, a hotel may also give notice and sell the property to cover the charges.

Summary: Hotels are defined as accommodations with three or more rooms.

Votes on Final Passage:

Senate	43	0
House	95	0

Effective: July 25, 1999

ESB 5649
PARTIAL VETO
 C 398 L 99

Regulating security for long-term impounds.

By Senators Haugen, Sellar and Goings.

Senate Committee on Transportation
 House Committee on Transportation

Background: A vehicle operated by a person with a suspended driver's license is subject to impoundment by a law enforcement officer. If a vehicle is impounded because the operator was driving with a suspended license, the vehicle may be held for up to 30, 60, or 90 days at the written direction of the agency ordering the impound.

When a tow truck operator impounds an abandoned vehicle, the operator must immediately send an abandoned vehicle report to the Department of Licensing. The abandoned vehicle report does not have to be sent when the impoundment is pursuant to a police hold. In the case of a police hold, an abandoned vehicle report does not have to be sent until the police hold is no longer in effect.

When a tow truck operator impounds an unauthorized vehicle, the operator is responsible for notifying the legal and registered owners of the impoundment. Only the legal or registered owner may redeem the vehicle. If the operator of the vehicle was arrested for driving with a suspended license, the vehicle may not be redeemed until the registered or legal owner pays all towing, removal, and storage fees.

When a vehicle has not been redeemed within 15 days from the date the tow truck operator provided notice of custody, the tow truck operator must publish a notice and conduct a sale of the vehicle at public auction.

Summary: "Suspended-license impound" is defined as an impound for up to 30, 60, or 90 days ordered because the operator of the vehicle was driving with a suspended license.

The tow truck operator may send an abandoned vehicle report prior to the end of the police hold.

If a suspended-license impound is ordered, the notice to the legal and registered owners must state the length of the impound, the requirement of posting a security deposit, notice that without the security deposit the vehicle will be sold at auction, and notice that the registered owner is ineligible to purchase the vehicle at auction.

A person who wants to redeem a vehicle at the end of the suspended-license impound must pay a security deposit to the tow truck operator within five days of the impound. To redeem the vehicle, the registered owner must establish with the court having jurisdiction or the agency that ordered the impound that all fines have been paid. Tow truck operators are not liable for damages if they relied in good faith on a document from the agency or court.

The tow truck operator may not require a security deposit of more than half of the applicable impound storage rate for each day of the proposed impound. If the tow truck operator does not receive a security deposit, the operator may sell the vehicle at auction under the current statutory time limits. The registered owner may redeem the vehicle up to 24 hours before the beginning of the auction. If the vehicle is sold at auction for more than the impound costs, the additional money must be returned to the owner of the vehicle. The registered owner may not purchase the vehicle at auction.

A rental car business may immediately redeem a vehicle upon paying the impound and storage costs. A motor vehicle dealer or lender may lawfully repossess a vehicle upon paying the impound and storage costs. The dealer may not knowingly repossess the vehicle and return it to the registered owner.

It is unlawful for a motor vehicle dealer to knowingly engage in collusion with the registered owner of a vehicle to repossess the vehicle and return or resell it to the registered owner in an attempt to avoid a suspended-license impound.

Votes on Final Passage:

Senate	46	0	
House	95	0	(House amended)
Senate	41	0	(Senate concurred)

Effective: July 25, 1999

Partial Veto Summary: The section of the bill requiring tow truck operators to send excess auction proceeds directly to the owner of the abandoned vehicle, instead of the motor vehicle fund, is eliminated.

VETO MESSAGE ON SB 5649

May 18, 1999

To the Honorable President and Members,
 The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 8, Engrossed Senate Bill No. 5649 entitled:

"AN ACT Relating to vehicle impound notices, security, and auctions;"

Engrossed Senate Bill No. 5649 helps make vehicle impoundment and release more efficient, provides protections for tow truck operators, and enacts several related miscellaneous provisions.

Under current law, when a tow truck operator auctions an abandoned vehicle, any proceeds above towing and storage charges must be sent to the Department of Licensing for deposit in the Motor Vehicle Fund. The owner who abandoned the auctioned vehicle can recover the proceeds by filing a claim within one year – however, most do not.

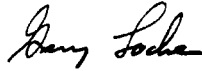
Section 8 of ESB 5649 would require tow truck operators to send excess auction proceeds directly to the owner of the abandoned vehicle, instead of the Motor Vehicle Fund. However, there is no provision for disposition of the proceeds if the owner cannot be located. This change would reduce Motor Vehicle Fund revenue by nearly \$700,000 in the next biennium, depriving the state of funds for needed transportation projects. Present law sufficiently protects owners who care to file claims for excess auction proceeds.

SSB 5651

For these reasons, I have vetoed section 8 of Engrossed Senate Bill No. 5649.

With the exception of section 8, Engrossed Senate Bill No. 5649 is approved.

Respectfully submitted,



Gary Locke
Governor

SSB 5651

C 51 L 99

Requiring a purchaser of timber by contract to provide proof of payment of all taxes before release of a performance bond.

By Senate Committee on Natural Resources, Parks & Recreation (originally sponsored by Senators Winsley and Loveland).

Senate Committee on Natural Resources, Parks & Recreation

Senate Committee on Ways & Means

House Committee on Natural Resources

Background: When timber is purchased at public auction from the Department of Natural Resources, the purchaser must deliver a performance bond or sureties acceptable in regards to the terms and the amount due to the Department of Natural Resources. Following the time that the timber is cut, the state releases the sureties or the bond. At the present time, there is no requirement that all taxes must be paid by the purchaser when the bond is released.

Summary: The purchaser of timber must pay all taxes including the excise and personal property taxes that are due or that become due as a result of a timber contract. The county treasurer must provide a receipt to the purchaser within 30 days.

Votes on Final Passage:

Senate	45	0
House	91	0

Effective: July 25, 1999

SB 5652

C 52 L 99

Increasing statutory limits on appraiser fees in eminent domain proceedings.

By Senators Bauer and Sellar.

Senate Committee on Judiciary
Senate Committee on Transportation
House Committee on Transportation

Background: State and local governments may acquire title to land without the owner's consent under the power of eminent domain. The land must be taken for some legitimate public purpose and the owner of the land must receive just compensation for his or her loss. In most cases, just compensation equals the fair market value of the land.

An owner of land will sometimes evaluate the offer made by the governmental entity taking the land (condemnor) by hiring an appraiser. The condemnor must then reimburse the owner for the appraiser's services. This expense is currently capped at \$200.

The Appraisers Coalition of Washington suggests that the \$200 cap, which was set in 1967, be raised to \$750 as this amount more accurately reflects the cost of appraisals and other expenditures made by landowners. In addition, landowners rely upon appraisers to obtain an assessment of the value of their land and the current cap limits the numbers of appraisers willing to do condemnation work.

Summary: Reimbursement from a governmental entity taking property by eminent domain for a landowner's expenses to evaluate the property may not exceed \$750.

Votes on Final Passage:

Senate	47	0
House	91	0

Effective: July 25, 1999

E2SSB 5658

C 126 L 99

Changing shellfish provisions.

By Senate Committee on Ways & Means (originally sponsored by Senators Spanel, Hargrove and Snyder).

Senate Committee on Natural Resources, Parks & Recreation

Senate Committee on Ways & Means

House Committee on Natural Resources

Background: The harvesting of sea urchins and sea cucumbers is limited to 45 sea urchin and 50 sea cucumber licenses. A licensee must harvest and sell 20,000 pounds of urchin and 10,000 pounds of cucumber every two years in order to renew his or her license. Licenses may only be transferred upon death, divorce, or to a child or spouse. Because of recent limitations placed on these fisheries by court decisions and the size of the resource, it has become very difficult for some harvesters to maintain their licenses. Some licensees wish to transfer their licenses to others.

Summary: Only 25 dive fishery licenses for the harvest of sea urchins and 25 for sea cucumbers are allowed.

Only natural persons may renew licenses after December 31, 1999. Each natural person is limited to a maximum of two urchin and two cucumber licenses.

Sea urchin and sea cucumber dive fishery accounts are created to reduce the number of licenses to 25 each, and for resource management and enforcement. Surcharges are paid into the respective accounts for license renewals, designation of alternate operators, and transference of licenses. The funds are subject to allotment. A one-time exemption is allowed for a transference to a spouse or child.

The excise tax on sea urchins and sea cucumbers is raised to 4.6 percent from January 1, 2000, until December 31, 2005, and returned to 2.1 percent thereafter. The additional tax is paid into the respective dive fishery retirement accounts.

Votes on Final Passage:

Senate	46	0
House	95	0

Effective: July 25, 1999 (Sections 1, 2 and 4)
January 1, 2000 (Section 3)

ESSB 5661

C 220 L 99

Providing clarification and administrative simplification for the leasehold excise tax.

By Senate Committee on Ways & Means (originally sponsored by Senators Rasmussen and Honeyford; by request of Department of Revenue).

Senate Committee on Ways & Means
House Committee on Finance

Background: Property owned by federal, state, or local governments is exempt from the property tax. However, private lessees of government property are subject to the leasehold excise tax. The purpose of the leasehold excise tax is to impose a tax burden on persons using publicly-owned, tax-exempt property similar to the property tax that they would pay if they owned the property. The tax is collected by public entities that lease property to private parties. The tax rate is 12.84 percent of the amount paid in rent for the public property. Cities and counties may impose a local tax which is credited against the state tax.

Occupancy or use for the purpose of removing materials or products purchased from a public owner or the lessee of a public owner is not taxable. The department does not tax permits to remove cut or picked evergreen foliage (brush picking), Cascara bark, wild edible mushrooms, native ornamental trees and shrubs, ore and minerals, natural gas, or geothermal water and steam. The Department of Revenue has ruled administratively that certain types of federal livestock grazing permits are not

taxable. However, other federal permits, as well as state livestock grazing permits, continue to be taxable.

The department has also ruled administratively that natural gas exploration leases are not taxable. It has not been determined if geothermal exploration leases are taxable.

The tax is imposed on the contract rent. For leases where rent is paid by the delivery of agricultural products, the value of the agricultural products received as rent is the value at the place of delivery as of the 15th of the month of delivery. For all other products received as rent, the value is the value determined at the time of sale under the lease.

Leasehold interests with annual rent of less than \$250 are exempt from tax.

Summary: For purposes of permits to remove materials and products from public lands that are not taxable, "products" include natural resource products such as cut or picked evergreen foliage, Cascara bark, wild edible mushrooms, native ornamental trees and shrubs, ore and minerals, natural gas, geothermal water and steam, and forage removed through the grazing of livestock.

The use of public lands for natural resource energy exploration is exempt from tax.

For leases where rent is paid by the delivery of agricultural products, the value of the agricultural products received as rent is the value at the time of sale.

Votes on Final Passage:

Senate	48	0	
House	92	0	(House amended)
Senate	39	0	(Senate concurred)

Effective: July 25, 1999

SSB 5666

C 278 L 99

Simplifying acquisitions procedures for wreckers.

By Senate Committee on Transportation (originally sponsored by Senators Rasmussen, Long, Goings, Johnson and Haugen).

Senate Committee on Transportation
House Committee on Transportation

Background: A vehicle wrecker must keep books or files on every major component part acquired by the wrecker. The major component parts must be identified by the vehicle identification number of the vehicle from which the part came. The wrecker's books must also include information regarding the vehicle that was the source of the major component part. Failure to comply with these requirements is a gross misdemeanor.

When an owner of a vehicle transfers his or her vehicle, he or she must provide a report of sale to the Department of Licensing. The report of sale must include

ESSB 5668

the date of the sale or transfer, the name and address of the owner and of the transferee, and a description of the vehicle. Within 15 days after delivery of the vehicle, the buyer must apply for a new certificate of title.

Within 30 days after acquiring a vehicle, a wrecker must furnish a report to the Department of Licensing. The report must be accompanied by evidence of ownership of the vehicle.

Summary: "Core" is defined as a major component part received by a vehicle wrecker in exchange for a like part sold by the wrecker. Cores are exempt from the record-keeping requirements for major component parts. Cores may only be sold for scrap metal value or remanufacture. Wreckers must keep files that include the name of the person from whom they received the core.

An interim owner is an individual in possession of the vehicle and to whom the previous owner assigned the certificate of ownership.

No vehicle wrecker may acquire a vehicle from an interim owner without first obtaining evidence of ownership as determined by the Department of Licensing. Evidence of ownership does not include a certificate of ownership in the name of the interim owner.

Votes on Final Passage:

Senate	46	0	
House	95	0	(House amended)
Senate	43	0	(Senate concurred)

Effective: July 25, 1999

ESSB 5668

C 21 L 99

Regarding criminal records checks for volunteers who have regularly scheduled unsupervised access to children.

By Senate Committee on Education (originally sponsored by Senators West, T. Sheldon, Patterson, Heavey, Snyder, Oke, Costa and Rasmussen).

Senate Committee on Education
House Committee on Education

Background: Since 1992, state law has required all public school employee applicants (certificated and classified) who will have regularly scheduled unsupervised access to children to undergo a fingerprint-record check to discover any in-state or out-of-state criminal records. Currently state law does not require public school volunteers to undergo a fingerprint-record check, although some districts have policies requiring volunteers to undergo an in-state criminal record check.

Several state laws permit the request of in-state criminal record information. Unless the request is for a nonprofit organization or for criminal justice purposes, there is a fee. Health care facilities have specific authority

to share copies of completed in-state criminal background check information in certain circumstances.

Summary: Businesses, schools, organizations, and agencies may share an individual's criminal records check information with school districts, if the individual is a volunteer with the school district and the individual permits the sharing of information.

If a school volunteer tells a school he or she has undergone a records check in the past two years, then the school may ask the volunteer to furnish the school with the record check information or to sign a release to the business, school, organization, or agency that sought the information. Once the school requests the information from the business, school, organization, or agency, it must be furnished to the school. If the information is shared, the school must also require the volunteer to sign a statement indicating that there has been no conviction since the check was made. Those who share the information in accordance with this act have immunity from liability for sharing the information.

Votes on Final Passage:

Senate	48	0
House	93	0

Effective: July 25, 1999

SSB 5669

C 22 L 99

Regulating conversion vending units and medical units.

By Senate Committee on Labor & Workforce Development (originally sponsored by Senators Snyder and Brown).

Senate Committee on Labor & Workforce Development
House Committee on Commerce & Labor

Background: Trailers and motor vehicles may be converted by individuals or manufacturers for a variety of uses.

Conversion vendor units may be used to sell food or other items at temporary locations such as county fairs. Medical units may be used to deliver medical services at temporary locations, including rural areas that could not support permanent facilities.

The Department of Labor and Industries regulates many of these conversion units as commercial coaches, requiring them to meet demanding structural and physical requirements.

It may be impractical, costly and unnecessary for some of these requirements to be met. Consequently, operators may go through a potentially lengthy and difficult process of obtaining department approval for variations from commercial coach standards.

Summary: Conversion vendor units and medical units are defined. Conversion vendor units are limited to eight

feet, six inches in width, and 40 feet in length. Medical units are self-propelled units not including emergency vehicles.

The director must adopt rules for these units designed to protect the occupants against fire and address other life safety issues. The structural requirements of these units are reduced, requiring a design capable of supporting a concentrated load of 500 pounds.

The law regulating factory assembled structures is updated to reflect the categories of conversion vendor and medical units.

Votes on Final Passage:

Senate	49	0
House	93	0

Effective: July 25, 1999

SB 5670

C 11 L 99 E1

Creating criteria for the issuance of water quality permits for the treatment of noxious weeds.

By Senators Snyder and Rasmussen.

Senate Committee on Natural Resources, Parks & Recreation

House Committee on Agriculture & Ecology

Background: Spartina is classified as an aquatic noxious weed. The Department of Agriculture is primarily responsible for controlling Spartina. In doing so, it is required to apply to the Department of Ecology for a permit to apply certain experimental herbicides. The Department of Ecology sets the conditions for application.

Summary: The application of herbicides and surfactants registered to control Spartina and other noxious weeds, subject to certain specified conditions of application and water quality criteria is authorized. Permits for such applications are valid for five years.

Application of experimental herbicides is also authorized. Those applications are exempt from the State Environmental Policy Act.

The Department of Agriculture may add assessments of possible herbicide application changes to the existing environmental impact statement, rather than issuing a new statement.

Votes on Final Passage:

Senate	46	0	
House	70	26	(House amended)
Senate			(Senate refused to concur)

First Special Session

Senate	45	0
House	93	1

Effective: June 7, 1999

SSB 5671

C 191 L 99

Changing provisions relating to anarchy and sabotage.

By Senate Committee on Judiciary (originally sponsored by Senators Kline, Fairley, Johnson and Thibaudeau).

Senate Committee on Judiciary
House Committee on Judiciary

Background: The anarchy and sabotage statute that is current law in Washington was passed in the early years of this century.

Concern exists that many of the provisions of this statute might not pass constitutional muster if challenged.

Summary: All but two sections of the anarchy and sabotage statutes are repealed. Those two sections are amended to define the crimes of assembling to commit criminal sabotage and committing criminal sabotage.

Votes on Final Passage:

Senate	46	0	
House	95	0	(House amended)
Senate	48	0	(Senate concurred)

Effective: July 25, 1999

SSB 5672

C 283 L 99

Retaliating against a whistleblower.

By Senate Committee on State & Local Government (originally sponsored by Senators Kline, Costa, Prentice, Fraser, Fairley, Shin, Kohl-Welles, Haugen, Hargrove and McAuliffe).

Senate Committee on State & Local Government
House Committee on State Government

Background: Whistleblowers are state employees who in good faith report alleged improper governmental action to the State Auditor. This includes employees who are believed to have reported improper governmental action but who actually have not, and employees who provide information in good faith to the Auditor in connection with a whistleblower investigation. Improper governmental action does not include personnel actions.

When a whistleblower can prove both that he or she has been subjected to workplace retaliation and that the retaliation occurred as a result of the person being a whistleblower, then the remedies provided under the statutes governing the Human Rights Commission (HRC) apply. There is a list of 12 actions given as examples of retaliation.

The State Auditor refers cases of alleged retaliation to the HRC for investigation as an unfair practice. The HRC also has responsibility for investigating complaints of unfair practices due to discrimination because of race, creed,

ESSB 5693

color, national origin, sex, marital status, age, or mental or physical disability. These complaints must allege violation of the law in employment, places of public accommodation, credit or insurance transactions.

In seven years, out of 65 whistleblower retaliation complaints, the HRC has found reasonable cause to believe that retaliation against a whistleblower has been, or is being committed, only once. It is argued that the whistleblower is at a disadvantage in having to prove that the reason why an agency took retaliatory action against him or her is because the person was a whistleblower. The one case where the HRC decided the whistleblower met this burden is scheduled to be heard before an administrative law judge under the Administrative Procedure Act in 1999.

Summary: If the whistleblower can prove that a retaliatory action was taken against him or her, then a cause of action for the remedies under the statutes governing the HRC is established. The agency presumed to have taken this retaliation action may rebut that presumption by proving by a preponderance of the evidence that the action was justified for reasons unrelated to the person's status as a whistleblower. A 13th example of retaliation is specified, that being an unwanted change in the location of the employee's workplace or an unwanted change in the basic nature of the employee's job.

Votes on Final Passage:

Senate	49	0	
House	96	0	(House amended)
Senate	41	1	(Senate concurred)

Effective: July 25, 1999

ESSB 5693

PARTIAL VETO

C 384 L 99

Establishing the developmental disabilities endowment trust fund.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Wojahn, McDonald, Deccio, Thibaudeau, Roach, Winsley, Oke, Rasmussen, Prentice and Costa).

Senate Committee on Health & Long-Term Care
Senate Committee on Ways & Means

Background: Individuals with developmental disabilities have conditions related to mental retardation, cerebral palsy, autism or other neurological conditions which originated before their 18th birthday and are expected to continue indefinitely.

Most persons with developmental disabilities reside at home, some receiving an array of services through state and federal-funded programs. Others reside in residential

facilities in the community or institutions operated specifically for the developmentally disabled.

It is recognized that people with developmental disabilities need services throughout their lives and well beyond the point when their families can support them. Providing for these on-going services as caregivers age is important for these families.

Summary: The developmental disabilities endowment trust fund is created. The endowment is funded through private contributions and state appropriations and invested by the State Investment Board.

The operations of the endowment fund are directed by a seven-member governing board made up of people with experience in finance, business, developmental disabilities services or public policy. At least three members must be family members of people with developmental disabilities.

The governing board must contract for the development of a proposed operating plan which is to include: actuarial and financial analysis of and recommendation on alternative service levels and cost; participation rates; contribution levels; eligibility criteria; and administrative mechanism and costs.

Private contributions and the associated state match are reserved for use by the person on whose behalf they were contributed.

The governing board must submit the proposed operating plan to the Legislature by October 1, 2000, but further legislation is not required before the program is implemented. The governing board can either administer the plan through the Department of Community, Trade, and Economic Development or contract for a private administrator.

The provisions of this act are put under the chapter of law that governs the community, trade, and economic development agency.

Votes on Final Passage:

Senate	49	0
House	96	0

Effective: July 25, 1999

Partial Veto Summary: Two sections were vetoed: Section 3, which authorized the State Investment Board to invest funds from the endowment, and Section 6, which outlined a proposed operating plan for the fund.

VETO MESSAGE ON SB 5693-S

May 18, 1999

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 3 and 6, Engrossed Substitute Senate Bill No. 5693 entitled:

"AN ACT Relating to establishing a public/private endowment for developmental disabilities services;"

Engrossed Substitute Senate Bill No. 5693 creates a developmental disabilities fund that is funded through private contributions and state appropriations. Its intent is to encourage and assist families engaging in long-range financial planning for the

lifetime care of family members with disabilities by seeking private contributions to a state managed endowment.

While I agree with this intent and understand the desire of parents to make sure that they have planned for the lifetime care of a family member with disabilities, there are many fundamental policy issues unanswered in this bill:

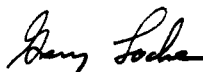
- The legislation contains no definition of "developmentally disabled." A state-supported endowment should use the same or very similar definition as used in other state-funded programs for people with developmental disabilities in order to allow coordination with existing state-supported programs.
- This legislation provides no opportunity for the State Investment Board to invest in non-governmental securities.
- This legislation does not preclude using state funds for additional services beyond the case management plan. State dollars should not be used to fund additional services beyond a case management plan.
- It needs clarification that while a governing board will work out the rules in concert with the Department of Community, Trade and Economic Development (CTED), it is CTED that will formally adopt the rules. CTED should adopt any rules needed to govern provision of services and dispersal of funds.
- It is unclear if the program is just for individuals whose families contribute, or for all families. Provisions must be made for distribution of funds when contributions are made by entities that do not have family members benefiting from the fund.
- It is unclear as to the responsibility of the endowment fund when funds last longer than the life of a person with developmental disabilities or when the person lives longer than fund contributions.

Section 3 of the bill is related to the powers of the State Investment Board with regard to the endowment. Section 6 relates to the development of the proposed operating plan. My intent with this veto is to allow the creation of an endowment, but remove mechanisms for distribution of funds and functions for the governing board. I anticipate that the policy concerns I have outlined will be dealt with during the next legislative session.

For these reasons, I have vetoed sections 3 and 6 of Engrossed Substitute Senate Bill No. 5693.

With the exception of sections 3 and 6, Engrossed Substitute Senate Bill No. 5693 is approved."

Respectfully submitted,



Gary Locke
Governor

SB 5702

C 127 L 99

Changing physician assistant licensing and practice requirements.

By Senators Thibaudeau and Deccio.

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: Current law requires the Medical Quality Assurance Commission to adopt rules establishing the qualifications for the licensure of physician assistants. Qualifications for osteopathic physicians' assistants are set by rule by the Board of Osteopathic Medicine and Surgery. Among the requirements for both of these

professions is that of eligibility to take an approved examination; however, nothing states that the examination must actually be taken or passed. Some feel that further clarification is needed to assure that all applicants take and pass the examination.

Summary: Rules governing physician assistants and osteopathic physicians' assistants must require an applicant for licensure to successfully take and pass an examination within one year of completing their respective training programs. A one-year interim permit may be granted for those who meet all other licensing requirements.

Votes on Final Passage:

Senate	48	0
House	95	0

Effective: July 25, 1999

SSB 5706

C 277 L 99

Decriminalizing license fraud and establishing a license fraud task force in the Washington state patrol.

By Senate Committee on Transportation (originally sponsored by Senators Bauer, Haugen, Sellar, Benton, Shin, Eide, Prentice, Oke, Rasmussen, Jacobsen and Winsley).

Senate Committee on Transportation
House Committee on Transportation

Background: Failure to register a vehicle in Washington before operating it on a state highway constitutes a misdemeanor with a fine of no less than \$330. Licensing a vehicle in another state to evade any tax or license fee is a gross misdemeanor, punishable by up to one year in the county jail and a fine equal to twice the amount of the delinquent taxes and fees.

Registering an aircraft in another state or registering a vessel in another state or foreign country to avoid the Washington excise tax constitutes a gross misdemeanor. Failure to pay the annual tax imposed on a travel trailer or camper is a misdemeanor.

Failure to pay any excise taxes by the due date will result in a penalty of 5 percent of the amount of the tax. Failure to pay within one month of the due date will result in a penalty of 10 percent of the tax and failure to pay within two months will result in a penalty of 20 percent of the tax.

Summary: The Legislature intends to decriminalize license fraud and impose stronger civil penalties upon residents who do not comply with state vehicle registration laws.

The Washington State Patrol coordinates a License Fraud Task Force. One sergeant coordinates three task force detectives, one Department of Revenue tax discovery agent, and an Assistant Attorney General.

ESSB 5712

Anyone who fails to register a vehicle before operating it on a state highway is liable for a penalty of \$350 for each violation. Individuals who license a vehicle in another state to avoid paying any tax or license fee are liable for a minimum monetary penalty of \$1,000 and a maximum penalty of \$10,000. Failure to renew an expired registration remains a traffic infraction.

Any individual who fails to pay the aircraft excise tax, the watercraft excise tax, or the trailers and campers excise tax is liable for a minimum monetary penalty of \$1,000 and a maximum penalty of \$10,000.

If an individual does not pay the State Patrol within 15 days of the notice of the penalty, the Attorney General brings an action in superior court to recover the penalty, administrative fees, and attorney's fees. All penalties recovered must be paid into the state treasury and credited to the State Patrol highway account.

There is a rebuttable presumption of a tax deficiency and intent to avoid the excise taxes if a person failed to properly register or license a motor vehicle, aircraft, watercraft, trailer, or camper.

Votes on Final Passage:

Senate	47	0	
House	93	0	(House amended)
Senate	40	0	(Senate concurred)

Effective: July 25, 1999

ESSB 5712

C 129 L 99

Regulating motel liquor licenses.

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Prentice, Hale, Bauer, West and Winsley).

Senate Committee on Commerce, Trade, Housing & Financial Institutions

House Committee on Commerce & Labor

House Committee on Appropriations

Background: The Liquor Control Board may issue a motel retail liquor license to a facility that offers three or more self contained units to travelers for overnight lodging. The licensee may sell spirits, beer, and wine in small containers through a locked honor bar located in the guest's room. An honor bar is a cabinet or refrigerator secured by a lock to which the guest has access. The honor bar must also contain snack foods. No more than half of the guest rooms in a licensee's facility may have honor bars.

A motel licensee may not hold any other liquor license. Typically, a motel license is issued to a facility that does not have a restaurant on the premises.

The Liquor Control Board sets the fee for the motel retail liquor license. The current fee is \$300. As of 1997, there was one licensee.

The Liquor Control Board may issue a special permit to allow a business not otherwise licensed by the Liquor Control Board to serve liquor that is consumed on the business premises. All liquor purchased by the business for this purpose must be purchased at retail from a licensed retailer. Liquor provided to guests under this permit must be provided at no charge and in a specified location.

The permit is issued for one year and the permit fee is \$500.

Summary: The restriction against a motel licensee holding any other liquor license is removed.

A motel license also allows the licensee to serve beer and wine by the individual serving to overnight guests without additional charge. The service must be on a regular date, at a regular time and place as set by the Liquor Control Board. The beer and wine must be served by an employee who has received alcohol server training. No self service is authorized.

The annual license fee is established by the Legislature, rather than the Liquor Control Board, at \$500.

Votes on Final Passage:

Senate	41	5
House	91	1

Effective: July 25, 1999

ESB 5720

C 192 L 99

Promoting cooperative real estate research.

By Senators Shin, Sheahan, Kohl-Welles, Finkbeiner, Prentice, Horn, T. Sheldon, Kline, Jacobsen, West and Oke.

Senate Committee on Higher Education

House Committee on Commerce & Labor

House Committee on Appropriations

Background: The Washington Center for Real Estate Research was established in 1989 by the Washington State University Board of Regents to provide continuing research, education and technical assistance to licensed real estate brokers and salespersons, educational institutions, state and local governments, the real estate industry, and the general public. The center has been supported by money from Washington State University, the Washington Real Estate Commission, and other individuals and organizations.

For the 1997-99 biennium, the center is operating under an agreement with the Department of Licensing totaling \$250,000. This money comes from the real estate education account that is funded by interest earned on real estate brokers' trust accounts. The designated purpose of this account is to carry out educational programs for real estate licensees. The 1997-99 biennial appropriation to

the Department of Licensing from the real estate education account was \$660,000.

Real estate brokers and salespersons pay license fees upon qualification that are renewable every two years. The original license fee is \$160 for brokers and \$100 for salespersons. License fee amounts are the same for renewal. For 1998, there were 8,120 active licensed brokers and 2,688 inactive licensees. Salespersons numbered 18,164 active licensees and 14,780 inactive licensees.

Summary: The Washington real estate research account is created. This account is funded through a fee of \$10 that is assessed on each real estate broker, associate broker, and salesperson originally licensed after October 1, 1999. The fee is also assessed on each license renewal for licenses that expire after October 1, 1999. The account is appropriated and in the custody of the State Treasurer. Interest generated by the account goes to the general fund. The account funds a Real Estate Research Center in Washington State.

The Real Estate Research Center provides research and information to the real estate community, licensees, consumers, public agencies, and other service providers and users. The Real Estate Research Center may conduct studies and research on affordable housing. Additionally, the center conducts studies related to urban and rural economics and economically isolated communities, disseminates its findings, and supplies results to the regulatory functions of the Washington State Real Estate Commission. The Real Estate Research Center also encourages economic growth within the state and supports the professional development of Washington real estate licensees. The center makes legislative recommendations and publishes an annual report within three months of the conclusion of each fiscal year.

Regarding the operation of the center, the director establishes a memorandum of understanding with an institute of higher education to establish the center. The specific purposes of the center, listed above, expire September 30, 2005.

Votes on Final Passage:

Senate	40	7	
House	90	2	(House amended)
Senate	43	4	(Senate concurred)

Effective: July 25, 1999

SSB 5728

C 284 L 99

Determining the validity of proposed bond issues.

By Senate Committee on State & Local Government (originally sponsored by Senators Winsley, Haugen, McCaslin and Hale).

Senate Committee on State & Local Government
House Committee on Judiciary

Background: A local government entity that wishes to issue a bond may follow a statutorily prescribed procedure to determine if the issuance is valid. The procedure involves a lawsuit with the government entity acting as the plaintiff and the affected citizens who must repay the bond acting as the defendant. Both sides of the suit are funded by the government. A court decision regarding the validity of the bond is binding on all parties to the suit.

If a controversy arises after the court issues a decision, the government may face new litigation. This may result in a challenge after the bonds have been issued and sold, creating problems for the government entity and bond holders.

It has been suggested that the statute's language is confusing and may not be broad enough to cover all situations that may arise. It has also been suggested that the process could be simplified to avoid duplicitous litigation.

Summary: Provisions for testing and determining the validity of bond issues are expanded to include the state. Only one suit on a bond issuance is allowed and the judgment of the court must be binding upon all persons.

References to "taxpayers" are replaced by "interested parties" which includes taxpayers, ratepayers, or any other person who has any interest in the bond or the project for which the bond is issued.

A new provision is added requiring that notice of the action be published in the newspaper. Definitions are added and other clarifying and technical changes are made.

Votes on Final Passage:

Senate	41	1	
House	95	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: July 25, 1999

SSB 5729

C 116 L 99

Establishing parameters for solid waste facility locational standards.

By Senate Committee on Environmental Quality & Water Resources (originally sponsored by Senators Rasmussen and Swecker).

Senate Committee on Environmental Quality & Water Resources

Background: The Department of Ecology (DOE) has adopted "minimum functional standards" to describe the performance, design, siting, maintenance, and operating requirements for solid waste landfills. In 1993, DOE issued its final regulations addressing the minimum functional standards which apply to municipal solid waste

landfills. The minimum functional standards which apply to all other types of landfills are covered by rule under a less stringent standard. Local health departments may require more stringent measures for landfill facilities in their jurisdiction.

The current minimal functional standards for municipal solid waste landfills include location criteria, construction and liner requirements, operational standards, and ground and surface water monitoring requirements.

Summary: Stringent siting and design standards are specified for large, above-grade landfills. These landfills have a design of greater than 100 acres, average more than 100 feet in height above the existing site and are wholly new facilities. For these facilities, the following new requirements apply:

- (1) must be more than five miles from a national park or a public or private nonprofit zoological park displaying native animals in the native habitats;
- (2) not allowed over a designated sole source aquifer;
- (3) must have an impermeable berm constructed around the landfill, large enough to contain all material inside the landfill.

Votes on Final Passage:

Senate	32	16
House	56	38

Effective: April 27, 1999

SB 5731
C 261 L 99

Revising provisions regulating municipal officers' interest in contracts.

By Senator Snyder.

Senate Committee on State & Local Government
House Committee on Local Government

Background: Municipal officers are prohibited by the municipal code of ethics from having a beneficial interest in a contract which is made under the supervision of that officer. A municipal officer is any elected or appointed officer of a unit of local government and includes any deputies or assistants of that officer.

A number of exemptions to the prohibition have been established for certain municipalities. They include contracts for unskilled labor that do not exceed \$100 in a calendar month; contracts in which the total volume of business in which the municipal officer's business is interested does not exceed \$750 in any calendar month; and contracts by a second class city or town, non-charter code city, or county fair board in a county which does not have a purchasing department in which the total volume of business exceeds this \$750 monthly limit, but the total amount of such contracts does not exceed \$9,000 in any calendar year.

The dollar thresholds established for these contracts have not been changed for many years, and the thresholds apply to the total value of the contract instead of the portion of the contract that would benefit the municipal officer's business. First class school districts are the only units of government that must publish notice of these proposed contracts.

A municipal officer is not allowed to vote on the authorization of a contract if the officer is the supplier or contractor. There is no prohibition against municipal officers voting on other contracts in which they may be beneficially interested.

A violation of the municipal code of ethics results in a voiding of the contract made in violation of the law, a civil penalty of \$300 against the municipal officer, and a mandated forfeiture of office by the municipal officer.

A city charter controls over a provision of the municipal code of ethics if there is a conflict between provisions. The statutes do not address a conflict between the code of ethics and a county charter or a city-county charter.

Summary: The dollar thresholds for contracts which are exempt from the municipal conflict of interest statutes are made applicable to the portion of the contract that benefits the business operated by the municipal officer.

The amount of the dollar thresholds are raised as follows: the threshold for unskilled labor is raised from \$100 to \$200 a month; the threshold for monies received under a contract are raised from \$750 to \$1,500 in a calendar month; and the threshold for monies received under a contract when the municipality is a second class city or town, non-charter code city, or county fair board in a county without a purchasing department, is raised so that a contract may exceed \$1,500 in a calendar month but may not exceed \$18,000 in any calendar year. First class school districts are no longer required to publish notice of these proposed contracts.

Municipal officers are prohibited from voting in the authorization, approval, or ratification of a contract in which he or she is beneficially interested, even if an exemption from the municipal conflict of interest laws applies.

The amount of the civil penalty that may be imposed on a municipal officer for violating the municipal code of ethics is raised from \$300 to \$500. A violation of the code of ethics may be grounds for forfeiture of the municipal officer's office.

A city, county or city-county charter controls over the municipal code of ethics when there is a conflict between provisions and the charter contains stricter requirements.

Votes on Final Passage:

Senate	42	4	
House	93	0	(House amended)
Senate	40	7	(Senate concurred)

Effective: July 25, 1999

SB 5734

C 26 L 99

Recognizing the sixteenth day of April as Mother Joseph day.

By Senators Bauer, Deccio, Franklin, Rasmussen, B. Sheldon, McAuliffe, Spanel, Rossi, Brown, Snyder, Fairley, Wojahn, Heavey, Thibaudeau, Shin, T. Sheldon, Eide, Goings, Loveland, Jacobsen, Prentice, Haugen, Fraser, Gardner, Kline and Kohl-Welles.

Senate Committee on State & Local Government
House Committee on State Government

Background: The Legislature has declared a number of days as recognition days for various individuals and groups of people. These days are not considered legal holidays and are as follows: Columbus Day; Former Prisoner of War Recognition Day; Washington Army and Air National Guard Day; Purple Heart Recipient Recognition Day; and Washington State Children's Day.

Summary: The Legislature declares that April 16 is recognized as Mother Joseph Day but is not considered a legal holiday for any purposes, and that September 4 is recognized as Marcus Whitman Day but is not considered a legal holiday for any purposes.

Votes on Final Passage:

Senate	49	0	
House	93	0	(House amended)
Senate	48	0	(Senate concurred)

Effective: July 25, 1999

SB 5741

C 23 L 99

Permitting trucks under 16,001 pounds to bypass scales.

By Senators Morton, Goings, Honeyford, T. Sheldon, Swecker, Deccio, Hochstatter, Benton, Zarelli, Long, Hale, Sheahan and Eide.

Senate Committee on Transportation
House Committee on Transportation

Background: The Commercial Vehicle Enforcement Section of the Washington State Patrol is responsible for the operation of the weigh stations located throughout the state. There are five ports of entry open 24 hours a day and 43 scale houses that are open on a random basis. Commercial motor carriers over 10,001 pounds and all carriers of hazardous materials are required to stop at a weigh station when it is open. In addition to weighing the vehicle, a commercial vehicle enforcement officer may examine the log books, and check for proper permits and driver qualifications.

Buses, recreational vehicles used for noncommercial purposes, and a vehicle towing a horse trailer for a non-commercial purpose are not required to stop at the scales.

Oregon requires commercial vehicles weighing 20,001 pounds or more to stop at the scales. Idaho's minimum weight requirement is 16,001 pounds.

Summary: A vehicle weighing 16,000 pounds or less is no longer required to stop at a weigh station when it is open. (Any carrier of hazardous materials, regardless of weight, is still required to stop at an open scale house.)

Votes on Final Passage:

Senate	44	0
House	93	0

Effective: July 25, 1999

SSB 5744

C 371 L 99

Ordering a proposal to provide for representation of parties in child dependency and termination proceedings.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Haugen, Costa, Sheahan and Deccio).

Senate Committee on Human Services & Corrections
House Committee on Judiciary

Background: Counties have been frustrated at the amount of money they have had to spend in defense costs when they do not control the volume of cases in child dependency and termination proceedings.

Summary: The public defense office must develop a proposal to address the costs and expenses of legal representation for indigent parents, guardians, legal custodians, and children in dependency and termination hearings under Chapter 13.34 RCW. The proposal must address cost issues and strategies and be reported to the Legislature.

Votes on Final Passage:

Senate	43	0	
House	95	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: July 25, 1999

SSB 5745

C 221 L 99

Reducing the tax on bingo and raffles.

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Bauer, Honeyford, Wojahn, West and Long).

SSB 5746

Senate Committee on Commerce, Trade, Housing &
Financial Institutions
House Committee on Commerce & Labor

Background: Under current law a city, county, or town may tax bingo games and raffles at a rate not to exceed 10 percent of the gross receipts of the bingo game or raffle less the amount awarded as cash or merchandise prizes. Not all local jurisdictions tax bingo games and raffles at the maximum tax rate.

Summary: Beginning on January 1, 2000, the maximum tax rate that a local jurisdiction may impose on the gross receipts of bingo games and raffles (less the amount awarded as cash or merchandise prizes) is reduced from 10 percent to 5 percent.

Votes on Final Passage:

Senate	31	14
House	83	11

Effective: January 1, 2000

SSB 5746

C 132 L 99

Modifying certain exemption language for new and rehabilitated multiple-unit dwellings in urban centers.

By Senate Committee on Ways & Means (originally sponsored by Senators Wojahn and Rasmussen).

Senate Committee on Ways & Means
House Committee on Finance

Background: In cities with a population of at least 100,000, or the largest city or town in a county planning under the Growth Management Act if there are no cities of that size, the value of new housing construction, conversion, and rehabilitation improvements for multiple-unit housing in targeted urban areas is exempt from property taxation for ten years under certain conditions.

The project must be in an urban area that is designated by the city as lacking sufficient desirable and convenient residential housing. At least 50 percent of the project space must be used for permanent housing.

Application must be made by April 1 prior to construction. Construction must be completed within three years of application. Upon completion of construction, a certificate of tax exemption is filed with the county assessor.

The tax exemption begins on January 1 of the year immediately following the calendar year after issuance of the certificate of tax exemption. In other words, the property is subject to tax in the year following issuance of the certificate of tax exemption and exempt from taxes payable in the year after that.

Summary: The exemption begins on January 1 of the year immediately following the year of issuance of the certificate of tax exemption. Application can be made at any time.

Votes on Final Passage:

Senate	44	0
House	92	0

Effective: July 25, 1999

2SSB 5766

C 133 L 99

Modifying the duties of a long-term care ombudsman.

By Senate Committee on Ways & Means (originally sponsored by Senators Wojahn, Long, Franklin, Winsley, Rasmussen and Costa).

Senate Committee on Health & Long-Term Care
Senate Committee on Ways & Means
House Committee on Health Care

Background: The long-term care ombudsman program advocates for and resolves complaints on behalf of residents of nursing homes and other long-term care facilities. The Department of Social and Health Services administers the program and oversees the state ombudsman, who is an employee of a private nonprofit agency selected by a competitive bidding process. The services are delivered by a network of regional ombudsmen who supervise activities of volunteers.

The ombudsman program currently has 350 volunteers. With its current staffing, the program is only able to have direct contact with 37 percent of the 61,000 residents in long-term care facilities in the state.

Current state statute does not reflect the same duties and responsibilities as are provided for in the federal law which authorizes the ombudsman program. State law does not address the full range of volunteer activities directed under federal law.

Summary: Long-term care ombudsmen are given explicit authority to inform residents, their representatives and others about their rights as clients of long-term care facilities under state law. They are also authorized to investigate and resolve complaints made by or on behalf of residents of long-term care facilities.

Further language brings all duties and authority authorized under the federal Older Americans Act into state law.

Votes on Final Passage:

Senate	46	0
House	95	0

Effective: April 28, 1999

SB 5772

C 53 L 99

Strengthening confidentiality for victims of domestic violence.

By Senators Gardner, T. Sheldon, Rasmussen, Swecker, Prentice, Costa, McCaslin, Wojahn, Spanel, Goings and Oke; by request of Secretary of State.

Senate Committee on State & Local Government
House Committee on State Government

Background: Persons attempting to escape from actual or threatened domestic violence or sexual assault frequently establish new addresses in order to prevent their assailants or probable assailants from finding them. The Address Confidentiality Program (ACP) allows state and local agencies to respond to requests for public records without disclosing the location of a victim of domestic violence or sexual assault, to enable interagency cooperation with the Secretary of State in providing address confidentiality, and to enable state and local agencies to accept a program participant's use of an address designated by the Secretary of State as a substitute mailing address.

The current law makes participant records public record if the participant is no longer in ACP.

Summary: The Secretary of State may not make any records in a program participant's file available for inspection or copying, other than the address designated by the Secretary of State, except under the following circumstances: (1) if requested by a law enforcement agency, to the law enforcement agency; (2) if directed by a court order, to a person identified in the order; or (3) to verify the participation of a specific program participant, in which case the secretary may only confirm information supplied by the requester.

Votes on Final Passage:

Senate	43	0
House	90	0

Effective: April 20, 1999

SB 5777

C 130 L 99

Addressing payment for denturist services.

By Senators Prentice and Winsley.

Senate Committee on Commerce, Trade, Housing &
Financial Institutions
House Committee on Health Care

Background: Currently, in payment for certain health care services provided by a nonparticipating provider, a health care service contractor is required to make checks payable jointly to the provider and the enrolled participant unless the participant provides evidence of prepayment.

This requirement applies to the following health care service providers: chiropractors, dental hygienists, dentists, optometrists, osteopaths, pharmacists, physicians, emergency care providers, physical therapists, psychologists, and certain nurses and nurse practitioners. Denturists are not included.

Summary: In payment of services provided by a nonparticipating provider denturist, a health care service contractor must make checks payable jointly to the denturist and the enrolled participant, unless the participant provides evidence of prepayment. However, the health care service contractor may still issue payment in the name of the denturist only.

Votes on Final Passage:

Senate	44	0
House	95	0

Effective: July 25, 1999

SSB 5781**PARTIAL VETO**

C 402 L 99

Extending the commute trip tax reduction credit.

By Senate Committee on Transportation (originally sponsored by Senators Eide, Swecker, Fraser and Costa; by request of Department of Ecology).

Senate Committee on Transportation
House Committee on Transportation

Background: Major employers (100 or more employees) in the state's nine largest counties are currently required to implement commute trip reduction programs to reduce the number of their employees traveling by single-occupant vehicles to their work sites.

To help reduce congestion, improve air quality and assist employers in efforts to provide incentives for employees to carpool, the Legislature has authorized business and occupation and public utility tax credits for employers throughout the state if they provide financial incentives to their employees for ride sharing in car pools, public transportation and non-motorized commuting. Employers may apply for a tax credit of up to \$60 per person per year or up to 50 percent of the financial incentive, whichever is less. The incentive provided to the employee by the employer must be at least double the tax credit claimed. There is a limit of \$100,000 per employer per year.

There is a cap on total credits of \$1.5 million per year. The tax credit is funded through the air pollution control account and the tax credit sunsets December 31, 2000.

Summary: The tax credit for which employers are eligible, by providing financial incentives to their employees to ride share or use other transportation alternatives to the

single occupant vehicle, are extended from December 31, 2000, to December 31, 2006.

The maximum obligation of both accounts combined, for the business and occupation tax and the public utility tax credit, is increased from \$1.5 million to \$2.25 million each calendar year. Funding for such incentives from the air pollution control account is up to \$1.5 million per year. The remainder of funds are from the transportation account and the public transportation systems account, in equal amounts, and subject to appropriation.

The use of the public transportation systems account is broadened to include funding tax credits for commute trip reduction.

The tax credit is extended to property managers who provide financial incentives for commute trip reduction programs at their properties.

Votes on Final Passage:

Senate	43	3	
House	85	8	(House amended)
Senate	37	4	(Senate concurred)

Effective: July 25, 1999

Partial Veto Summary: The extension of the sunset on tax credits from December 31, 2000 to December 31, 2006 is eliminated.

The emergency clause causing the bill to take effect July 1, 1999 is removed.

VETO MESSAGE ON SB 5781-S

May 18, 1999

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 6, 7, and 8, Substitute Senate Bill No. 5781 entitled:

“AN ACT Relating to the commute trip reduction tax credit;”

Substitute Senate Bill No. 5781 extends the commute trip reduction (CTR) tax credit to June 30, 2006 and continues the current policy of using the Air Pollution Control Account (APCA) to reimburse the State General Fund for the first \$1.5 million of tax credits given each year.

Sections 6 and 7 of the bill would extend the entire CTR tax credit program to December 31, 2006. Based upon the last proposed legislative transportation budget, this bill as drafted, combined with the operating budget for the 1999-2001 biennium, creates a shortfall in the APCA of between \$1.3 million and \$2.4 million in the next biennium.

I support extension of the CTR tax credit as a means of reducing traffic congestion. However, I cannot in good faith support the long-term implementation of the statutory changes contained in sections 1 through 5 of this bill unless the legislature also provides a solution to the projected deficit in the APCA. The deficit in the APCA could result in increases in air pollution because of reduced technical assistance, voluntary compliance, and monitoring efforts. The state's margin of safety in healthy air standards in some areas is already in jeopardy due to our inability to adequately track and respond to changes in air pollution emissions. In the central Puget Sound region and the city of Vancouver, for example, the margin of safety for ozone pollution is one percent of current emissions. A return to non-attainment of the ozone standard is already extremely likely in light of the separate overall ten percent reduction in the Department of Ecology's current level of effort. A shortfall in the APCA would exacerbate this problem.

For areas that fall into non-attainment, we risk losing several million dollars of federal air pollution control grant money and hundreds of millions in federal transportation funds for expanding roadway capacity. We could be forced to restrict business growth when air quality fails to meet federal standards. We risk more federal intervention and less local control of air quality decisions, not to mention increasing costs to businesses to implement tighter federal controls.

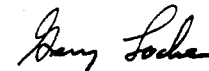
I am directing the Office of Financial Management to work with the Department of Ecology, Department of Transportation, Legislative Transportation Committee, Senate Ways and Means Committee, and House Appropriations Committee to develop a workable proposal for funding the APCA and the CTR tax credit program, for implementation during the 2000 regular legislative session.

Section 8 of the bill is an unnecessary emergency clause that would require this bill to take effect July 1, 1999.

For these reasons, I have vetoed sections 6, 7, and 8 of Substitute Senate Bill No. 5781.

With the exception of sections 6, 7, and 8, Substitute Senate Bill No. 5781 is approved.

Respectfully submitted,



Gary Locke
Governor

ESB 5789

C 285 L 99

Creating the K-20 educational network board.

By Senators Bauer, West, Kohl-Welles, McAuliffe, Eide, Sheahan, Rossi, Rasmussen, Honeyford, Franklin, Patterson, Wojahn, Thibaudeau, Prentice, Jacobsen and Fraser.

Senate Committee on Higher Education
House Committee on Appropriations

Background: In 1996, the Legislature created the K-20 Network, a kindergarten-to-college telecommunications network, to provide access to educational opportunities that are enhanced by maximum use of a common telecommunications backbone network.

The Telecommunications Oversight and Policy Committee (TOPC), established to ensure coordinated policy and planning, program quality, interoperability, and efficient service delivery, has overseen the design, development, and deployment of the network.

Summary: The K-20 Educational Network Board is created as the successor to the Telecommunications Oversight and Policy Committee. Board membership is 11 voting members and seven nonvoting members with the Director of the Department of Information Services (or designee) serving as chair. A majority of voting members must constitute a quorum.

The board ensures that the broad public interest is served above the interest of any network user. No statu-

tory responsibilities of the participants are duplicated. The board authorizes release of funds from the K-20 technology account and has rule-making authority over acceptable use and conditions of use policies.

The K-20 network technical steering committee is established under the ISB with general operational and technical oversight over the K-20 network. Network connections for independent nonprofit higher education institutions are subject to conditions requiring agreements to ensure against constitutional violation and to determine that such connections will not jeopardize the network's eligibility for federal e-rate funds.

The K-20 board must make recommendations regarding the copayments charged to public educational sector institutions and other public entities connected to the network as well as charges to nongovernmental entities connected to the network.

Votes on Final Passage:

Senate	48	0	
House	93	0	(House amended)
Senate			(Senate refused to concur)
House	96	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 1, 1999

ESB 5798

C 120 L 99

Assisting needy families.

By Senators Fairley, Winsley and Franklin; by request of Department of Social and Health Services.

Senate Committee on Labor & Workforce Development
 Senate Committee on Ways & Means
 House Committee on Children & Family Services
 House Committee on Appropriations

Background: The benefits of Temporary Assistance for Needy Families (TANF) are generally available to qualified families with dependent children under the age of 18. Children up the age of 19 are eligible if they are expected to complete school. Older dependent children, no matter what their condition, do not qualify a family for TANF grant assistance.

When considering a family's assets to determine financial qualification, the earned income of a dependent child who is a full-time student is disregarded. A state standard of need is applied to the family's assets.

In addition, welfare is not generally payable to a family in any month in which the adult in the family is participating in a strike.

Summary: When determining a family's qualification for TANF, the state standard of need is not considered and the earned income of a dependent child who is a full-time student is not disregarded. Otherwise qualified families are

not prohibited from receiving welfare if the adult ("caretaker relative") is involved in a strike.

Children between 18 and 21 years of age who have disabilities and are full-time students may receive TANF assistance. The Department of Social and Health Services (DSHS) is also authorized to grant eligibility exceptions to children between 18 and 21, on a discretionary basis, if DSHS determines that the exception will enable the child to complete his or her high school education, GED or vocational education.

Legal immigrant eligibility for state food assistance is clarified. Reference to federal law is removed.

Votes on Final Passage:

Senate	48	0
House	94	0

Effective: July 25, 1999

ESSB 5803

C 262 L 99

Changing dairy nutrient management provisions.

By Senate Committee on Agriculture & Rural Economic Development (originally sponsored by Senators Rasmussen and Swecker).

Senate Committee on Agriculture & Rural Economic Development
 House Committee on Agriculture & Ecology

Background: In 1998, the Legislature passed the Dairy Nutrient Management Act. The legislation requires that nutrient management plans be prepared for all dairy farms. The plans are required to be approved by July 1, 2002. Certification that the plans have been fully implemented must occur by December 31, 2003.

The act established an inspection program for dairy farms.

A number of issues have been raised in regards to implementation of the program.

Summary: A Dairy Nutrient Task Force is established comprised of 11 members. The members include:

- two members of the House, one from each caucus, appointed by the Co-Speakers;
- two members of the Senate, one from each caucus, appointed by the President of the Senate;
- one representative from each the Department of Ecology, the State Conservation Commission and local conservation districts;
- three active dairy farmers, representing different sizes of farms and different regions of the state appointed by a statewide organization representing dairy farms; and
- a representative of an environmental interest organization appointed by agreement of the Co-Speakers of the House and the President of the Senate.

SB 5806

The task force is directed to review enumerated topics to provide more clarification in the program. The task force must issue a report by December 10, 1999, that consists of recommendations for administrative improvements and statutory changes. The task force is directed to elect a chair and adopt rules to conduct the business of the task force. The Department of Ecology staffs the task force. The task force expires on December 31, 1999.

The Department of Ecology is directed to prepare an informational guide for dairy farmers that explains the expectations of the department when conducting an inspection. This guide must be completed by January 30, 2000.

Votes on Final Passage:

Senate	46	0	
House	94	1	(House amended)
Senate	47	0	(Senate concurred)

Effective: July 25, 1999

SB 5806

C 24 L 99

Requiring the adjutant general to adopt rules relating to automatic location identification.

By Senators Haugen, Hochstatter, Horn and Rasmussen; by request of Military Department.

Senate Committee on State & Local Government
House Committee on State Government

Background: The Legislature finds that the citizens of the state increasingly rely on the dependability of enhanced 911, a system that allows the person answering an emergency call to determine the location of the emergency immediately without the caller needing to speak. The Legislature further finds that the degree of accuracy is extremely important.

Summary: It is clarified that the state fire protection policy board makes automatic location identification recommendations to the adjutant general.

The adjutant general must establish rules on minimum information requirements of automatic location identification for the purposes of enhanced 911 emergency service. The rules must allow consideration of local circumstances when approving the accuracy of location information generated within a service area.

Votes on Final Passage:

Senate	44	0
House	93	0

Effective: July 25, 1999

2SSB 5821

C 263 L 99

Regulating designers of on-site wastewater treatment systems.

By Senate Committee on Ways & Means (originally sponsored by Senators Eide, Morton, Patterson, Swecker, McAuliffe and Fraser).

Senate Committee on Environmental Quality & Water
Resources

Senate Committee on Ways & Means
House Committee on Commerce & Labor
House Committee on Appropriations

Background: In 1997, the Legislature directed the Department of Health to create a work group that would develop recommendations to the Legislature regarding a certification program for occupations related to on-site septic systems. The On-site Wastewater Certification Work Group returned recommendations relating to bonding levels, licensing, certification and other standards for people employed in these occupations and risk analysis relating to the installation and maintenance of different types of septic systems in different parts of the state. In 1998, the Legislature directed the Departments of Health and Licensing to convene an advisory committee to develop legislation to license designers of on-site septic systems and a certification program for inspectors of on-site septic systems.

Summary: A licensing program for designers of on-site wastewater treatment systems is established in the Department of Licensing under the jurisdiction of the Board of Professional Engineers and Land Surveyors. The state-wide licensing program provides for uniform application of design practices, standards for designs, and individual qualifications. The department must create a committee to advise the board and the department on licensing requirements, examinations, and the administration of the program. As with other professional licensing programs, the program is structured to be self-sufficient on license and application fees and must suspend the license of a wastewater treatment system designer who is at least six months delinquent on child support payments.

Until the licensing program is fully operational in 2003, the department may issue practice permits as an interim license. License applicants must pass a written examination and meet education and experience requirements.

Employees of local health jurisdictions who inspect, review, or approve the design and construction of on-site systems must obtain a certificate of competency from the department.

A work group is directed to study and recommend financial assurances of on-site wastewater practitioners including on-site system designers' responsibility for system failures that affect structure and property values.

Votes on Final Passage:

Senate	32	14	
House	95	0	(House amended)
Senate	26	19	(Senate concurred)

Effective: July 25, 1999**E2SSB 5825**

C 373 L 99

Changing student assessments.

By Senate Committee on Ways & Means (originally sponsored by Senator McAuliffe; by request of Commission on Student Learning and Superintendent of Public Instruction).

Senate Committee on Education
Senate Committee on Ways & Means
House Committee on Education

Background: The state currently requires the following statewide student assessments.

Reading accuracy and fluency test: School districts must assess reading accuracy and fluency in the second grade.

Basic skills assessments: School districts must assess basic skills in the third, eighth, and eleventh grades. The third grade test assesses reading and math skills. The eighth grade test assesses reading, math, language, reasoning and thinking skills, and inventories student interests. The eleventh grade test assesses skills in the broad content areas common to high school, and thinking and reasoning skills. Prior to the 1998-99 school year, the assessment used was the Comprehensive Test of Basic Skills (CTBS). The current test is the Iowa Test of Basic Skills (ITBS).

Washington Assessment of Student Learning (WASL) at the elementary school level: The WASL is currently required in reading, writing, communication (listening), and math at the fourth grade. There are statutory timelines for implementing an elementary level WASL in science. There are no timelines for implementing the WASL in other content areas at the elementary school level.

WASL at the middle and high school levels: There are statutory timelines for implementing a middle and high school level WASL in reading, writing, communication (listening), math, science, history, civics, geography, arts, and health and fitness.

Summary: Changes are made regarding the statewide student assessments. If student scores indicate that a student needs help, then the school district must evaluate its instructional practices and make appropriate adjustments.

Reading accuracy and fluency test: It is clarified that the second grade assessment measures oral reading skills. The Superintendent of Public Instruction may add additional reading passages to be used by school districts.

Basic skills assessments: The third grade test is retained. A new sixth grade basic skills assessment in math

and reading/language arts is required. The eighth grade assessment is moved to the ninth grade. The eleventh grade assessment is repealed.

WASL at the elementary school level: Timelines are created for implementing the WASL in social studies, health, fitness, and the arts at the elementary level.

WASL at the middle and high school levels: The implementation of the WASL in social studies, health, and fitness at the middle and high school levels is delayed for two years. The implementation of the WASL in the arts at the middle and high school levels is delayed for three years.

Votes on Final Passage:

Senate	31	16
House	87	9

Effective: May 17, 1999 (Section 605)
July 25, 1999

SSB 5828

C 264 L 99

Presenting a gift of life award.

By Senate Committee on State & Local Government (originally sponsored by Senators B. Sheldon, Snyder, Franklin, Bauer, Rasmussen, Patterson, Fairley, Kohl-Welles, McAuliffe, Fraser, Prentice, Thibaudeau, Jacobsen, T. Sheldon and Spanel).

Senate Committee on State & Local Government
House Committee on State Government

Background: A Washington Gift of Life Medal was established in 1998. It consists of an inscribed bronze medal awarded by the Governor at the request of the donor's family and friends.

The organ donor is defined as an individual who makes a donation of all or part of a human body to take effect upon or after death.

An organ procurement organization is defined as any accredited or certified organ or eye bank.

Family members of the organ donor may apply or an accredited or a federally certified organ procurement organization may apply on behalf of the family member or person who consented to the organ donation as allowed in the statutes regarding human remains. The application is made to the Governor's Office. Eligibility is determined and the medal presented by the primary organ procurement organization.

Each eligible family of an organ donor is entitled to receive one organ donor medal.

Summary: The recognition is changed to the form of an award. It is presented annually by the Governor's Office in coordination with the organ procurement organization. There are six awards made per year to representative families.

Votes on Final Passage:

Senate	46	0	
House	97	0	(House amended)
Senate	45	0	(Senate concurred)

Effective: July 25, 1999

SB 5829
C 128 L 99

Allowing providers of occupational therapy and physical therapy to become shareholders in a professional services corporation.

By Senators Thibaudeau and Loveland.

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: Twenty-one different health care professions are currently authorized to establish professional service corporations or professional limited liability corporations. These companies are composed of individuals who are licensed to perform the same professional services. These corporations may not engage in any business activities other than the professional service for which it has been organized.

Summary: Occupational therapists and physical therapists may own stock in and perform services for a professional services corporation or professional limited liability corporation within their respective fields.

Votes on Final Passage:

Senate	48	0
House	95	0

Effective: July 25, 1999

SB 5837
C 286 L 99

Allowing optional retirement system membership for the chief administrative officer of a public utility district, port district, or county.

By Senators Bauer, Long, Winsley, Jacobsen, Fraser, Roach, Rossi, Rasmussen and Oke.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: Most full-time public employees employed by an employer under the Public Employees' Retirement System (PERS) are required to be members of PERS. Exemptions from membership are provided in a limited number of cases. Optional membership is allowed for elected officials, gubernatorial appointments, and city managers.

Summary: Membership in PERS is made optional for the chief administrative officers of public utility districts,

the chief administrative officers of a port district, and the chief administrative officers of counties. Such employees have the option of applying for membership in PERS within 30 days of appointment to such positions. Employees who opt for membership after the 30 days may become members by paying the actuarial value of the service from the date of their appointment to the date of acceptance of membership.

Employees serving in such positions as of the effective date of this act have until December 31, 1999, to notify the director of the Department of Retirement Systems of their desire to withdraw from membership in PERS. A member who withdraws from membership receives a refund of the member's accumulated contributions upon termination of employment.

Votes on Final Passage:

Senate	46	0	
House	93	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 25, 1999

SSB 5838
C 25 L 99

Permitting personal holiday leave sharing for school district employees.

By Senate Committee on Education (originally sponsored by Senators McAuliffe, Eide and Rasmussen).

Senate Committee on Education
House Committee on Education

Background: In addition to legal holidays, annual leave and sick leave, employees of the state receive one paid personal holiday by law. While school district employees receive legal holidays, annual leave and sick leave, they are excluded from the personal holiday entitlement and must negotiate through collective bargaining for personal holidays.

School districts may establish a leave sharing program for school employees. State law requires that the Superintendent of Public Instruction adopt standards for the school district leave sharing program that are consistent with the state employees' leave sharing program.

The leave sharing program for state employees permits state employees to share their accumulated annual leave, sick leave and personal holidays with a second state employee who has exhausted his or her leave as a result of an extraordinary illness, injury, impairment, or mental or physical condition.

The standards adopted by the Superintendent of Public Instruction regarding sharing of leave for school employees does not include a provision allowing school employees to share personal holidays.

Summary: School employees who have bargained for and obtained a personal holiday may share that holiday to the extent the law allows.

Votes on Final Passage:

Senate	44	0
House	93	0

Effective: July 25, 1999

ESB 5843

C 131 L 99

Concerning the housing finance commission.

By Senators Prentice and Winsley.

Senate Committee on Commerce, Trade, Housing & Financial Institutions

House Committee on Economic Development, Housing & Trade

House Committee on Capital Budget

Background: The Washington State Housing Finance Commission was created in 1983. The commission provides housing for low- and moderate-income households through several programs including the issuance of private activity tax-free bonds, nonprofit tax-free bonds, and taxable bonds.

When the commission was created, the initial legislation required the creation of a general plan of housing finance objectives and the adoption of certain rules of procedure. The plan must be updated periodically.

The commission's statutory debt limit will be reached sometime this calendar year. If the limit is not raised, the commission can then only issue new bonds as existing ones are paid off. The debt of the commission is not an obligation of the state.

Summary: Several out-of-date references with respect to planning and rule-making are removed.

The commission's debt limit is raised from \$2 billion to \$3 billion.

Votes on Final Passage:

Senate	46	0
House	92	3

Effective: July 25, 1999

SSB 5864

C 312 L 99

Allowing a health maintenance organization to return an individual to his or her nursing care facility.

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Fairley, Thibaudeau and Kohl-Welles).

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: Upon discharge from a hospital, some people may require rehabilitation services in a long-term care facility. Health insurance plans typically provide coverage for such services. In some cases, a person may already be living in a long-term care facility prior to his or her hospitalization. In such cases, the health insurance plan is under no obligation to allow the person to return to that same facility to receive the rehabilitation services.

Summary: A health carrier that provides coverage for a person at a long-term care facility following the person's hospitalization shall, upon the request of the person or his or her legal representative, provide such coverage at the facility in which the person resided prior to the hospitalization. The requested facility must be able to meet the person's medical needs, and must agree to provide the services at the same rate and under the same terms and conditions as similar facilities with which the carrier otherwise contracts. The act may be known and cited as the "Kitson Act."

Votes on Final Passage:

Senate	42	0	
House	95	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

ESSB 5866

C 382 L 99

Eliminating component registration of fertilizer products.

By Senate Committee on Environmental Quality & Water Resources (originally sponsored by Senators Fraser, Prentice, Kline and Kohl-Welles; by request of Department of Agriculture).

Senate Committee on Environmental Quality & Water Resources

House Committee on Agriculture & Ecology

Background: Commercial fertilizers distributed in the state must be registered with the state Department of Agriculture. The application for registration must identify the fertilizer components and verify that the components have been registered. If a component has not been registered, then the application must include the concentration of each metal, for which state standards have been established, in the fertilizer component.

Bulk fertilizers do not have to be registered if all of the fertilizer products in them are registered.

Summary: When registering a fertilizer, the applicant must report the concentration of specified metals contained in the product. The requirement that concentrations of metals be identified does not apply to: (1) anhydrous ammonia, a solution derived solely from dissolving

ESB 5897

ammonia in water, if it is not from a "waste-derived fertilizer;" (2) a customer-formula fertilizer containing only registered commercial fertilizers; or (3) a packaged commercial fertilizer, the plant nutrient content of which is present in the form of a single chemical compound that is registered as a fertilizer.

Component registration of fertilizers is eliminated.

Votes on Final Passage:

Senate	44	2	
House	75	22	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 1, 1999

ESB 5897

C 193 L 99

Informing purchasers of cigarettes of adverse health consequences and whether the cigarettes were manufactured for consumption within the United States.

By Senators Costa, Winsley, Thibaudeau and Oke; by request of Attorney General.

Senate Committee on Commerce, Trade, Housing & Financial Institutions

House Committee on Commerce & Labor

Background: The smuggling of cigarettes, both internationally and between states, is stimulated in part by differences in tax rates. As state tax rates have risen uniformly across the United States, tobacco products manufactured abroad are being smuggled into the U.S.

The major U.S. cigarette manufacturers produce products for export that carry a significantly lower price tag than those for sale in this country. This disparity has made it profitable to re-import cigarettes manufactured for export, pay all the duties and taxes, and still sell them here cheaper than products made for domestic use.

Cigarettes manufactured in the U.S. for export have different nicotine levels and additives than those manufactured for the domestic market. However, consumers may think they are getting the same product for less. To the extent consumers shift to "gray market" cigarettes, the state may receive lesser payments under the comprehensive tobacco settlement, which is to some extent affected by sales volumes of domestic cigarettes.

Federal law which takes effect January 1, 2000, will ban the re-import of tobacco products manufactured for export. An effective state law would help deal with this problem until the federal law takes effect and to enforce the federal ban at the state level.

Summary: It is a violation of the act to possess, sell, or transport tobacco products which do not meet all the requirements of the federal cigarette labeling law. Labels on packages that identify them for export may not be altered or deleted.

Containers or packages of cigarettes that have stamps affixed illegally are subject to seizure and forfeiture and will be destroyed.

Violation of the act is a gross misdemeanor and is a deceptive act or practice under the Consumer Protection Act.

Votes on Final Passage:

Senate	45	0	
House	90	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: May 5, 1999

ESSB 5909

C 121 L 99

Modifying the job skills program.

By Senate Committee on Labor & Workforce Development (originally sponsored by Senator Fairley).

Senate Committee on Labor & Workforce Development
House Committee on Commerce & Labor
House Committee on Appropriations

Background: The Job Skills Program was created by the Legislature in 1983 to provide customized job training to meet the needs of employers while serving dislocated and disadvantaged individuals. Customized training helps ensure that new and existing businesses can employ highly-skilled workers and that trainees have jobs. About \$1 million is allocated for this program during the current biennium. Washington ranks last in funding amounts among the 47 states that support this type of training.

Since 1993, the State Board for Community and Technical Colleges has received worker retraining funds to support retraining of dislocated or displaced workers. Initial funds were collected through the unemployment insurance system (sometimes called 1988 funds for the bill number that authorized them) and they now come from the general fund. \$57.7 million is available for this worker retraining in the current biennium. The original language controlling the use of these funds sunsets this year and no other statutory guidance exists on the use of these funds.

Summary: The State Board for Community and Technical Colleges must develop a plan for distribution of worker retraining funds. The use of the funds must be consistent with the unified plan for workforce development and provide increased enrollments for dislocated workers.

Applicants for funds must gather information on employers' workforce needs, including small business employers. Priority in receipt of funds is to be given to applicants successful in garnering matching funds, entering into partnerships, and serving rural areas.

The college board operates the Job Skills Program.

A workforce training customer advisory committee is appointed by the executive director of the college board to help develop the plan for the use of worker retraining funds, recommend selection criteria and applicants for receipt of worker retraining and Job Skills grants, recommend guidelines for program operation, and provide advice on other workforce development activities. The committee consists of three business, three labor, and three college system representatives.

Streamlining changes to the existing job skills statute are made.

Votes on Final Passage:

Senate	48	0
House	97	0

Effective: July 25, 1999

SB 5911
C 194 L 99

Changing school director eligibility provisions.

By Senators Eide, Hochstatter and McAuliffe.

Senate Committee on Education
House Committee on Education

Background: School directors are elected by registered voters in regular elections. To be eligible for candidacy in a school district election, candidates must be citizens of the United States and the state of Washington. In addition, candidates must be registered voters in the school district or, if the school district has director districts, the candidates must be registered voters in the director district.

Directors are automatically disqualified from office if they no longer satisfy the eligibility criteria. The school board must appoint a successor to serve the remainder of the term of the disqualified director.

Summary: If the elected school board director continues to be a citizen of the United States and of the state of Washington and a registered voter in the school district, but no longer resides in the director district due to a boundary change, the director may complete the remainder of the term of office. If, however, the director's change in status results from a voluntary change in residence, the director may only remain in office until a successor is elected to serve the remainder of the term.

Votes on Final Passage:

Senate	46	0
House	54	42 (House amended)
Senate	47	0 (Senate concurred)

Effective: July 25, 1999

SB 5915
C 372 L 99

Removing language requiring obsolete or unwanted reports.

By Senators Patterson and McDonald; by request of Office of Financial Management.

Senate Committee on State & Local Government
House Committee on State Government

Background: In 1998, the Legislature commenced a continuing process to eliminate obsolete or unwanted reports to the Legislature.

Summary: Various statutes are amended or repealed to eliminate reports to the Legislature that are no longer wanted or considered necessary.

Votes on Final Passage:

Senate	45	0
House	96	0 (House amended)
Senate	45	0 (Senate concurred)

Effective: July 25, 1999

SSB 5928
C 54 L 99

Extending immunity from liability to those who communicate a complaint or information to self-regulatory agencies.

By Senate Committee on Judiciary (originally sponsored by Senator Prentice).

Senate Committee on Judiciary
House Committee on Judiciary

Background: Under current Washington law, a person who communicates a complaint or information to any agency of the federal, state or local government is immune from civil liability for any claim relating to that communication.

The National Association of Securities Dealers (NASD) is a regulatory agency for virtually every firm and individual in the United States that conducts securities business with the public. All securities professionals and firms must register with NASD. NASD operates under authority delegated by the Securities and Exchange Commission.

Members of brokerage firms are required to disclose information about departing brokers to NASD. These persons may then be sued by the departing broker for disclosing negative information to NASD. NASD suggests adding language to the Washington immunity statutes that would extend immunity from civil liability to members of brokerage firms when they disclose information to NASD in order to encourage complete and candid disclosure of this information without fear of lawsuits.

E2SSB 5931

Summary: Immunity from civil lawsuits is extended to those persons who communicate a complaint or information to any self-regulatory organization that regulates persons involved in the securities or futures business and that has been delegated authority by a federal, state, or local governmental agency.

Votes on Final Passage:

Senate	46	0
House	90	0

Effective: July 25, 1999

E2SSB 5931

C 401 L 99

Requiring electronic filing and publication of campaign finance and lobbyist reports.

By Senate Committee on Ways & Means (originally sponsored by Senators Patterson, Horn, Gardner, McCaslin, Haugen, Kline, Brown, Costa, Hale, Kohl-Welles, B. Sheldon and Bauer).

Senate Committee on State & Local Government
Senate Committee on Ways & Means
House Committee on State Government
House Committee on Appropriations

Background: The Public Disclosure Commission (PDC) was created and empowered by initiative of the people to provide timely and meaningful public access to information about the financing of political campaigns, lobbyist expenditures, and the financial affairs of public officials and candidates, and to ensure compliance with contribution limits and other campaign finance restrictions.

During the 1997-1999 biennium, the PDC received enhanced appropriations to enable the agency to offer more efficient services, fulfill responsibilities, and improve customer service technology. Some of these appropriations were specified for the following:

- one-time funding was provided to implement electronic filing of financial affairs statements; and
- one-time funding was provided for customer service technology improvements, including enhanced Internet access, fax-on-demand technology, personal computers, and software compatible with the agency's new imaging system.

Summary: The Legislature intends to ensure that the Public Disclosure Commission provide the general public timely access to all contribution and expenditure reports and to ensure that beginning January 1, 2001, the PDC establishes goals so that electronically submitted reports are accessible via the PDC's Internet web site within two business days of receipt of report and all other submitted reports are accessible via the PDC's web site within four business days (temporary goals until January 1, 2001, are specified).

By July 1 of each year beginning in 2000, the PDC must calculate and make available to the Governor, appropriate legislative committees, and the public the following performance measures:

- average number of days between the PDC's receipt of the following reports and the time that the reports are first accessible to the general public via the PDC's office and via the PDC's web site: continuing political committees, candidate committees, and independent expenditures; special reports of "late" contributions; and lobbyists and employers of lobbyists; and
- the percentage of candidates, categorized as statewide, state legislative, or local; continuing political committees; and lobbyists and lobbyists' employers who have used specified electronic methods to file various candidate reports.

The PDC must develop an information technology plan consistent with the requirements of the Department of Information Services. The plan must include: a baseline assessment of the PDC's information technology and resources; a statement for achieving electronic access to the PDC's records and services for the next five years and how this statement conforms to the state strategic information technology plan; an implementation strategy to enhance electronic access to public records and information required to be filed with and disclosed by the PDC; and estimated schedules and funding required to implement identified projects. In preparing the information technology plan, the PDC must consult with affected state agencies, the Department of Information Services, and stakeholders in the PDC's work.

The PDC must submit the information technology plan to the Governor, House and Senate committees, and the Department of Information Services by February 1, 2000.

The PDC must prepare and submit to the Department of Information Services a biennial performance report that must include: an evaluation of the PDC's performance relating to information technology; an assessment of progress toward implementing the plan; an analysis of its performance measures; an analysis of citizen interaction with the PDC; and an inventory of the PDC's information services, equipment, and proprietary software.

Any documents provided to the PDC for use in conducting audits and investigations must be returned to the sender within one week of the PDC's completion of the audit or field investigation.

By January 1, 2000, the PDC must operate a web site or contract for the operation of a web site that allows access to specified reports and information filed with it (organized by political committees, continuing political committees, candidates' contributions and expenditures, independent expenditures, and "late" contributions). Lobbyists, lobbyist "late" contributions and employers of registered lobbyist reports are not required to be accessible on the PDC web site until February 1, 2001. The PDC

must also attempt to make available via the web site other public records required by the Public Disclosure Act.

By July 1, 1999, the PDC must offer every candidate, political committee, and party organization the option of electronic filing, financial affairs reports, contribution reports, and expenditure reports. Reporting forms must be made available at no charge. By January 1, 2001, electronic filing must be offered to lobbyists and lobbyists' employers. The PDC must notify the filer of receipt of the electronically filed report.

Beginning January 1, 2001, each continuing political committee that expended more than \$10,000 must file all contribution and expenditure reports electronically.

Times are changed when the books of account must be available to the public.

The Joint Legislative Audit and Review Committee must complete a performance audit of the PDC by December 1, 2000.

Votes on Final Passage:

Senate	47	0	
House	85	11	(House amended)
Senate			(Senate refused to concur)
House			(House receded)
House	95	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: July 25, 1999

SB 5954

C 55 L 99

Claiming the proceeds recovered on behalf of recipients of state assistance.

By Senators Kline, Eide and Thibaudeau; by request of Department of Social and Health Services.

Senate Committee on Health & Long-Term Care
House Committee on Health Care

Background: The Department of Social and Health Services (DSHS) requests legislation to assist it in its recoupment of benefits paid. The Medical Assistance Administration seeks to augment statutory provisions that enable the department to collect its subrogation interest in tort recoveries collected by individuals receiving Medicaid. Present law requires notice to DSHS when an individual recovers personal injury damages. In some cases, despite notice, DSHS has not recouped any benefits from personal injury monies because the money has been disbursed.

Summary: If a person receives Medicaid money because of injury caused by the negligence or wrongdoing of another, and the person recovers money from personal injury litigation, the personal injury money, in an amount necessary to fully satisfy the department's lien, must be placed in a trust account or the registry of the court until the lien

is satisfied. In addition to Medicaid money, the trust account provision applies to costs for residential care at a hospital for the mentally ill or a habilitative care center for the developmentally disabled.

Votes on Final Passage:

Senate	45	0
House	90	0

Effective: July 25, 1999

ESB 5962

C 287 L 99

Promoting electronic commerce through digital signatures.

By Senators Brown, Horn and Finkbeiner; by request of Secretary of State and Governor Locke.

Senate Committee on Energy, Technology & Telecommunications
House Committee on Technology, Telecommunications & Energy

Background: On January 1, 1998, the Washington Electronic Authentication Act became effective. This law allows the use of digital signature technology in electronic transactions and creates a process for licensing certification authorities. The Office of the Secretary of State has responsibility for implementing and administering the Electronic Authentication Act.

Digital signature encryption systems are used to both protect the confidentiality of an electronic document and authenticate its source. These systems operate on the basis of two digital keys or codes created by the person desiring to send encrypted messages. One key is the private key, which is known only to the signer of the electronic message, and the other is the signer's public key, which is given to individuals with whom the sender wishes to exchange the confidential or authenticated message. The public key is used to verify both that the message was signed by the person holding the private key and that the message itself was not altered during its transmission.

The Governor and the Secretary of State are requesting this legislation, drafted by the Secretary of State and Department of Information Services (DIS), to clarify and simplify the Electronic Authentication Act, give greater flexibility to the secretary in administering the act, and allow DIS to become a licensed certification authority (CA) for the purpose of validating digital signatures between state agencies and citizens for official business.

Summary: Presumptions of validity and liability limitations do not apply unless all provisions of the Electronic Authentication Act are met.

The Secretary of State's authority to establish rules is broadened and clarified. The secretary may adopt rules to license CAs, recognize repositories, certify operative per-

sonnel, govern the practices of each, determine the form and amount suitable for guaranty, specify reasonable requirements for contents and form of certificates and certification practice statements, specify the procedure and manner by which laws of other jurisdictions may be recognized, and establish audit requirements and auditor qualifications. Provisions for recognizing repositories are modified to require record keeping, recognition and discontinuance of recognition in accordance with rules adopted by the secretary.

Provisions relating to obtaining or retaining a license are modified, including requiring a CA to provide proof of identity, allowing only certified operative personnel to be employed in appropriate positions and authorizing the secretary to create license classifications by rule and impose license restrictions specific to the practices of an individual CA.

The secretary may order penalties, but only a finding of noncompliance and order requiring compliance must be authorized against an agency acting as a CA. Penalties are enforceable in court.

Provisions authorizing the secretary to publish brief statements about activities of a CA that create risk are modified. A licensed CA must use only a trustworthy system and recognized repository for issuance, suspension, or revocation of a certificate. A CA may establish policies regarding the publication and suspension of certificates. If a CA does not establish a policy, it must satisfy certain conditions. A CA may suspend a certificate for a period not exceeding five business days as needed for an investigation.

A licensed CA may issue a certificate to a subscriber only after certain conditions are met. In confirming the identification of a prospective subscriber, a licensed CA must make a reasonable inquiry into the subscriber's identity and must be presumed to have confirmed the identity where the subscriber has appeared and presented a specified form of identification and a certified operative personnel or a notary has reviewed and accepted the identification.

If a signature of a unit of government is required by statute or rule, that unit of government must become a subscriber to a certificate issued by a licensed CA for purposes of conducting official public business with electronic records. No unit of state government, other than the Secretary of State and the Department of Information Services (DIS), must act as CA.

DIS is authorized to become a licensed CA. Before DIS may issue a certificate to a non-governmental entity, it must issue a request for proposals from licensed CAs and make a written determination that such services are not sufficient to meet the department's published requirements.

If DIS issues a certificate to a nongovernmental entity, the Office of Financial Management must convene a task force, which must include both governmental and nongovernmental representatives, to review the practice of

the state issuing certificates to nongovernmental entities or individuals for the purpose of conducting official public business. The task force must prepare and submit its findings to the Legislature by December 31, 2001. The task force provision expires June 30, 2001.

Intent language and definitions are modified. Other clarifying and technical changes are made.

Votes on Final Passage:

Senate	38	8	
House	94	0	(House amended)
Senate	42	3	(Senate concurred)

Effective: May 13, 1999

SSB 5967

C 376 L 99

Determining nursing home bed capacity.

By Senate Committee on Ways & Means (originally sponsored by Senators Loveland and Rasmussen).

Senate Committee on Ways & Means

Background: A nursing facility which wishes to construct new or to replace existing beds must obtain a certificate of need from the Department of Health. In 1989, the Department of Health adopted rules which set the nursing home bed need standard at 45 beds per thousand residents aged 65 and older. No additional nursing home beds may be opened in counties which exceed this standard. Additional beds may be opened in other counties but, until the statewide bed total is below 45 per thousand, these generally must be beds which are being transferred from counties which are over the need standard. Statewide, the 45 per thousand standard was reached in late 1998.

Summary: Through June 30, 2004, the nursing home bed need standard is set at 40 beds per thousand residents aged 65 and older. No additional nursing home beds may be constructed unless the Department of Health determines that additional beds are needed in a particular area in order to be closer to the persons served. Nursing home beds may be redistributed from areas which are over the 40 per thousand standard to those which are below it.

A supplemental inflationary adjustment is provided for nursing homes whose total rate would otherwise be less than their April 1, 1999 rate, adjusted for case-mix changes.

Appropriation: \$1.8 million (\$860,000 GF-S).

Votes on Final Passage:

Senate	44	0	
House	96	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 1, 1999

SSB 5968
PARTIAL VETO

C 392 L 99

Requiring supplemental payments to nursing facilities operated by public hospital districts.

By Senate Committee on Ways & Means (originally sponsored by Senators Loveland and Rasmussen).

Senate Committee on Ways & Means

Background: There are 14 public hospital districts in the state which operate nursing facilities. All 14 are in rural areas, where they serve an average community population of approximately 6,000. As a group, these 14 rural hospital districts reported operating losses of \$5 million in 1997, of which \$3.5 million was covered by local tax levies.

Federal law allows state Medicaid payment rates for nursing home services to equal, but not exceed, federal Medicare rates. Washington's Medicaid payment rates are presently about \$55 million per year lower than if all nursing facilities were paid at the Medicare rate. Federal law also allows local governmental units to transfer funds to the state to serve as the state match for federal Medicaid payments. At least three states have used these two provisions of federal law to provide extra funding for publicly-operated nursing facilities, while at the same time generating extra revenue for other publicly-funded services.

Summary: The Department of Social and Health Services is authorized to make supplemental payments to nursing facilities operated by public hospital districts. These payments are only to be made if approved by the federal government, and in accordance with terms and conditions in the biennial appropriations act. These supplemental payments are not subject to other statutory requirements governing nursing home rate-setting and settlement.

\$108 million is appropriated for supplemental payments to nursing facilities operated by rural public hospital districts. The funding is contingent upon (1) federal approval of a Medicaid state plan amendment providing for such payments, and (2) an intergovernmental transfer by the public hospital districts to the Health Services Account equal to 82 percent of the supplemental payment amount.

Appropriation: \$108 million (\$52 million Health Services Account).

Votes on Final Passage:

Senate	43	0	
House	96	0	(House amended)
Senate	48	0	(Senate concurred)

Effective: July 25, 1999

Partial Veto Summary: The Medical Assistance Administration is not authorized to provide adult chiropractic

services, because no funds are provided for that purpose, and providing chiropractic services would therefore require reductions in other Medicaid assistance services.

VETO MESSAGE ON SB 5968-S

May 18, 1999

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 2(14), Substitute Senate Bill No. 5968 entitled:

"AN ACT Relating to human services;"

Substitute Senate Bill No. 5968 establishes a Pro-Share program with the federal government that will fund nursing homes operated by public hospital districts.

Section 2(14) of the bill is an appropriation item proviso that would require the Department of Social and Health Services -- Medical Assistance Administration to provide chiropractic services to adults. However, additional funding is not provided. This unfunded mandate would force the Medical Assistance Administration to reduce services elsewhere. While chiropractic services can be very beneficial, I do not believe other services of the Medical Assistance Administration should be reduced to provide them.

For these reasons, I have vetoed section 2(14) of Substitute Senate Bill No. 5968.

With the exception of section 2(14), Substitute Senate Bill No. 5968 is approved.

Respectfully submitted,



Gary Locke
Governor

SB 5986

C 134 L 99

Paying duty connected death or disability benefits.

By Senators Goings, Benton, Bauer, Costa and Rasmussen.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: The Law Enforcement Officers and Fire Fighters' Retirement System, Plan 1 (LEOFF 1) provides a survivor benefit to members' surviving spouses and children. If the member dies in active service, the surviving spouse receives a monthly retirement allowance equal to 50 percent of an active member's final average salary at the time of death. If the member dies after retirement, the surviving spouse continues to receive the retirement allowance that had been paid to the retiree. The allowance is increased for surviving children, up to a maximum of 60 percent of final average salary.

A single statute provides the LEOFF 1 survivor benefits; that statute provides benefits both for deaths that are duty connected, and deaths which are not. The LEOFF chapter also provides that the benefits provided to LEOFF

1 members are a replacement for workers' compensation benefits provided by Title 51 RCW.

Survivor benefits provided under a workers' compensation statute are not subject to federal income taxes. The Internal Revenue Service (IRS) has held that a statute that provides survivor benefits for both work related and nonwork related deaths does not qualify as a workers' compensation statute. For this reason, the benefits paid to LEOFF 1 survivors for duty connected deaths are treated as taxable income.

The LEOFF 1 disability statute was split into two separate statutes in 1985, one for duty related disabilities, the other for nonduty related disabilities. Following the split of the statute, the IRS ruled that payments for duty related disabilities made after the 1985 amendment would not be subject to federal income taxation.

Summary: The statute that provides LEOFF 1 survivor benefits is amended and divided into two separate sections. The amended statute provides benefits only for duty connected deaths; a new section provides benefits only for nonduty connected deaths. There is no substantive change in the benefits provided.

A statement of legislative intent provides that the original LEOFF 1 survivor benefit statute was a statute in the nature of a workers' compensation benefit. The changes made to the duty connected death benefit statute apply retroactively to duty connected survivor allowances granted prior to the effective date of the act.

Votes on Final Passage:

Senate	49	0
House	93	0

Effective: April 28, 1999

SB 5987

C 135 L 99

Withdrawing accumulated contributions under the law enforcement officers' and fire fighters' retirement system.

By Senators Goings, Benton, Bauer, Hochstatter, Costa, Gardner and Rasmussen.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: Members of the Law Enforcement Officers and Fire Fighters' Retirement System, Plan 2 (LEOFF 2) who become totally incapacitated for continued employment are eligible to receive a disability retirement allowance. The allowance is canceled if the member recovers from the disability and is no longer entitled to workers' compensation benefits. The statute also provides that a member who has recovered from a disability shall be restored to duty.

LEOFF 2 members are entitled to a refund of their accumulated member contributions if they cease to be

employees of a LEOFF employer, except by service or disability retirement. A LEOFF 2 member who leaves employment due to a disability retirement, but is not re-employed upon recovery from the disability, is not able to receive a refund of the difference between the disability payments received and the member's total accumulated contributions.

Summary: If the disability retirement allowance of a LEOFF 2 member is canceled for any reason other than the member's re-entry into employment or retirement from service, the member must be paid the excess, if any, of the member's accumulated contributions over all previous LEOFF 2 payments. The act applies to any LEOFF 2 member who received a disability allowance after February 1, 1990.

Votes on Final Passage:

Senate	46	0
House	93	0

Effective: July 25, 1999

ESSB 5988

C 319 L 99

Changing provisions relating to truancy.

By Senate Committee on Education (originally sponsored by Senators McAuliffe, Eide, Long, Finkbeiner, Goings, Zarelli, Patterson, Hargrove, Gardner, Kline, Franklin, Kohl-Welles, B. Sheldon, Winsley and Rasmussen).

Senate Committee on Education
House Committee on Education
House Committee on Appropriations

Background: Children aged eight to 17 years old must attend public schools unless they: (1) attend state-approved private schools; (2) receive home-based instruction; (3) attend a state-approved education center; (4) are excused by the school district superintendent under certain circumstances; or (5) are 16 years old and meet certain criteria.

If a child attending a public school has up to five unexcused absences in a month, the school district must try to reduce the absences. Among other things, the district may file a truancy petition or refer the child to a community truancy board. A community truancy board is a group of community members selected by the local school board to resolve truancy issues through an informal process. A truancy board may: (1) recommend methods for improving school attendance; (2) make agreements with truants and parents; or (3) suggest to a school district that truants attend another school.

If a child attending a public school has seven unexcused absences in a month, or ten unexcused absences during the school year, the school district must file a truancy petition. If the juvenile court schedules a

hearing on the petition, it must notify the child, the child's parents, and the school district.

If the court finds that the school district has been unable to reduce the child's absences and that court intervention is necessary to reduce the absences, the court must grant the truancy petition and assume jurisdiction over the child. The court may order the child to attend school, an alternative school, or another education program. The court may also order a student to submit to testing for the use of controlled substances or alcohol. If the child fails to comply with the truancy order, the court may impose detention or community service on the child. The court may also impose a fine or community service on the child's parents.

Summary: Compulsory Attendance. Six- and seven-year-old children are not required to enroll in school or to receive home-based instruction. But if a six- or a seven-year-old child is enrolled in a public school, the child's parent must ensure that the child attends the school, and the child has a duty to attend the school, for the full time the school is in session. Compulsory attendance does not apply to the following six- or seven-year-olds: (1) part-time students receiving ancillary services; (2) students who are formally removed from enrollment and whose parents have not been served with a truancy petition; and (3) students who have been temporarily excused by the school district.

Truant Six- and Seven-Year-Olds. If an enrolled six- or seven-year-old has unexcused absences, the school must take the following actions: (1) inform the parents that the child has failed to attend school; (2) request a conference with the parents to analyze the cause of the absences; (3) take steps to eliminate the absences; and (4) file a truancy petition after seven unexcused absences in a month or ten unexcused absences in a school year. Any truancy petition concerning a six- or a seven-year-old may only be filed against the parent. Six- and seven-year-olds are not required to attend hearings held by the court or a community truancy board. Furthermore, any board agreement concerning six- or seven-year-olds may only include the parent and the school district. Any truancy order concerning a six- or seven-year-old may only be enforced by fining the parent.

Community Truancy Boards. Juvenile courts may establish and operate community truancy boards. A juvenile court may delegate this responsibility to a school district if the district agrees. When a school district files a truancy petition, the juvenile court may refer the case to a community truancy board. If the board receives a referral, it must meet the parties and work out an agreement within 30 days of the referral. The juvenile court may approve the agreement or schedule a hearing. The court may permit the community truancy board to supervise the case. If the community truancy board cannot reach an agreement, the case must be returned to the court. Courts may enforce

board agreements by detention or other alternatives, such as community service.

Truancy Petitions. Truancy petitions may be served by certified mail, return receipt requested. But personal service is required if service by mail is unsuccessful or the return receipt is not signed by the addressee.

School District Representation at Truancy Hearings. School districts alone are to determine who represents them at truancy hearings; their representatives need not be attorneys. Court discretion in permitting non-attorney representation is removed.

School Transfers. When a child transfers from one school district to another district, the receiving school district must count the unexcused absences accumulated in the previous district. If a child who is subject to a truancy petition in one county moves to another county, the juvenile court in the receiving county, upon request of a school district or parent, must assume jurisdiction of the truancy petition.

Grants for Alternative Education Programs. To the extent funds are available, the Superintendent of Public Instruction must provide start-up grants for alternative programs and services that provide instruction for truant, at-risk, and expelled children. The grant applications must contain proposed performance indicators and an evaluation plan to measure the success of the program, and the applicant's plan for maintaining the program and services after the grant period.

Study of Truancy Process. If funds are appropriated, the Superintendent of Public Instruction must contract for an evaluation to be done by the Institute of Public Policy or a similar agency. The evaluation must examine the following: (1) the effectiveness of the petition process and community truancy boards in reducing truancy; (2) the effects of juvenile court action on truants who return to school; and (3) the costs imposed on school districts by the truancy provisions. The cost analysis is to be submitted to the appropriate legislative committees by December 15, 1999, and the remaining evaluation is to be submitted by December 15, 2000.

Votes on Final Passage:

Senate	47	1	
House	93	0	(House amended)
Senate			(Senate refused to concur)
House	96	0	(House amended)
Senate	43	6	(Senate concurred)

Effective: July 25, 1999

SSB 6001
PARTIAL VETO
 C 390 L 99

Providing for the disclosure of information to the office of the family and children's ombudsman.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Long, Winsley and Rasmussen).

Senate Committee on Human Services & Corrections
 House Committee on Children & Family Services

Background: The Office of the Family and Children's Ombudsman is housed within the Office of the Governor. Its purpose is to promote public awareness and understanding of family and children's services, identify system issues and responsibilities, and ensure compliance with the appropriate laws, rules, and regulations pertaining to family and children's services and the placement, supervision and treatment of children in the state's care or in state licensed facilities.

Summary: The ombudsman's duty to periodically review facilities and procedures of state institutions serving children is removed. Guardians ad litem may release confidential information to the ombudsman in family court, dependency and termination cases. Contracting agencies or service providers providing counseling, psychological, psychiatric or medical services relating to a juvenile may release relevant confidential information to the ombudsman.

Disclosure of privileged communication by the Attorney General is not a waiver of privilege. All communication by an ombudsman is privileged if done in good faith performance of duties. Employees of the ombudsman are not liable for good faith performance of their responsibilities.

The Department of Social and Health Services allows the ombudsman to privately communicate with any child or family receiving services, gives the ombudsman access to inspect and copy records necessary in an investigation and provides unrestricted access to the case and management information system (CAMIS). No discriminatory, disciplinary, or retaliatory action can be taken against an employee or contractor of the department for communication made or information given to the ombudsman unless it was given maliciously or in bad faith.

The ombudsman may receive information from a legislator who is assisting a constituent. The ombudsman must release information regarding a constituent if the constituent provides written consent. Confidential information regarding other persons is redacted and the legislator must maintain confidentiality. The legislator is notified when the constituent's case is ready to be closed.

The ombudsman may apply for grants with the approval of the legislative oversight committee.

Votes on Final Passage:

Senate	48	0	
House	95	0	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 25, 1999

Partial Veto Summary: Sections 1 and 6 of the bill were vetoed. The ombudsman retains the duty to periodically review facilities and procedures of state institutions serving children. The provisions specifically authorizing the ombudsman to receive information from a legislator assisting a constituent and provide information to a legislator regarding a constituent's case were eliminated. The ombudsman is not given the power to subpoena records or documents in the possession or control of the Department of Social and Health Services.

VETO MESSAGE ON SB 6001-S

May 18, 1999

*To the Honorable President and Members,
 The Senate of the State of Washington*

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 1 and 6, Substitute Senate Bill No. 6001 entitled:

"AN ACT Relating to the office of family and children's ombudsman;"

Substitute Senate Bill No. 6001 expands the scope of information available to the Family and Children's Ombudsman. Among other things, it permits guardians ad litem and service providers to give confidential information to the Ombudsman, and requires the Department of Social and Health Services (DSHS) to provide access to institutions and information. It also prohibits retaliatory action against employees of DSHS and others who properly provide information.

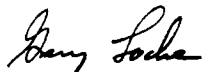
Section 1 of SSB 6001 includes a requirement that the Ombudsman provide information to a legislator regarding a constituent, if the constituent has given his or her consent to release the information and if the constituent would otherwise be able to obtain the information under law. This provision is apparently intended to require the Ombudsman to provide legislators with DSHS records in the Ombudsman's possession. The provision is unnecessary since, with the above conditions present, legislators are currently able to obtain records directly from DSHS.

Section 6 of SSB 6001 would give the Ombudsman the power to subpoena all records and documents in the possession or control of DSHS that the Ombudsman considers necessary in an investigation. Similarly, section 5 of the bill grants the Ombudsman access to all relevant information, records, or documents in the possession or control of DSHS that the Ombudsman considers necessary in an investigation. I am concerned about expanding the subpoena power in the absence of a compelling need. Since the Ombudsman will have statutory access to all necessary records, there is no compelling need. Additionally, there has never been an instance when DSHS, even without a statutory mandate, has refused to give the Ombudsman all requested records.

For these reasons, I have vetoed sections 1 and 6 of Substitute Senate Bill No. 6001.

With the exception of sections 1 and 6, Substitute Senate Bill No. 6001 is approved.

Respectfully submitted,



Gary Locke
Governor

SSB 6009

C 136 L 99

Authorizing nonphoto identification cards for disabled parking.

By Senate Committee on Transportation (originally sponsored by Senators Oke and Haugen; by request of Department of Licensing).

Senate Committee on Transportation
House Committee on Transportation

Background: In 1998 SSB 6190 made significant changes to the disabled parking statute. One of the requirements embodied in that legislation was for the Department of Licensing (DOL) to issue a picture identification card, in addition to the parking placard, which would bear the picture, name, and date of birth of the permit holder, along with the placard's serial number. The purpose of this requirement was to create a document which tied the actual permit holder to the placard in use, thus assisting law enforcement in its effort to protect the rights of the legal permit holders.

The only feasible way to implement this requirement was to centralize the issuance of the placards and picture identification cards in the department's Licensing Service Offices (LSOs). Historically, parking placards have been issued at all DOL subagent locations, but because the issuance of a picture identification card was now required, this service had to be placed in the LSOs, as the subagents' offices were not equipped with cameras or other hardware necessary to produce a picture identification card.

According to the department, the addition of this program to the LSOs workload has had a serious effect on their ability to serve their licensing clientele in a timely manner, thus aggravating their already congested offices. Because of this fact, they feel there needs to be some additional time allowed for them to determine the most efficient and effective process to implement and deliver a picture identification card to all permanent and temporary placard users, as well as to disabled license plate users.

Summary: The requirement on DOL to issue a picture identification card is temporarily removed to allow the department, in conjunction with the Governor's Committee on Disability Issues, to assess the options for issuing a picture identification card to every person qualifying for a permanent or temporary parking placard or a special dis-

abled parking license plate. The department must report its findings to the Legislative Transportation Committee no later than December 31, 2000. The department is to issue photo identification cards to all permit holders by July 1, 2001.

During this time of assessment, the department is to issue non-photo identification cards by no later than January 1, 2000, to all of its permit holders, including temporary permits, that bears the name and date of birth of the permit holder, as well as the placard's serial number.

Votes on Final Passage:

Senate	45	0
House	95	0

Effective: July 25, 1999

SSB 6012

C 265 L 99

Declaring monthly unit valuations for certain portfolios and funds managed by the state investment board.

By Senate Committee on Ways & Means (originally sponsored by Senators Long and Fraser).

Senate Committee on Ways & Means
House Committee on Appropriations

Background: Members of the Teachers Retirement System, Plan 3 (TRS 3) have two options for investing their defined contribution accounts: (1) they can elect to self-direct their investments among various options provided by the State Investment Board (SIB); or they can elect to have their accounts invested by the SIB. If they elect to have the SIB handle the investment, their accounts are invested in the same portfolio as the TRS combined plan 2 and 3 fund—the fund that is used to pay for the defined benefit retirement allowances for TRS 2 and TRS 3 retirees. This is also the default investment option for any TRS 3 member who does not affirmatively select an investment option. When the School Employees Retirement System, Plan 3 (SERS 3) is implemented in September 2000, SERS 3 members will have the same basic investment options: self directing their investments, or having the SIB invest their accounts with the SERS combined plan 2 and 3 fund.

The SIB invests the state retirement funds in several different kinds of assets. Some of the assets are "appraised assets," meaning that their current market value can only be estimated, usually based on appraisals. These would include investments in venture capital, leveraged buy-outs (LBOs), private real estate, and private equity placements. This makes it impossible for the SIB to calculate a precise value for the TRS combined plan 2 and 3 fund, either for annual reporting or for the purposes of determining a member's account balance when the member wishes to transfer money out of the SIB fund.

SB 6019

TRS 3 members are permitted to transfer the investment of their accounts between the SIB and self-directed investment options. When they do so, their funds are transferred based on the most recent SIB estimated value of the TRS combined plan 2 and 3 fund. The estimated value is sometimes adjusted later by the SIB based on new information.

Some concerns have been raised that TRS 3 members may not understand that the amount of investment return credited to their accounts by the Department of Retirement Systems (DRS) is based on the SIB estimated values.

Summary: The SIB must declare monthly unit values for the TRS combined plan 2 and 3 fund and the SERS combined plan 2 and 3 fund. The declared values must be an approximation of the portfolio or fund values and be based on the SIB's internal procedures. Both the declared values and the internal procedures are at the sole discretion of the SIB. The board may delegate its powers and duties to the SIB executive director. The rate of investment return credited to TRS 3 and SERS 3 member accounts is based on the SIB's declared unit values.

The SIB, and its officers, employees and members, are not liable for the SIB's declared monthly unit values, the rates of return credited by DRS to Plan 3 member accounts, nor for any other exercise of powers or duties under the statute that establishes the investment options for TRS 3 and SERS 3 members. DRS and its officers and employees cannot be held liable for crediting rates of return which are consistent with the SIB's declared monthly unit values.

Votes on Final Passage:

Senate	43	0
House	93	0

Effective: July 25, 1999

SB 6019

C 137 L 99

Eliminating authority for crop credit associations.

By Senator Rasmussen.

Senate Committee on Agriculture & Rural Economic Development

House Committee on Agriculture & Ecology

Background: In 1921, legislation was enacted that created a process for growers to form crop credit associations. Two classes of crop credit associations were established:

- temporary crop credit associations which exist for one year; and
- permanent crop credit associations that shall exist for a term not exceeding 50 years.

The Director of Agriculture has general charge and supervisory powers over crop credit associations. The Director of Agriculture must file with the Secretary of State a \$5,000 bond conditioned on the faithful discharge of his or her duties.

Articles of association are required to be filed with the Department of Agriculture and the Secretary of State. Additionally, an annual license fee must be collected by the Secretary of State from crop credit associations.

Neither the Department of Agriculture nor the Secretary of State have any record of the existence of any crop credit associations having been formed under this chapter.

Summary: The chapter that provides for creation and supervision of crop credit associations is repealed.

Votes on Final Passage:

Senate	44	0
House	95	0

Effective: July 25, 1999

ESSB 6020

C 138 L 99

Delaying implementation of the requirement to record social security numbers on license applications to assist in child support enforcement.

By Senate Committee on Labor & Workforce Development (originally sponsored by Senators Hargrove, Fairley, Benton, Kohl-Welles, Zarelli, Swecker, Roach, McDonald, Rossi, Morton, Spanel, Thibaudeau, Hochstatter, T. Sheldon, Sheahan, Johnson, Prentice, Brown, Heavey, Stevens and Costa).

Senate Committee on Labor & Workforce Development
House Committee on Judiciary

Background: The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (welfare reform) made significant changes to the child support enforcement system, including increasing the use of Social Security numbers on license applications to improve tracking of obligors.

In 1998, the Washington State Legislature passed ESSB 6418 to conform with federal requirements. Subsequently, Congress postponed the deadline for implementation of state collection of Social Security numbers on drivers' licenses until October 1, 2000, or such earlier date as the state may select.

Summary: The Legislature declares that the collection of Social Security numbers on applications for original, replacement, or renewal noncommercial drivers' licenses is delayed until the time necessary to comply with the federal deadline.

Votes on Final Passage:

Senate	44	1
House	95	0

Effective: July 25, 1999**SB 6025**

C 195 L 99

Allowing purchases for resale by institutions of higher education without using the competitive bid process.

By Senators Bauer, Horn and Patterson; by request of State Board for Community and Technical Colleges.

Senate Committee on Higher Education

House Committee on Higher Education

Background: Colleges purchase resale goods to support a variety of instructional programs and college enterprise activities. In instructional programs, these goods are used to provide hands on training for students as well as service to the public. In some programs the purchasing process is a part of the learning process.

For a number of years, higher education institutions have operated as though exempt from compliance with the competitive bid requirements applied to purchases of goods for resale.

A question from the State Auditor's Office prompted a review of the statutes. As a result of that review, these purchases are not currently exempt from competitive bid requirements. A change in statute is required to establish an exemption for the purchase of goods for resale by institutions of higher education.

Summary: Purchases by institutions of higher education for resale to other than public agencies are exempt from the competitive bid process. Direct purchases for resale are limited to purchases expressly supporting instructional programs.

Votes on Final Passage:

Senate	47	0	
House	90	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 25, 1999**SB 6030**

C 57 L 99

Expanding the designation of the Lewis and Clark Highway.

By Senator Snyder.

Senate Committee on Transportation

House Committee on Transportation

Background: In 1955, the Legislature established the Lewis and Clark Highway. The Lewis and Clark High-

way began in Vancouver and extended east through Kennewick, Walla Walla and Pomeroy, and continued to the Washington-Idaho state line. Since then, the Legislature has modified the Lewis and Clark Highway designation on three separate occasions in order to remain contemporary with the renaming of state highways and to extend the designation west to Ilwaco. The last update was in 1970.

In January of 1999, the Washington State Historical Society, the Washington State Parks and Recreation Commission, the Washington State Department of Fish and Wildlife, the Department of Community, Trade, and Economic Development, and the Washington State Department of Transportation completed a draft Interpretive and Tourism Plan that commemorates the bicentennial anniversary of the Lewis and Clark expedition. The plan includes public involvement, site assessments of the Lewis and Clark expedition and makes recommendations for the entire trail corridor in Washington.

A recommendation of this draft plan is to include "missing links" along the Lewis and Clark Highway and serves as the basis for this legislation.

Summary: The Lewis and Clark Highway is modified to include missing links identified in the Interpretive and Tourism Plan for the Lewis and Clark Bicentennial.

The missing links include all or portions of State Route 193, State Route 395, State Route 82, State Route 432, State Route Spur/Alternate Route 101, State Route Loop 100 and Route Spur 100, and State Route 103.

Votes on Final Passage:

Senate	48	0
House	90	0

Effective: July 25, 1999**SB 6048**

C 7 L 99

Creating a retrospective rating plan.

By Senators Haugen, Hochstatter, Loveland, T. Sheldon, Oke, Goings, Rasmussen and Hale; by request of Department of Labor & Industries.

Background: The Department of Labor and Industries has adopted rules providing for retrospective adjustment of an employer's industrial insurance premium under a retrospective rating plan. The plan is also available to groups of employers that meet statutory requirements for group insurance including the requirement that the occupations or industries of the employers in the group must be substantially similar. The plan is available on a voluntary basis for a one-year period, beginning in January, April, July, or October, and may be renewed at the end of that year. The plan must be consistent with recognized insurance principles and be administered under rules adopted by the department.

Under retrospective rating, a participating firm's premium is adjusted based on injury claims within the designated period. Claim costs that are lower than expected result in a refund; higher costs result in higher charges. Employers enrolled in the retrospective rating program received \$88 million in refunds in the 12-month period ending in April of 1998. The Attorney General's Office has notified the department that it has not complied with the requirement that the occupations or industries of employers in a group must be substantially similar.

Summary: The department's retrospective rating plan is statutorily mandated. Participating employers or groups of employers must comply with the department's rules. Retrospective rating groups must exist for some purpose independent of insurance purposes, be composed of employers who are substantially similar in activities, and seek to substantially improve workplace safety, injury prevention, and claims management for members. Insurers and insurance brokers, agents or solicitors may not form or sponsor a retrospective rating group. Employers who were members of mistakenly approved retrospective rating groups may continue in that group. Mistakenly approved groups remain approved and are not subject to certain requirements that apply to other groups.

Groups required by the department to pay additional net premium assessments in two consecutive coverage periods must be placed on probation. A third consecutive additional assessment results in the group being denied future enrollment and the sponsoring entity may not sponsor another group for five years. Each retrospective rating group may be treated as a single entity for purposes of dividends or premium discounts.

Votes on Final Passage:

Senate	46	2	
Senate	46	2	(Senate reconsidered)
House	78	14	

Effective: July 25, 1999

SSB 6052

C 222 L 99

Assisting volunteers in hunter safety programs.

By Senate Committee on Natural Resources, Parks & Recreation (originally sponsored by Senators Jacobsen and Rasmussen).

Senate Committee on Natural Resources, Parks & Recreation

House Committee on Natural Resources

Background: The hunter education program offers classes that all new hunters in the state are legally required to complete. Funds for the classes come from the federal Pitman Robinson fund. At the present time, many volun-

teers are helping with the program but insufficient funding exists to give them any mileage or per diem costs.

Summary: The Legislature finds that the hunter education program is an important program but that budget reductions have limited the assistance that the state can provide to volunteers who conduct the classes.

The support of volunteer instructors in the basic firearms safety training program is an additional use for the \$3 from renewals of expired concealed weapon permits deposited in the wildlife fund.

Votes on Final Passage:

Senate	45	0
House	81	12

Effective: July 25, 1999

SSB 6063

C 288 L 99

Authorizing the state investment board to invest and reinvest moneys in the emergency reserve fund.

By Senate Committee on Ways & Means (originally sponsored by Senators Loveland, West, Snyder and Oke).

Senate Committee on Ways & Means

House Committee on Appropriations

Background: The Emergency Reserve Fund was established in 1995 by Initiative 601 and consists of all General Fund-State revenues that are received each fiscal year in excess of the state General Fund expenditure limit. By a two-thirds vote of each house, the Legislature may appropriate moneys from the Emergency Reserve Fund only if the appropriation does not exceed the state expenditure limit. Investment earnings are retained by the Emergency Reserve Fund.

If the Emergency Reserve Fund accumulates moneys in excess of 5 percent of biennial General Fund-State revenues, the excess amount is transferred to the Education Construction Fund for use in construction projects for the common schools and state institutions of higher education.

Fund balances in the state treasury are invested by the State Treasurer. By law, these investments are limited to various bonds, notes, certificates of deposit, and other specified fixed-income securities. The State Treasurer is not authorized to invest these balances in more aggressive investments, such as corporate stock. Recent investment earnings by treasury funds have averaged approximately 5.5 percent annually.

The State Investment Board was established in 1981 to provide for the long-term investment of various state permanent funds and trust accounts. By state constitutional amendments in 1965, 1968 and 1985, the Permanent Common School Fund and public pension and worker compensation funds were allowed to be invested in such instruments as the Legislature may authorize, including

corporate stock. Recent investments of these funds by the State Investment Board have earned an annual return of approximately 17 percent. This high rate of return can be attributed to the long-term nature of these trust funds and general stock market performance in recent years. These returns may not be achievable in the future, and other investments may be more prudent for other funds and accounts.

A related measure, SJR 8208, amends the state Constitution to permit the Legislature to authorize the investment of state funds and accounts in corporate stock. In the absence of SJR 8208, the investment of the Emergency Reserve Fund would be limited to fixed-income investments.

Summary: The authority to invest the Emergency Reserve Fund is transferred from the State Treasurer to the State Investment Board.

Votes on Final Passage:

Senate	39	7
House	93	0

Effective: July 1, 1999

SB 6065

C 266 L 99

Providing an excise tax exemption for property owned, operated, or controlled by a public corporation.

By Senators Wojahn and Winsley.

Senate Committee on Ways & Means

House Committee on Finance

Background: Public corporations, commissions, or authorities created by counties, cities, or towns receive the same immunity or exemption from taxation as the cities or towns which form them. However, these entities must pay an excise tax on their real and personal property equal to the regular property taxes that would have been paid if the property were privately owned.

Exempt from the tax is: (a) property within a special review district established before January 1, 1976, or property listed on a state or federal register of historic sites, or property which is within a special review district listed on such a register; and (b) property owned or operated by a public corporation that is used primarily for low-income housing or that is used as a convention center, performing arts center, public assembly hall, or public meeting place.

Proceeds from the excise tax are distributed to the taxing districts in which the property is situated in the same manner as property taxes.

Summary: Exempt from the excise tax is property owned, operated, or controlled by a public corporation that:

- is used as a public esplanade, street, public way, public open space, park, public utility corridor, or view corridor for the general public; or
- is contaminated with hazardous substances and was acquired to implement a plan approved by the city or county to facilitate the remediation and redevelopment of the property.

Votes on Final Passage:

Senate	48	0	
House	95	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: July 25, 1999

SSB 6090

C 279 L 99

Modifying provisions that relate to the management and administration of agricultural college lands.

By Senate Committee on Ways & Means (originally sponsored by Senator Loveland).

Senate Committee on Ways & Means

House Committee on Appropriations

Background: By the act of Congress granting statehood to the state of Washington (the Enabling Act), various federal lands were granted to the state, in trust, to support state institutions, such as colleges and the common schools. A portion of these lands were dedicated to an agricultural college, which became Washington State University. These agricultural trust lands, which consist primarily of timber lands, are managed by the Department of Natural Resources. The lands generate income from timber sales, leases, mineral rights, and other sources. Under state law, the Department of Natural Resources is allowed to deduct up to 25 percent of this income to reimburse the department for the costs incurred in managing and administering the trust lands. The department deposits this income, along with income derived from other trust lands under its management, in the Resource Management Cost Account.

Federal law (known as the Morrill Act) prohibits the deduction of management expenses from the income of the agricultural trust lands.

Summary: A new account, the Agricultural College Trust Management Account, is created for the purposes of making appropriations for the management costs of the agricultural trust lands. The account consists of such funds as the Legislature appropriates or deposits to the account. Income from the agricultural trust lands is no longer deposited in the Resource Management Cost Account, and no portion of the income may be deducted for management costs.

ESJM 8013

Votes on Final Passage:

Senate	45	0
House	96	0

Effective: July 1, 1999

ESJM 8013

Requesting federal assistance for areas of Washington that received record rainfall this winter.

By Senators T. Sheldon, Rasmussen, Horn and Sheahan.

Senate Committee on Ways & Means

Background: The Emergency Management Division in the Military Department, in cooperation with Federal Emergency Management Agency (FEMA) and local governments, administers state and local disaster recovery efforts. Once the President declares a disaster, the state becomes eligible for federal assistance under programs administered by FEMA. To receive federal assistance under one of these programs, 25 percent matching funds are usually required.

Between the months of November 1998 and February 1999, some parts of Washington experienced record rainfall. The flooding and mudslides resulting from this rainfall have caused substantial damage to homes, roads and other public infrastructure.

Summary: The Legislature requests that, if the Governor requests federal disaster assistance, the President and FEMA will respond favorably to the request and provide the maximum available disaster recovery support.

Votes on Final Passage:

Senate	45	0
House	95	0

SJR 8206

Guaranteeing school district debt.

By Senators Bauer, McCaslin, Snyder, Loveland and McAuliffe; by request of State Treasurer.

Senate Committee on Education
Senate Committee on Ways & Means
House Committee on Capital Budget

Background: Article VIII, Section 1, of the state Constitution permits the state to contract debt, but limits the total amount of state debt to the principal and interest payments in any year that will not exceed 9 percent of the average of the prior three years of general state revenues. Certain categories of debt are excluded from the 9 percent limit, including county and municipal debt.

Article VIII, Section 1, also allows the state to pledge its full faith and credit to guarantee payment on any debt to be paid from revenues from the motor vehicle license

fees, motor vehicle fuel tax, and interest on the permanent common school fund.

To amend the Constitution, a bill must be passed by a two-thirds majority of both houses and approved by a majority of the people.

Summary: The state Constitution is amended to authorize the state to pledge its full faith and credit to guarantee payment on school district general obligation debt. The state's guarantee does not remove the debt obligation of the school district. Any obligation or payment on guaranteed school district debt is exempt from the constitutional 9 percent debt limit.

Votes on Final Passage:

Senate	38	10
House	95	0 (House amended)
Senate	37	6 (Senate concurred)

Effective: Upon voter approval at next general election

SSJR 8208

Authorizing investments as specified by the legislature.

By Senate Committee on Ways & Means (originally sponsored by Senators Loveland, West and Snyder).

Senate Committee on Ways & Means
House Committee on Appropriations

Background: Article XII, Section 9 of the State Constitution prohibits the state from being "interested in the stock of any company, association, or corporation." This provision has prevented the investment of state moneys in corporate stock. State investments are limited to fixed-income securities such as government and corporate bonds and certificates of deposits.

State constitutional amendments were adopted in 1965, 1968, and 1985 to permit the Legislature to authorize stock investments by the Permanent Common School Fund, public employee retirement funds, and worker compensation funds.

Summary: The State Constitution is amended to allow the Emergency Reserve Fund to be invested in such investments as the Legislature may authorize by law.

Votes on Final Passage:

Senate	42	5
House	90	3 (House amended)
Senate		(Senate refused to concur)
House	96	0 (House receded)

Effective: 30 days after election at which it is approved

SSCR 8406

Resolving to determine whether or not the legislature should commence proceedings to remove Judge Grant Anderson from office.

By Senate Committee on Judiciary (originally sponsored by Senators Snyder, McCaslin, Franklin and Goings).

Senate Committee on Judiciary
House Committee on Judiciary

Background: The Commission on Judicial Conduct recently completed an investigation of Judge Grant Anderson, a superior court judge in Pierce County, for violations of the Code of Judicial Conduct. The commission found, by clear, cogent and convincing evidence, that Judge Anderson violated several provisions of the Code of Judicial Conduct in the administration of an estate in which he was originally the personal representative. The violations involved not revealing to the trustee of the estate's assets nearly \$32,000 in secret car payments made by a personal friend to the judge; remaining an officer of two corporations and conducting corporate business while a judge; and failing to report the secret car payments as compensation on his public disclosure filings for three years.

The decision of the commission to discipline Judge Anderson has been appealed to the state Supreme Court, but the court has not issued its decision.

Article IV, Section 9 of the Washington Constitution allows the Legislature, by a three-fourths vote, to remove a judge for incompetency, corruption, malfeasance, or delinquency in office, or other sufficient cause.

Summary: Within two weeks of the release of the state Supreme Court's decision on the discipline of Judge Grant Anderson, or no later than December 10, 1999, the House and Senate Committees on Judiciary must schedule a meeting to review the matter.

Votes on Final Passage:

Senate	46	2	
House	97	0	(House amended)
Senate	41	0	(Senate concurred)

Sunset Legislation

Sunset Legislation

Background: The Legislature adopted the Washington State Sunset Act (43.131 RCW) in 1977 in order to improve legislative oversight of state agencies and programs. The sunset process provides for automatic termination of selected state agencies, programs, and statutes. One year prior to a termination, the Joint Legislative Audit and Review Committee and the Office of Financial Management conduct program and fiscal reviews. These reviews are designed to assist the Legislature in determining whether agencies and programs should be terminated automatically or reauthorized in either their current or modified form prior to the termination date.

Session Summary: Sunset provisions affecting the Washington Conservation Corps are repealed. The expiration of the veterans' permissive and variable tuition exemptions is eliminated. Funding for the Job Skills program is extended without limit. The time for distribution of funds to control the apple maggot is extended until June 30, 2001. The Permit Assistance Center terminates on June 30, 1999.

Programs Removed from Sunset Review

Washington Conservation Corps SB 5255 (C 280 L 99)

**Veterans' exemptions from
higher education tuition** SSB 5215 (C 82 L 99)

Job Skills Program ESSB 5909 (C 121 L 99)

Programs with Sunset Date Extended

Fruit and vegetable district fund
Extended to June 30, 2001 SB 5347 (C 47 L 99)

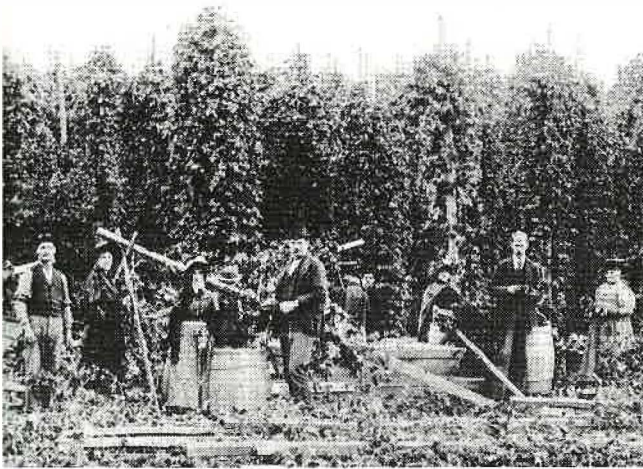
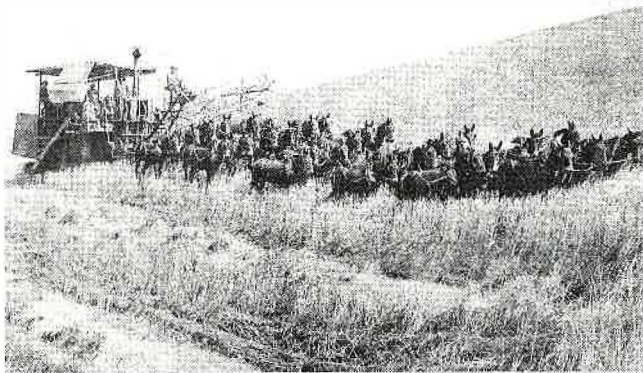
Program to Terminate
Permit Assistance Center
Terminates June 30, 1999

SECTION II *Budget Information*

Operating Budget

Capital Budget

Transportation Budget



Throughout the state's farming history, the growth and harvest of field crops has offered challenges to Washington farmers. Photos courtesy of Washington State Library. Olequa hop farming, circa 1894 and Walla Walla wheat harvest photo postcard, circa 1890.

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1999-01 Operating Budget Overview

The 1999 Legislature faced the challenge of balancing competing pressures to spend under the Initiative 601 limit, thus preserving capacity for supplemental demands, while funding immediate demands for cost-of-living increases for teachers and state employees.

Under Initiative 601, spending from the state General Fund for the 1999-01 biennium is limited to \$20.646 billion¹. The 1999-01 biennial omnibus operating budget enacted by Chapter 309, Laws of 1999, Partial Veto (ESSB 5180) and amended by other legislation² appropriates \$20.573 billion³ from the state General Fund. Combined with the effect of the Governor's vetoes, final appropriations are \$74 million below the spending limit.

The total funds operating budget for 1999-01 is \$38.9 billion. The total funds operating budget represents an increase of 8.8 percent over estimated 1997-99 biennial expenditures for all budgeted funds. The state General Fund portion of the operating budget represents a 7.4 percent increase over 1997-99 biennial state General Fund appropriations.

Most of the increase in General Fund-State expenditures was provided for education. Funding for salary increases for teachers and other costs associated with the public school system totaled \$625 million, or 44 percent of the total General Fund-State increase from the previous biennium. Higher education received an additional \$330 million, or 23 percent, of the General Fund-State increase. Other major portions of the total increase were for the Department of Social and Health Services (\$154 million, 11 percent of the General Fund-State increase) and for state employee salaries, health benefits, and increases for contracted vendors (\$241 million, 17 percent of the General Fund-State increase).

In March 1999, the Economic and Revenue Forecast Council projected \$20.3 billion in General Fund-State revenues for the 1999-01 biennium. When combined with an unrestricted beginning fund balance of \$527 million, the state General Fund had projected resources of \$20.8 billion. Revenue changes due to legislation reduced resources by \$25 million. After appropriations, \$208 million in unrestricted reserves is expected to carry forward into the 2001-03 biennium and \$500 million remains in the Emergency Reserve Account.

¹ The annual spending limit for fiscal year 2000 is \$10.170 billion and for fiscal year 2001 is \$10.476 billion.

² Chapter 376, Laws of 1999 (SSB 5967 - nursing home bed capacity); Chapter 379, Laws of 1999, Partial Veto (SHB 1165 - capital budget); Chapter 392, Laws of 1999, Partial Veto (SSB 5968 - public hospital facility payment); Chapter 12, Laws of 1999, 1st Sp.S., Partial Veto (EHB 2304 - school security); and Chapter 13, Laws of 1999, 1st Sp.S., Partial Veto (E2SSB 5595 - salmon recovery).

³ Annual General Fund-State expenditures for fiscal year 2000 are \$10.159 billion and for fiscal year 2001 are \$10.414 billion.

1999-01 State Operating Budget (ESSB 5180)

Revenues

During the 1999 Regular and First Special Sessions, the Legislature enacted 32 bills affecting revenue. As a result, state General Fund resources were reduced by \$25 million.

A focus this year was on using tax legislation to spur rural economic development. Chapter 311, Laws of 1999 (ESHB 2260), redirects the existing local option sales and use tax for distressed counties to rural counties, and increases the local option sales and use tax rate from 0.04 to 0.08 percent. This increase does not raise the overall sales and use tax rate in rural counties, as it is credited against the state sales and use tax. Rural counties must use revenues generated from the local options tax to pay for public facilities listed in certain economic development or comprehensive plans. The legislation also provides some business and occupation (B&O) and public utility tax credits aimed at encouraging economic development activities in rural areas. ESHB 2260 reduces the state General Fund by \$17 million in the 1999-01 biennium, but provides rural county governments with \$15 million in new revenues.

Another significant piece of revenue legislation is Chapter 4, Laws of 1999, 1st Sp.S., Partial Veto (ESHB 2091), which decreases the state General Fund by \$10 million by providing a timber excise tax credit for timber harvested under a permit subject to enhanced aquatic resources. This legislation is part of the measures being taken to restore salmon runs. The legislation uses the tax credit to provide some compensation to timber owners whose harvesting activities are restricted.

Property tax bills often do not affect the state's General Fund balance, but property tax shifts occur. When a property is exempted, taxes that would have been paid on that property are shifted and paid by other property owners. This year the property tax bill with the largest shift is Chapter 203, Laws of 1999 (SHB 1345), which exempts rental housing owned or used by nonprofit organizations to provide housing for low-income families from property taxes (if certain conditions are met). The total shift in state and local property taxes is \$8.7 million. There is also a \$1.1 million local revenue loss but no loss to the state General Fund.

A few bills also increase revenues. Most notably, Chapter 209, Laws of 1999 (HB 1664), increases the state General Fund by \$5.3 million by applying real estate excise tax to certain "step transactions" involving formation, liquidation, dissolution, or reorganization of a partnership or corporation that owns real estate. The revenue increase for local governments is \$2.1 million.

1999-01 State Operating Budget (ESSB 5180)

1999-01 Estimated Revenues and Expenditures

General Fund-State

(Dollars in Millions)

RESOURCES	
Unrestricted Beginning Balance	526.9
March Revenue Forecast	20,272.7
Revenue Legislation	-25.0
Water Quality Account Transfer	-26.8
Other Budget Driven Revenue	28.9
Total Resources	20,776.7
SPENDING LIMIT AND APPROPRIATIONS	
Working 601 Spending Limit	20,646.4
Operating Budget, ESSB 5180 *	20,572.8
Spending Compared to Limit	-73.6
BALANCE AND RESERVES	
Emergency Reserve (including interest)	483.9
Unrestricted Ending Balance **	208.1
Total Ending Reserves	692.0

* Includes amendments to the operating budget by Chapter 376, Laws of 1999 (SSB 5976 - nursing home bed capacity); Chapter 379, Laws of 1999, Partial Veto (SHB 1165 - capital budget); Chapter 392, Laws of 1999, Partial Veto (SSB 5968 - public hospital facility payment); Chapter 12, Laws of 1999, 1st Sp.S., Partial Veto (EHB - school security); and Chapter 13, Laws of 1999, 1st Sp.S., Partial Veto (E2SSB 5595 - salmon recovery). Appropriations also reflect amounts lapsed due to vetoes and bills not passing.

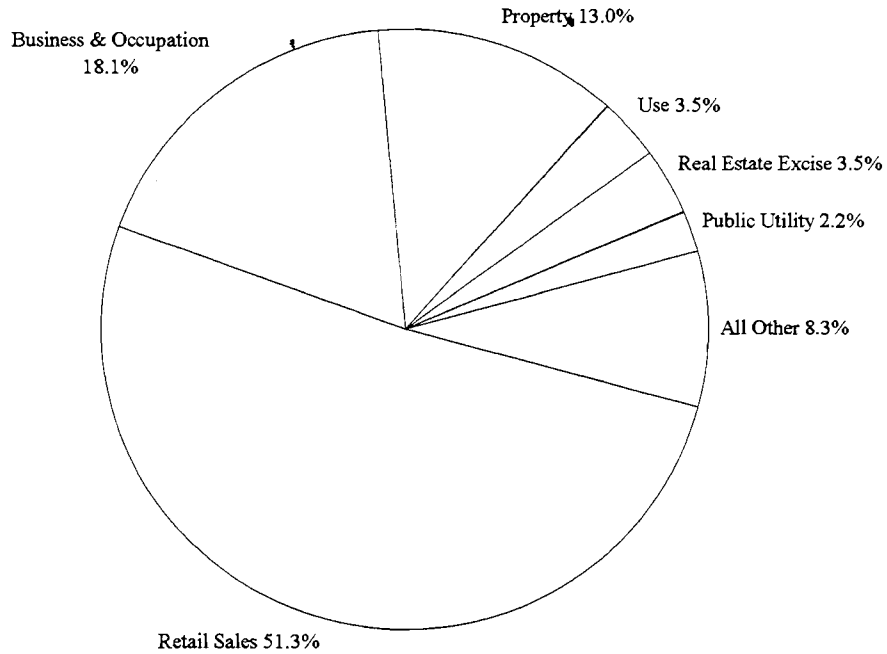
** Includes \$4.1 million repayments of loans from Fish and Wildlife.

1999-01 State Operating Budget (ESSB 5180)

Washington State Revenue Forecast - March 1999

1999-01 General Fund-State Revenues by Source

(Dollars in Millions)



Sources of Revenue	
Retail Sales	10,405.4
Business & Occupation	3,673.2
Property	2,638.0
Use	707.8
Real Estate Excise	714.3
Public Utility	444.6
All Other	1,689.4
Total *	20,272.7

* Reflects the March 1999 Revenue Forecast.

1999-01 State Operating Budget (ESSB 5180)

Washington State General Fund-State Revenues By Source

Dollars in Millions

	1989-91	1991-93	1993-95	1995-97	1997-99 *	1999-01 *
Retail Sales	6,446.3	7,163.0	8,020.5	8,541.8	9,623.7	10,405.4
Business & Occupation	2,217.7	2,503.5	3,031.5	3,300.1	3,565.2	3,673.2
Property	1,399.4	1,661.8	1,960.4	2,211.7	2,453.9	2,638.0
Use	481.9	515.1	569.4	626.1	667.5	707.8
Real Estate Excise	436.8	399.0	493.0	532.6	731.1	714.3
Public Utility	244.0	292.9	345.2	388.1	419.5	444.6
All Other	1,397.9	1,817.0	1,780.9	1,729.5	1,797.8	1,689.4
Total	12,624.0	14,352.3	16,200.9	17,329.9	19,258.7	20,272.7

Percent of Total

Retail Sales	51.1%	49.9%	49.5%	49.3%	50.0%	51.3%
Business & Occupation	17.6%	17.4%	18.7%	19.0%	18.5%	18.1%
Property	11.1%	11.6%	12.1%	12.8%	12.7%	13.0%
Use	3.8%	3.6%	3.5%	3.6%	3.5%	3.5%
Real Estate Excise	3.5%	2.8%	3.0%	3.1%	3.8%	3.5%
Public Utility	1.9%	2.0%	2.1%	2.2%	2.2%	2.2%
All Other	11.1%	12.7%	11.0%	10.0%	9.3%	8.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Percent Change from Prior Biennium

Retail Sales		11.1%	12.0%	6.5%	12.7%	8.1%
Business & Occupation		12.9%	21.1%	8.9%	8.0%	3.0%
Property		18.8%	18.0%	12.8%	11.0%	7.5%
Use		6.9%	10.5%	10.0%	6.6%	6.0%
Real Estate Excise		-8.7%	23.6%	8.0%	37.3%	-2.3%
Public Utility		20.0%	17.9%	12.4%	8.1%	6.0%
All Other		30.0%	-2.0%	-2.9%	4.0%	-6.0%
Total		13.7%	12.9%	7.0%	11.1%	5.3%

* Reflects the March 1999 Revenue Forecast.

Note: Effective January 1999, motor vehicle excise tax was removed from the General Fund due to Referendum 49. Historical amounts have been adjusted to be comparable.

1999-01 State Operating Budget (ESSB 5180)

1999 Revenue Legislation

General Fund-State

(Dollars in Thousands)

			<u>1999-01</u>	<u>2001-03</u>
Rural Tax Package				
ESHB	2260	Rural County Tax Incentives	-17,487	-23,726
E2SSB	5594 *	Economic Vitality	-1,108	-1,312
Other Bills				
E2SHB	1143	Inmate Funds' Deductions	-1,215	-5,080
EHB	1151	Dairy and Food Laws	-2	-2
HB	1154	Emergency Medical Services Levy	0	0
SHB	1345	Low-Income Rental Housing/Tax Exemption	0	0
ESHB	1547	Zoo/Aquarium Funding	0	0
ESHB	1562	Airport Rental/Use Charges	-3	-3
SHB	1623	Tax Code Update	0	0
HB	1664	Real Estate Excise Tax	5,300	7,500
HB	1741	Small Business Tax Reporting	0	0
ESHB	1887 *	Machinery and Equipment Tax	-401	-465
SHB	1969	Nonprofit Homes for Aging/Tax Exemption	0	0
EHB	2015	Year 2000 Liability	-143	-52
HB	2081	Internet Service Provider Tax Prohibition	0	0
ESHB	2090	Sellers of Travel	64	64
ESHB	2091 *	Salmon and Water/Forest Practice	-10,000	-15,860
ESHB	2247	Oil Spill Response Tax	0	0
HB	2261	Construction Services/Tax	0	0
SHB	2273	Destroyed Property/Taxation	0	0
HB	2295	Agriculture Production/Tax	0	0
SB	5020	Fishing/Hunting License Fees	240	240
SB	5021	Agricultural Research and Education/Tax Exemption	0	0
2SSB	5452	Public Facilities Districts	-1,791	-9,085
SSB	5495	Property Tax Levy Restriction	0	0
ESB	5564	Park and Travel Trailer Tax	0	0
ESSB	5661	Leasehold Excise Tax	-90	-90
SSB	5706	License Fraud	1,623	1,783
ESSB	5712	Motel Liquor Licenses	-3	12
SSB	5746	Urban Multiple-Unit Dwellings	0	0
SSB	5781 *	Commuter Trip Reduction	0	0
SB	6065	Public Corp Property Tax	-25	-32
Total			-25,041	-46,108

* Partial Veto -- see narrative for details

Note: HB 2295 will increase biennial revenues by about \$11 million; however, some or all of this is reflected in the June 1999 official Revenue Forecast. This is because the bill reverses a court decision that became final after the revenue forecast was issued.

Revenue Legislation

Rural Development Tax Legislation

Promoting the Creation and Retention of Jobs -- \$17.5 Million General Fund-State Revenue Decrease

Chapter 311, Laws of 1999 (ESHB 2260), decreases the state General Fund by \$17.5 million but increases local revenues by \$15 million. The legislation makes tax changes for rural counties and landslide disaster areas.

Local Option Sales and Use Tax: The existing local option sales and use tax for distressed counties is redirected to rural counties. A rural county is defined as a county with a population density of less than 100 persons per square mile. All counties currently meet this definition of rural except Spokane, Snohomish, Thurston, Island, Pierce, Clark, Kitsap, and King counties. The rate for this local option sales and use tax is increased from 0.04 percent to 0.08 percent. The increase to 0.08 percent takes effect on August 1, 1999, for most rural counties, but the increase does not take effect until January 1, 2000, for counties with population densities between 60 and 100 persons per square mile, which includes San Juan, Whatcom, Benton, and Cowlitz counties. The rural county optional sales tax does not increase the overall sales tax rate as it is credited against the state sales tax. Revenues from the rural county optional sales tax may only be used for public facilities listed in certain economic development or comprehensive plans.

Other Tax Changes for Rural Counties: New B&O tax credits are created for businesses located in rural counties that provide information technology “help desk” services. New B&O tax credits are also allowed for each software manufacturing or computer programming job created in a rural county. All new B&O tax credits expire on December 31, 2003. A public utility tax credit is provided for light and power businesses that donate to an electric utility rural economic development revolving fund. There are limits on the amounts that may be donated, and the credits expire on December 31, 2005. The 1.377 percent allocation of motor vehicle excise tax revenues earmarked for distressed counties is limited to those counties authorized to collect the 0.04 percent local option sales tax on January 1, 1999.

Landslide Disaster Areas: A temporary sales tax exemption is created for house moving or demolition and debris removal from a federally-declared landslide disaster area.

Enhancing Economic Vitality -- \$1.1 Million General Fund-State Revenue Decrease

Chapter 164, Laws of 1999, Partial Veto (E2SSB 5594), decreases state General Fund revenues by \$1.1 million and local government revenues by \$261,000. The legislation limits the existing distressed area sales and use tax deferral program to rural counties, community empowerment zones, and counties that contain community empowerment zones; and limits the B&O tax credit for job creation to rural counties and community empowerment zones. The measure includes other changes related to rural economic development including revisions to the Community Economic Revitalization Board (CERB) program, to public facilities loans and grants, public works board and water pollution control facilities, and to the development loan fund. The Washington State Housing Finance Commission’s outstanding statutory debt limit is increased from \$2 billion to \$3 billion.

1999-01 State Operating Budget (ESSB 5180)

The economic vitality committee is created to analyze potential economic development projects of statewide significance. (The Governor vetoed three sections: a provision requiring the Joint Legislative Audit and Review Committee to conduct performance reviews of the CERB program; language duplicated in another bill; and the establishment of an ad hoc economic development group.)

Other Tax Legislation

Contributing to Salmon and Water Quality Enhancement in Areas Impacted by Forest Practices -- \$10 Million General Fund-State Revenue Decrease

Chapter 4, Laws of 1999, 1st Sp.S., Partial Veto (ESHB 2091), decreases the state General Fund by \$10 million by providing a timber excise tax credit for timber harvested under a permit subject to "enhanced aquatic resources requirements." A related bill, Chapter 5, Laws of 1999, 1st Sp.S. (HB 2303), makes this tax credit effective for timber harvests occurring on and after January 1, 2000. In addition to this timber excise tax credit, ESHB 2091 also requires the Forest Practices Board to adopt new rules and creates the small forest landowner office in the Department of Natural Resources (DNR) to administer the forestry riparian easement program. DNR is authorized to acquire riparian open space in the channel migration zones of certain stream types. Enforcement authority of DNR and the Department of Ecology is strengthened. The director of the Department of Fish and Wildlife is conditionally added to the Forest Practices Board. (The Governor vetoed two sections: a section requiring DNR to evaluate public lands that do not provide sufficient shade for streams and a section making the act null and void if Alaska does not reduce its salmon harvest levels.)

Creating a Public Facilities District -- \$1.8 Million General Fund-State Revenue Decrease

Chapter 165, Laws of 1999, (2SSB 5452), decreases the state General Fund by \$1.8 million and increases local government revenues by \$1.8 million. The legislation authorizes certain cities or groups of contiguous cities to create public facilities districts (PFD) for purposes of acquiring, building, owning, and operating one or more regional convention, conference, or special events centers. A city or group of contiguous cities must be located in a county or counties that each have less than one million residents in order to qualify. (Counties already have existing authority to create PFD.)

0.033 Percent Sales and Use Tax Credit: A city- or county-created PFD that begins to construct or rehabilitate a regional facility before January 1, 2003, may take a 0.033 percent credit against state retail sales and use taxes collected within the district. To qualify for the 0.033 percent tax credit, the regional center's project costs, including debt service, must equal or exceed \$10 million. Also, a city- or county-created PFD must provide some matching revenues. A county-created PFD cannot take the 0.033 percent tax credit if the county legislative authority already has imposed a sales and use tax credit to construct a major league baseball or football stadium.

Other Tax Changes: After August 1, 2000, both city- and county-created PFDs may impose a 0.2 percent voter-approved sales and use tax (before August 1, 2000, county-created PFDs may impose up to a 0.1 percent rate). Both city- and county-created PFDs may charge taxes on admissions and parking fees that preempt any city or county tax of a similar nature. Leasehold interests in both city- and county-created PFDs are exempt from tax. A county-created PFD may reauthorize its 2 percent hotel/motel tax by a vote of the voters of the district for purposes of funding additional public facilities or a regional center.

Authorizing Deductions from Inmate Funds -- \$1.2 Million General Fund-State Revenue Decrease

Chapter 325, Laws of 1999 (E2SHB 1143), decreases the state General Fund by \$1.2 million and increases the state Cost of Incarceration Fund by \$1.2 million. Local government revenues increase \$7.4 million. The legislation removes a December 31, 2000, sunset date. Removal of the sunset date means that moneys collected from inmates to help cover their imprisonment costs will continue to be deposited to the state Cost of Incarceration Fund rather than to the state General Fund. Another provision authorizes local governments to charge \$10 jail booking fees. Various provisions affecting amounts deducted from moneys sent to inmates by friends and family members are also enacted.

Revising the Machinery and Equipment Tax Exemption for Manufacturers and Processors for Hire -- \$401,000 General Fund-State Revenue Decrease

Chapter 211, Laws of 1999, Partial Veto (ESHB 1887), decreases the state General Fund by \$401,000 and local government revenues by \$107,000. The legislation includes logging and rock crushing equipment in the sales and use tax exemption for manufacturing machinery and equipment. Machinery and equipment used to test manufactured products are also exempted from sales and use tax. (The Governor vetoed an emergency clause with the result that the new sales and use tax exemption granted for testing equipment takes effect on July 25, 1999, rather than immediately.)

Restricting Liability for Year 2000 Date-Change Damages -- \$143,000 General Fund-State Revenue Decrease

Chapter 369, Laws of 1999 (EHB 2015), decreases the state General Fund by \$143,000. The legislation grants a grace period to natural persons and small businesses that have taken steps to make their computer systems Year 2000 (Y2K) compliant but nonetheless fail to pay excise or property taxes on time due to a Y2K computer failure. The Department of Revenue will not assess interest or penalties on late taxes during the grace period. However, the Department will begin assessing interest and penalties if the taxes remain unpaid 30 days after the Y2K failure was corrected or reasonably should have been corrected. The Department of Labor and Industries will grant similar grace provisions to employers who are natural persons or small businesses, if the employers fail to pay premiums into state accident, medical aid, and supplemental pension funds on time due to a Y2K computer failure. Several other provisions not related to taxes or revenues are also enacted.

Providing Clarification and Administrative Simplification for the Leasehold Excise Tax -- \$90,000 General Fund-State Revenue Decrease

Chapter 220, Laws of 1999 (ESSB 5661), decreases state General Fund revenues by \$90,000 and local government revenues by \$76,000. The legislation clarifies that use of public lands to remove forage and other purchased natural resource products is exempt from leasehold excise tax, with the result that grazing permits are exempt. Use of public lands for natural resource energy exploration is also exempted from leasehold excise tax. Agricultural product leases are treated the same as other types of product leases with the value of the agricultural products being determined on the date that the products are sold.

Providing an Excise Tax Exemption for Property Owned, Operated, or Controlled by a Public Corporation -- \$25,000 General Fund-State Revenue Decrease

Chapter 266, Laws of 1999 (SB 6065), decreases state General Fund revenues by \$25,000 and local government revenues by \$77,000. The legislation exempts land owned by a public development

1999-01 State Operating Budget (ESSB 5180)

authority from in-lieu property tax if the land is either used for public access purposes or was acquired for the purpose of remediating and redeveloping blighted property.

Regulating Motel Liquor Licenses -- \$3,000 General Fund-State Revenue Decrease

Chapter 129, Laws of 1999 (ESSB 5712), decreases state General Fund revenues by \$3,000. The legislation establishes the motel liquor license fee at \$500 annually and removes some restrictions on motel liquor licenses. A motel liquor licensee may serve complimentary beer and wine to guests at a set time and place. A motel liquor licensee is also permitted to hold other types of liquor licenses. An increase in the number of motel liquor licenses is forecasted, and part of these license fee revenues will go into the state General Fund. The first biennium number is negative due to a transition period. Subsequent state General Fund revenue impacts are positive.

Changing Provisions Relating to the Adoption of Regulations by Airport Operators -- \$3,000 General Fund-State Revenue Decrease

Chapter 302, Laws of 1999 (ESHB 1562), decreases the state General Fund by \$3,000 and increases the state Aeronautics Account by \$37,000. The legislation modifies the regulations that airports may adopt in order to collect airport fees and impound aircraft. The decrease to the state General Fund results from a tax exemption granted to non-residents who keep aircraft at an airport that is jointly operated by local governments located in two or more states. There is also an increase in the aircraft registration fee from \$4 to \$8, with these fee revenues going to the Aeronautics Account.

Updating or Repealing Dairy or Food Laws -- \$2,000 General Fund-State Revenue Decrease

Chapter 291, Laws of 1999 (EHB 1151), decreases the state General Fund by \$2,000 and increases the state Agricultural Local Account by \$267,000. The legislation modifies dairy laws. The decrease to the state General Fund results from repealing requirements for milk distributor licenses. The increase to the state Agricultural Local Account results from the elimination of a June 30, 2000, sunset date. By removing the sunset date, a special assessment on all milk processed in this state will continue. Revenues from this special assessment help to fund the food safety program's budget. Other dairy law changes are also made, including requirements for sources of milk for processing plants to be licensed or to have out-of-state equivalents of licenses. There are also several other changes made, such as changes to the composition and duties of the Dairy Inspection Program Advisory Committee and repeal of the Washington Meat Inspection Program.

Eliminating the Time Limit on Regular Tax Levies for Medical Care and Services -- No General Fund-State Revenue Impact

Chapter 224, Laws of 1999 (HB 1154), has no revenue impact but allows voters to approve emergency medical service property taxes for a period of six years, 10 years, or permanently. Voters must approve any rate increase above the originally-authorized rate. Separate accounting is required to spend revenues raised by a permanent tax. An ordinance or resolution imposing a permanent tax is subject to a referendum process.

Exempting Certain Low-Income Rental Housing from Property Taxes -- No General Fund-State Revenue Impact

Chapter 203, Laws of 1999 (SHB 1345), does not impact the state General Fund but has an \$8.7 million property tax shift and a \$1.1 million local government revenue loss. It exempts rental housing owned or used by a nonprofit organization from property taxation if three conditions are met. One, the benefit of the tax exemption inures to the nonprofit organization. Two, at least 75

percent of the filled dwelling units are occupied by households whose incomes are 50 percent or less of county median income (adjusted for family size). Three, the rental housing was insured, financed, or assisted in all or in part by a local affordable housing levy or by a federal or state program administered through the Department of Community, Trade, and Economic Development. If fewer than 75 percent of the units are occupied by very low-income households, then a partial property tax exemption is available.

Authorizing a Sales and Use Tax for Zoo and Aquarium Purposes -- No General Fund-State Revenue Impact

Chapter 104, Laws of 1999 (ESHB 1547), provides new local taxing authority, and the local government revenue gain will be \$11.4 million if this authority is used. The legislation authorizes counties with a population between 500,000 and 1 million residents to impose a 0.1 percent local sales and use tax for zoo and aquarium purposes. The tax must be requested by a city with a population greater than 150,000 and a metropolitan park district, and the tax must be approved by voters. The Department of Revenue is required to collect the tax at no cost to the county. If a tax is imposed, then a zoo and aquarium advisory authority is created.

Updating the Tax Code by Making Administrative Clarifications, Correcting Oversights, and Deleting Obsolete References -- No General Fund-State Revenue Impact

Chapter 358, Laws of 1999 (SHB 1623), mostly involves technical changes to the tax code. Revenue impact is negligible. The legislation redefines fund-raising activities for purposes of B&O and sales tax exemptions. The fund-raising tax exemption is extended to include sales of used books in libraries. The requirement that duplicate exemption certificates be sent to the Department of Revenue for some exemptions is eliminated. References to the federal Internal Revenue Code are updated to January 1, 1999, rather than January 1, 1998, for purposes of the state tax and the probate code. A number of technical changes are made and obsolete references in excise statutes are removed.

Simplifying Tax Reporting By Revising the Active Non-Reporting Threshold So That It Parallels the Small Business Credit -- No General Fund-State Revenue Impact

Chapter 357, Laws of 1999 (HB 1741), has no revenue impact. The legislation raises the non-reporting threshold from \$24,000 to \$28,000 so that non-retailing businesses with gross receipts of \$28,000 per year or less are required to register with the Department of Revenue but do not need to file tax returns. The Department of Revenue may allow any taxpayer to file tax returns or remittances electronically.

Exempting Real Property that Will Be Developed by Nonprofit Organizations to Provide Homes for the Aging -- No General Fund-State Revenue Impact

Chapter 356, Laws of 1999 (SHB 1969), has a \$246,000 property tax shift and a \$32,000 local government revenue loss. The legislation moves the date for calculating the number of low-income occupants of a nonprofit home for the aging from January 1 to December 31 for the first year of a home's operation. (The number of low-income occupants determines a home's eligibility for a full or partial property tax exemption.)

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Continuing a Moratorium That Prohibits a City or Town From Imposing a Specific Fee or Tax on an Internet Service Provider -- No General Fund-State Revenue Impact

Chapter 307, Laws of 1999 (HB 2081), has no revenue impact. The legislation continues a prohibition on cities and towns against imposing a specific fee or tax on an Internet service provider until July 1, 2002. The prohibition would have expired July 1, 1999.

Reducing the Account Balance Requirements Necessary for the Imposition of the Oil Spill Response Tax -- No General Fund-State Revenue Impact

Chapter 7, Laws of 1999, 1st Sp.S. (ESHB 2247), decreases revenues in the state's Oil Spill Response Account by \$500,000. The legislation allows the State Treasurer to transfer \$1 million from the Oil Spill Response Account to the Oil Spill Administration Account. The cap on the Oil Spill Response Account is decreased from \$10 million to \$9 million, and the fund balance level for re-imposing the oil spill response tax is decreased from \$9 million to \$8 million. The Legislature is required to convene a work group to provide recommendations for an oil spill risk management plan.

Clarifying the Phrase "Services Rendered in Respect to Constructing" for Business and Occupation Tax Purposes -- No General Fund-State Revenue Impact

Chapter 212, Laws of 1999 (HB 2261), has no revenue impact. The legislation limits wholesaling B&O tax treatment to services that are directly related to construction, building, repairing, improving, and decorating of buildings or structures. The service B&O tax rate applies to engineering, architectural, survey, flagging, accounting, legal, consulting, management, or administrative services.

Changing Provisions Relating to Taxation of Destroyed Property -- No General Fund-State Revenue Impact

Chapter 8, Laws of 1999, 1st Sp.S. (SHB 2273), has a \$91,000 property tax shift and a \$26,000 local government revenue loss. The legislation reduces the property tax on destroyed property or property damaged by a natural disaster in the year in which the damage occurs rather than the following year.

Providing That Growing or Packing Agricultural Products Is Not a Manufacturing Activity for Tax Purposes -- No General Fund-State Revenue Impact

Chapter 9, Laws of 1999, 1st Sp.S. (HB 2295), increases state General Fund revenues by \$11 million, but some or all of this increase is already in the most recent official revenue forecast. This is because the legislation reverses a court decision that became final after the revenue forecast was issued. As a result, this legislation will have no revenue impact compared to the revenue forecast. The legislation excludes farming and the packing of agricultural products from the definition of manufacturing for excise tax purposes. Thus, businesses packing agricultural products are no longer eligible for the distressed area tax incentive programs and the growing and packing of agricultural products are not subject to B&O tax. Tax changes made by this legislation apply prospectively and retroactively.

Exempting Certain Nonprofit Organizations from Property Taxation -- No General Fund-State Revenue Impact

Chapter 139, Laws of 1999 (SB 5021), has a \$3,000 property tax shift and negligible local government revenue losses. The legislation exempts demonstration farms and related facilities from property taxation if owned by a nonprofit organization and used by a state university for agricultural

1999-01 State Operating Budget (ESSB 5180)

research and education programs. Any new property tax exemption for a nonprofit organization is subject to standard restrictions on the use of the property unless the act creating a new exemption specifically excludes a standard restriction from applying.

Repealing a Restriction on Regular Property Tax Levies -- No General Fund-State Revenue Impact

Chapter 96, Laws of 1999 (SSB 5495), has no revenue impact. The legislation allows a property taxing district that has not imposed a tax since 1985 to retain its levy capacity.

Taxation of Park Trailers and Travel Trailers -- No General Fund-State Revenue Impact

Chapter 92, Laws of 1999 (ESB 5564), has a \$468,000 property tax shift and \$61,000 local government revenue loss. The legislation makes park trailers that are permanently sited subject to property taxes. A park trailer is permanently sited if it is placed on blocks or posts with connections for water, sewer, or other utilities. There is no requirement to place the park trailer on a permanent foundation, and the utility connections need not be fixed pipe connections.

Modifying Certain Exemption Language for New and Rehabilitated Multiple-Unit Dwellings in Urban Centers -- No General Fund-State Revenue Impact

Chapter 132, Laws of 1999 (SSB 5746), has a \$347,000 property tax shift and \$45,000 local government revenue loss. The legislation exempts multiple-unit housing in urban centers from property tax in the year following approval of the exemption rather than two years after approval. The April 1 deadline for submitting exemption applications is removed. Applications may be submitted at any time.

Extending the Commute Trip Tax Reduction Credit -- No General Fund-State Revenue Impact

Chapter 402, Laws of 1999, Partial Veto (SSB 5781), has no General Fund impact, because the General Fund must be fully reimbursed for any tax credits taken. The legislation extends the sunset of the commute trip reduction tax credit from December 2000 until December 2006. The B&O and public utility tax credits may be taken not only by employers but also by property managers who provide commuting incentives to persons employed at work sites managed by the property managers. The maximum annual amount of tax credit is increased from \$1.5 million to \$2.25 million. The initial \$1.5 million of reimbursement to the General Fund continues to come from the Air Pollution Control Account. Amounts to reimburse the General Fund in excess of \$1.5 million are drawn equally from the Transportation Account and the Public Transportation Systems Account, subject to appropriation. (The Governor vetoed the extension of the tax credits through December 2006, with the result that the credits expire in December 2000. The Governor also vetoed an emergency clause that would have made the act take effect immediately.)

Modifying and Sunsetting Provisions Related to Sellers of Travel -- \$64,000 General Fund-State Revenue Increase

Chapter 238, Laws of 1999 (ESHB 2090), increases state General Fund revenues by \$64,000. The legislation clarifies that a separate registration fee must be paid for each office or business location operated by a travel business. The fee per additional business location is \$234. Certain recordkeeping and disclosure requirements imposed on sellers of travel under the registration program are relaxed. Requirements to maintain trust accounts are also eliminated under certain circumstances.

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Allowing Dealers of Recreational Licenses to Collect a Fee of at Least Two Dollars for Each License Sold -- \$240,000 General Fund-State Revenue Increase

Chapter 243, Laws of 1999 (SB 5020), increases the state General Fund by \$240,000, because short-term shellfish and seaweed licenses are re-established. Dealers of recreational licenses are also allowed to collect and retain a fee of at least \$2 for each license sold. Other changes are also made.

Decriminalizing License Fraud and Establishing a License Fraud Task Force in the Washington State Patrol -- \$1.6 Million General Fund-State Revenue Increase

Chapter 277, Laws of 1999 (SSB 5706), increases state General Fund revenues by \$1.6 million, State Patrol Highway Account revenues by \$1.1 million, and local government revenues by \$250,000. Increases to the state Transportation Fund, Motor Vehicle Fund, and other motor vehicle excise tax funds together add to \$1.2 million. The decrease to the state Public Safety and Education Account is \$332,000. The legislation eliminates criminal penalties for license fraud. Individuals who license a vehicle, aircraft, vessel, trailer, or camper in another state to avoid paying Washington taxes or fees are liable for a minimum penalty of \$1,000 and a maximum penalty of \$10,000.

Preventing the Use of Step Transactions to Avoid Real Estate Excise Tax -- \$5.3 Million General Fund-State Revenue Increase

Chapter 209, Laws of 1999 (HB 1664), increases state General Fund revenues by \$5.3 million and local government revenues by \$2.1 million. The legislation applies real estate excise tax to certain "step transactions" involving formation, liquidation, dissolution, or reorganization of a partnership or corporation that owns real estate. The tax applies if a series of transactions transfers control of the partnership or corporation within a 12-month period.

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Washington State Operating Budget

1997-99 Expenditure Authority

TOTAL STATE

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997-99	1997-99	1999 Supp	Rev 1997-99
Legislative	113,974	-30	113,944	126,659	-30	126,629
Judicial	60,553	-537	60,016	117,854	-971	116,883
Governmental Operations	348,917	13,808	362,725	2,378,961	52,790	2,431,751
DSHS	4,912,039	-20,388	4,891,651	11,074,351	-31,202	11,043,149
Other Human Services	1,018,754	-6,810	1,011,944	2,844,080	-98,158	2,745,922
Natural Resources	245,199	7,729	252,928	915,743	10,011	925,754
Transportation	39,506	259	39,765	1,396,695	-1,373	1,395,322
Total Education	11,076,228	21,025	11,097,253	15,005,122	87,275	15,092,397
Public Schools	8,817,896	20,966	8,838,862	9,610,676	86,564	9,697,240
Higher Education	2,208,291	59	2,208,350	5,300,152	711	5,300,863
Other Education	50,041	0	50,041	94,294	0	94,294
Special Appropriations	1,260,822	56,881	1,317,703	1,815,836	59,544	1,875,380
Total Budget Bill	19,075,992	71,937	19,147,929	35,675,301	77,886	35,753,187
Other Appropriations	7,730	0	7,730	7,730	0	7,730
Statewide Total	19,083,722	71,937	19,155,659	35,683,031	77,886	35,760,917

Note: Includes all operating appropriations from both the omnibus and transportation budgets enacted through the May 1999 Special Session of the Legislature.

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**Washington State Operating Budget
1997-99 Expenditure Authority
LEGISLATIVE AND JUDICIAL
(Dollars in Thousands)**

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997-99	1997-99	1999 Supp	Rev 1997-99
House of Representatives	50,128	-18	50,110	50,153	-18	50,135
Senate	40,195	-12	40,183	40,220	-12	40,208
Jt Leg Audit & Review Committee	3,261	0	3,261	4,761	0	4,761
Legislative Transportation Comm	0	0	0	4,172	0	4,172
LEAP Committee	2,745	0	2,745	3,165	0	3,165
Office of the State Actuary	0	0	0	1,681	0	1,681
Joint Legislative Systems Comm	10,860	0	10,860	12,840	0	12,840
Statute Law Committee	6,785	0	6,785	9,667	0	9,667
Total Legislative	113,974	-30	113,944	126,659	-30	126,629
Supreme Court	9,453	0	9,453	9,453	0	9,453
State Law Library	3,554	0	3,554	3,554	0	3,554
Court of Appeals	20,647	11	20,658	20,647	11	20,658
Commission on Judicial Conduct	1,406	5	1,411	1,406	5	1,411
Office of Administrator for Courts	25,493	-553	24,940	70,691	-387	70,304
Office of Public Defense	0	0	0	12,103	-600	11,503
Total Judicial	60,553	-537	60,016	117,854	-971	116,883
Total Legislative/Judicial	174,527	-567	173,960	244,513	-1,001	243,512

Note: Includes all operating appropriations from both the omnibus and transportation budgets enacted through the May 1999 Special Session of the Legislature.

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Washington State Operating Budget

1997-99 Expenditure Authority

GOVERNMENTAL OPERATIONS

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997-99	1997-99	1999 Supp	Rev 1997-99
Office of the Governor	10,588	0	10,588	11,841	0	11,841
Office of the Lieutenant Governor	565	0	565	565	0	565
Public Disclosure Commission	2,830	257	3,087	2,830	257	3,087
Office of the Secretary of State	15,869	-10	15,859	25,905	15	25,920
Governor's Office of Indian Affairs	463	0	463	463	0	463
Asian/Pacific-American Affrs	401	0	401	401	0	401
Office of the State Treasurer	0	0	0	12,382	0	12,382
Office of the State Auditor	1,881	0	1,881	40,386	-8	40,378
Comm Salaries for Elected Officials	74	63	137	74	63	137
Office of the Attorney General	7,992	85	8,077	140,382	3,519	143,901
Caseload Forecast Council	879	0	879	879	0	879
Dept of Financial Institutions	0	0	0	15,706	0	15,706
Dept Community, Trade, Econ Dev	118,480	1,000	119,480	323,916	1,000	324,916
Economic & Revenue Forecast Council	905	0	905	905	0	905
Office of Financial Management	21,836	-5	21,831	58,311	-5	58,306
Office of Administrative Hearings	0	0	0	19,665	0	19,665
Department of Personnel	0	0	0	28,879	0	28,879
State Lottery Commission	0	0	0	688,558	0	688,558
Washington State Gambling Comm	0	0	0	18,633	0	18,633
WA State Comm on Hispanic Affairs	407	0	407	407	0	407
African-American Affairs Comm	338	0	338	338	0	338
Personnel Appeals Board	0	0	0	1,539	0	1,539
Department of Retirement Systems	0	0	0	37,798	112	37,910
State Investment Board	0	0	0	10,303	0	10,303
Department of Revenue	130,606	0	130,606	138,812	0	138,812
Board of Tax Appeals	1,774	0	1,774	1,774	0	1,774
Municipal Research Council	3,394	0	3,394	4,019	0	4,019
Minority & Women's Business Enterp	0	0	0	2,357	0	2,357
Dept of General Administration	2,580	-55	2,525	116,146	-55	116,091
Department of Information Services	0	0	0	233,233	0	233,233
Office of Insurance Commissioner	0	0	0	22,331	0	22,331
State Board of Accountancy	0	0	0	978	23	1,001
Forensic Investigations Council	0	0	0	12	0	12
Washington Horse Racing Commission	0	0	0	4,828	0	4,828
WA State Liquor Control Board	2,897	0	2,897	135,423	0	135,423
Utilities and Transportation Comm	0	0	0	25,268	0	25,268
Board for Volunteer Firefighters	0	0	0	529	0	529
Military Department	17,992	12,473	30,465	218,625	47,869	266,494
Public Employment Relations Comm	3,532	0	3,532	3,532	0	3,532
Growth Management Hearings Board	2,634	0	2,634	2,634	0	2,634
State Convention and Trade Center	0	0	0	27,394	0	27,394
Total Governmental Operations	348,917	13,808	362,725	2,378,961	52,790	2,431,751

Note: Includes all operating appropriations from both the omnibus and transportation budgets enacted through the May 1999 Special Session of the Legislature.

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**Washington State Operating Budget
1997-99 Expenditure Authority
HUMAN SERVICES
(Dollars in Thousands)**

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997-99	1997-99	1999 Supp	Rev 1997-99
Dept of Social & Health Services	4,912,039	-20,388	4,891,651	11,074,351	-31,202	11,043,149
WA State Health Care Authority	12,633	0	12,633	572,185	-82,524	489,661
Human Rights Commission	4,487	0	4,487	6,190	0	6,190
Bd of Industrial Insurance Appeals	0	0	0	21,592	0	21,592
Criminal Justice Training Comm	300	0	300	14,125	0	14,125
Department of Labor and Industries	13,833	-15	13,818	384,147	750	384,897
Indeterminate Sentence Review Board	2,061	0	2,061	2,061	0	2,061
Department of Health	136,322	-7,027	129,295	507,113	-15,096	492,017
Department of Veterans' Affairs	19,949	-186	19,763	53,655	268	53,923
Department of Corrections	822,442	418	822,860	845,896	-1,556	844,340
Dept of Services for the Blind	2,779	0	2,779	15,107	0	15,107
Sentencing Guidelines Commission	1,427	0	1,427	1,427	0	1,427
Department of Employment Security	2,521	0	2,521	420,582	0	420,582
Total Other Human Services	1,018,754	-6,810	1,011,944	2,844,080	-98,158	2,745,922
Total Human Services	5,930,793	-27,198	5,903,595	13,918,431	-129,360	13,789,071

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**Washington State Operating Budget
1997-99 Expenditure Authority
DEPARTMENT OF SOCIAL & HEALTH SERVICES
(Dollars in Thousands)**

	General Fund-State			1997-99	Total All Funds	
	1997-99	1999 Supp	Rev 1997-99		1999 Supp	Rev 1997-99
Children and Family Services	414,488	-16,032	398,456	671,520	25,177	696,697
Juvenile Rehabilitation	164,886	-4,221	160,665	209,294	-8,885	200,409
Mental Health	488,210	1,008	489,218	957,283	-5,791	951,492
Developmental Disabilities	449,025	487	449,512	845,694	651	846,345
Long-Term Care Services	834,599	-4,225	830,374	1,749,297	-15,276	1,734,021
Economic Services	1,020,443	-5,046	1,015,397	1,967,058	-70,326	1,896,732
Alcohol & Substance Abuse	30,789	1,451	32,240	190,630	1,471	192,101
Medical Assistance Payments	1,348,187	4,485	1,352,672	4,000,043	35,405	4,035,448
Vocational Rehabilitation	17,649	300	17,949	99,633	-203	99,430
Administration/Support Svcs	51,370	-227	51,143	94,546	-46	94,500
Child Support Services	42,309	1,944	44,253	220,303	5,621	225,924
Payments to Other Agencies	50,084	-312	49,772	69,050	1,000	70,050
Total DSHS	4,912,039	-20,388	4,891,651	11,074,351	-31,202	11,043,149

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**Washington State Operating Budget
1997-99 Expenditure Authority
NATURAL RESOURCES
(Dollars in Thousands)**

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997- 99	1997-99	1999 Supp	Rev 1997-99
Columbia River Gorge Commission	435	0	435	877	0	877
Department of Ecology	52,769	-12	52,757	249,949	9	249,958
WA Pollution Liab Insurance Program	0	0	0	2,154	0	2,154
State Parks and Recreation Comm	41,084	-22	41,062	75,960	-93	75,867
Interagency Comm for Outdoor Rec	0	0	0	2,999	0	2,999
Environmental Hearings Office	1,553	44	1,597	1,553	44	1,597
State Conservation Commission	4,678	0	4,678	5,118	0	5,118
Dept of Fish and Wildlife	80,809	-26	80,783	255,133	2,345	257,478
Department of Natural Resources	48,126	7,745	55,871	240,424	7,706	248,130
Department of Agriculture	15,745	0	15,745	81,576	0	81,576
Total Natural Resources	245,199	7,729	252,928	915,743	10,011	925,754

Note: Includes all operating appropriations from both the omnibus and transportation budgets enacted through the May 1999 Special Session of the Legislature.

1999-01 State Operating Budget (ESSB 5180)

**Washington State Operating Budget
1997-99 Expenditure Authority
TRANSPORTATION
(Dollars in Thousands)**

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997- 99	1997-99	1999 Supp	Rev 1997-99
Board of Pilotage Commissioners	0	0	0	275	0	275
Washington State Patrol	30,103	64	30,167	285,947	325	286,272
WA Traffic Safety Commission	0	0	0	6,907	0	6,907
Department of Licensing	9,403	195	9,598	175,230	1,035	176,265
Department of Transportation	0	0	0	927,178	-2,733	924,445
Marine Employees' Commission	0	0	0	354	0	354
Transportation Commission	0	0	0	804	0	804
Total Transportation	39,506	259	39,765	1,396,695	-1,373	1,395,322

Note: Includes all operating appropriations from both the omnibus and transportation budgets enacted through the May 1999 Special Session of the Legislature.

1999-01 State Operating Budget (ESSB 5180)

Washington State Operating Budget 1997-99 Expenditure Authority EDUCATION (Dollars in Thousands)

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997- 99	1997-99	1999 Supp	Rev 1997- 99
Public Schools	8,817,896	20,966	8,838,862	9,610,676	86,564	9,697,240
Higher Education Coordinating Board	193,251	-1	193,250	207,138	471	207,609
University of Washington	577,911	2,000	579,911	2,460,196	2,180	2,462,376
Washington State University	341,019	-945	340,074	737,935	-945	736,990
Eastern Washington University	78,774	-103	78,671	143,267	-103	143,164
Central Washington University	75,993	18	76,011	140,422	18	140,440
The Evergreen State College	41,009	-65	40,944	72,639	-65	72,574
Spokane Intercol Rsch & Tech Inst	0	0	0	3,771	0	3,771
Joint Center for Higher Education	1,469	0	1,469	6,101	0	6,101
Western Washington University	96,773	-248	96,525	190,320	-248	190,072
Community/Technical College System	802,092	-597	801,495	1,338,363	-597	1,337,766
Total Higher Education	2,208,291	59	2,208,350	5,300,152	711	5,300,863
State School for the Blind	7,470	0	7,470	7,888	0	7,888
State School for the Deaf	12,935	0	12,935	12,935	0	12,935
Work Force Trng & Educ Coord Board	3,278	0	3,278	38,152	0	38,152
State Library	15,164	0	15,164	21,981	0	21,981
Washington State Arts Commission	4,028	0	4,028	4,718	0	4,718
Washington State Historical Society	5,403	0	5,403	6,857	0	6,857
East Wash State Historical Society	1,763	0	1,763	1,763	0	1,763
Total Other Education	50,041	0	50,041	94,294	0	94,294
Total Education	11,076,228	21,025	11,097,253	15,005,122	87,275	15,092,397

1999-01 State Operating Budget (ESSB 5180)

**Washington State Operating Budget
1997-99 Expenditure Authority
PUBLIC SCHOOLS
(Dollars in Thousands)**

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997- 99	1997-99	1999 Supp	Rev 1997- 99
OSPI & Statewide Programs	78,594	152	78,746	174,956	152	175,108
General Apportionment	6,879,248	-24,032	6,855,216	6,879,248	-24,032	6,855,216
Pupil Transportation	354,607	-3,821	350,786	354,607	-3,821	350,786
School Food Services	6,175	0	6,175	265,215	0	265,215
Special Education	750,092	-594	749,498	893,198	-594	892,604
Traffic Safety Education	0	0	0	16,883	-697	16,186
Educational Service Districts	9,021	0	9,021	9,021	0	9,021
Levy Equalization	168,351	-3,019	165,332	168,351	-3,019	165,332
Elementary/Secondary School Improv	0	0	0	255,987	0	255,987
Institutional Education	35,493	-29	35,464	44,041	-29	44,012
Ed of Highly Capable Students	11,822	-25	11,797	11,822	-25	11,797
Education Reform	40,622	-50	40,572	40,855	-50	40,805
Transitional Bilingual Instruction	62,896	640	63,536	62,896	640	63,536
Learning Assistance Program (LAP)	121,224	-592	120,632	121,224	-592	120,632
Block Grants	105,152	-185	104,967	105,152	-185	104,967
Compensation Adjustments	194,599	-529	194,070	194,599	-529	194,070
Common School Construction	0	53,050	53,050	12,621	119,345	131,966
Total Public Schools	8,817,896	20,966	8,838,862	9,610,676	86,564	9,697,240

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**Washington State Operating Budget
1997-99 Expenditure Authority
SPECIAL APPROPRIATIONS
(Dollars in Thousands)**

	General Fund-State			Total All Funds		
	1997-99	1999 Supp	Rev 1997- 99	1997-99	1999 Supp	Rev 1997- 99
Bond Retirement and Interest	982,138	-5,577	976,561	1,389,923	-5,577	1,384,346
Special Approps to the Governor	29,830	64,000	93,830	66,015	67,000	133,015
Sundry Claims	193	188	381	196	225	421
State Employee Compensation Adjust	89,061	-330	88,731	200,102	-704	199,398
Contributions to Retirement Systems	159,600	-1,400	158,200	159,600	-1,400	158,200
Total Budget Bill	1,260,822	56,881	1,317,703	1,815,836	59,544	1,875,380
Other Appropriations	7,730	0	7,730	7,730	0	7,730
Total Special Appropriations	1,268,552	56,881	1,325,433	1,823,566	59,544	1,883,110

Note: Includes all operating appropriations from both the omnibus and transportation budgets enacted through the May 1999 Special Session of the Legislature.

Fiscal Issues of Statewide Significance

Education is the Top Budget Priority

The major challenge facing state budget writers in the 1999 legislative session was public school finance. Recent legislatively-authorized cost-of-living adjustments had not kept pace with inflation. And, Washington has had lower beginning teacher salaries compared to California, Oregon, and Arizona and compared to many other occupations available to college graduates. With the new higher academic standards taking hold, and high student performance expectations, attracting the best and the brightest college students to the profession and retaining high quality teachers is critical to the success of education reform.

To address these issues, the final legislative budget contains \$422 million for compensation increases for K-12 employees, including:

- An across-the-board 3 percent cost-of-living increase each year for teachers, administrators, and classified staff.
- Beginning teacher salary increases of 7 percent and additional smaller increases through the fifth year (impacting about 24 percent of the teachers).
- A 2 percent increase for teachers with 16 or more years of experience (impacting about 38.5 percent of the teachers).
- Three learning improvement days added to the salary schedule, equivalent to a 1.7 percent increase in compensation.

Endangered Species Listings of Salmon

In March of this year, coastal and Puget Sound salmon species were listed as threatened under the federal Endangered Species Act (ESA), adding to existing listings in the Columbia River, the Snake River, and northeast Washington. Now more than three-quarters of the state is affected by ESA listings. To improve salmon habitat, areas with a listed species may face restrictions on water use, land use, and forest practices, and there may also be restrictions on sport and commercial fish harvest.

Three principles guided the shaping of the salmon restoration package:

- To ensure coordination and accountability, the budget distributes planning and project-related grant funds through a central Salmon Recovery Funding Board.
- To enhance non-regulatory approaches to salmon recovery, funding is provided for voluntary watershed planning and salmon recovery activities.
- To ensure state agencies have the capacity to address factors contributing to salmon decline, funding is provided to enforce existing laws and regulations governing habitat and harvest.

In total, the operating, capital, and transportation budgets provide \$223.2 million for salmon recovery activities. The operating budget provides \$16.2 million state General Fund, \$17.5 million from the Salmon Recovery Account, \$2.0 million from the Forest Development Account, and \$29.6 million

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in federal funds for salmon recovery activities including technical assistance, monitoring, and development of new forest practices rules. The capital budget provides \$30.8 million from the Salmon Recovery Account, \$92.9 million in federal funds, and \$13.3 million in other funds for salmon recovery projects including continuing the conservation reserve enhancement program, a small forest landowner easement program, and funding for the newly-created Salmon Recovery Funding Board. The transportation budget provides \$21.0 million in other funds for mitigating transportation projects and developing a programmatic permitting process. In addition, Chapter 4, Laws of 1999, 1st Sp.S., Partial Veto (ESHB 2091 - forest practices/salmon recovery), recognizes the financial burdens of the new forestry rules on forest landowners and provides a reduction in the state timber excise tax of \$10.1 million.

Dividends from Economic Prosperity and Additional Revenue Sources

Going into the 1999-01 budget cycle, lower pension contribution rates, declining welfare caseloads, and tobacco settlement proceeds will allow over \$850 million in cost avoidances to the General Fund.

In particular, higher-than-anticipated investment returns on pension trust funds and changes in long-term economic assumptions will result in significant reductions in the amount of pension contributions the state will make next biennium. The state's contributions from the General Fund to the Teachers' Retirement System, the Public Employees' Retirement System and the Law Enforcement Officers' and Fire Fighters' Retirement System will be \$307 million less in the 1999-01 biennium compared to the 1997-99 biennium due to these favorable factors.

Since the passage of state welfare reform legislation in 1997 and with the impact of a strong economy, welfare caseloads have declined by one-third and are expected to decrease by another 10 percent in the upcoming biennium. While maintaining the required level of state spending, these lower caseloads will allow \$246 million in state savings. At the same time, federal funding will allow re-investments in support services for people working their way off public assistance.

On November 29, 1998, the Attorney General announced the national settlement of a lawsuit against the four major tobacco manufacturers. Washington State's share of the settlement funds for the 1999-01 biennium is expected to be \$323 million. Of this amount, \$223 million is deposited into the Health Services Account, which primarily funds health care for families with incomes up to 200 percent of the federal poverty level. Combined with revenue coming to the state through rural public hospital re-financing (Pro-Share), fully \$254 million in health care costs did not have to be borne by the state General Fund.

Finally, cigarette and tobacco products taxes were re-directed to fund Salmon Recovery efforts and solve the shortfall in the Violence Reduction and Drug Enforcement Account. This action averted \$54 million of General Fund-State expenditures without using any capacity under the Initiative 601 spending limits.

Legislative

Appropriations to legislative agencies provide carryforward funding for statutory duties, as well as enhancements in selected areas.

Through the House of Representatives and the Senate, funding is provided to support the redistricting process and to continue the independent operation of the Legislative Ethics Board. In addition, Project Citizen, a program to promote participation in government by middle school students, is provided funding. One-time funding is also provided for the Senate to do a study of policies and practices for setting information services rates paid by state agencies.

The Office of the State Actuary is provided funding to conduct a study of local government liabilities for the Law Enforcement Officers' and Firefighters' Retirement System medical benefits, and for an audit of the division of assets of the Public Employees Retirement System and the Washington School Employees' Retirement System.

Judicial

Court of Appeals

Funding is provided to increase the number of judicial and non-judicial staff and to provide compensation adjustments for existing staff. In accordance with Chapter 75, Laws of 1999 (SB 5037), \$338,000 is provided for an additional judge and support staff for Division II in Tacoma starting July 1, 2000. In addition, \$488,000 is provided for five new non-judicial staff to support the increased workload in the three divisions. For existing staff, a total of \$300,000 is provided for compensation adjustments based on recruitment and retention difficulties, new duties assigned, or salary inversion or compression.

Office of the Administrator for the Courts

A total of \$10.1 million is provided for the continued maintenance and improvements to the judicial information system. Funding is provided to replace aging computer equipment in local courts, to enhance disaster recovery capabilities to improve access to court information, and to hire additional staff for information technology maintenance and enhancements.

Funding is also provided for a unified family court pilot program. The sum of \$200,000 will support a unified court that will oversee juvenile offender, child dependency, family reconciliation, dissolution, domestic violence, and other proceedings.

Office of Public Defense

Funding in the amount of \$558,000 is provided to increase the reimbursement to private attorneys for the provisions of indigent defense services at the appellate court level. The funding seeks to equalize case reimbursement rates across the state.

The sum of \$51,000 is provided to implement Chapter 303, Laws of 1999 (HB 1599), which creates a mechanism to reimburse counties for extraordinary criminal justice costs associated with aggravated murder cases. The procedures put in place by the legislation will allow petitions by local authorities to be prioritized for consideration by the Legislature.

Governmental Operations

Public Disclosure Commission

The amount of \$414,000 is provided for increased electronic filing and document access services for candidates, political action committees, and the public. This allows for greater public disclosure of political information through the Internet.

Office of the Attorney General

Funding in the amount of \$1.9 million is provided for legal services staff to address the increasing number of parental rights termination cases. The number of cases referred to the Attorney General (AG) increased by 47 percent from 1994 to 1997, and this funding will enable the AG to cut the time from referral to filing in half.

Department of Community, Trade, and Economic Development

Over \$7.5 million in funding is provided to address housing needs for homeless families with children. The sum of \$5.0 million will be used to provide transitional housing assistance, while an additional \$2.5 million will be used for grants to emergency shelters providing temporary assistance to homeless families.

Funding is provided to increase the guardian ad litem representation of children in dependency hearings. The amount of \$1.0 million will be used to train and oversee additional volunteers for court appointed special advocate programs.

Funding is provided for emergency food assistance. The amount of \$2.0 million will be used to enhance the operations and food purchases of food banks and food distribution centers.

State Lottery Commission

Funding is provided for the addition of a third drawing to the Quinto and Lucky for Life games, implementation of second-chance drawings for Lotto, an expansion of the capacity and number of Instant Ticket Vending Machines, and customer service enhancements. As a result, General Fund revenues are likely to increase by \$21.4 million in the 1999-01 biennium.

Department of Revenue

The amount of \$1.2 million is provided for staff and technology resources to fully implement a system that will allow businesses to file and pay their tax returns over the Internet. The Department estimates that 35,000 businesses will use the system by the end of fiscal year 2000.

Military Department

State matching funds are provided with Federal Emergency Management Agency (FEMA) assistance for repairing damages caused by storms, floods, and landslides that have occurred in recent years, including Washington State's seven current FEMA-declared disasters. Over \$19.0 million in state funds and \$94.7 million in federal funds are provided for these disasters.

Through the capital budget, \$3 million is provided for emergency services readiness centers in Bremerton, Yakima, and Spokane. The Military Department will determine levels of funding for

each center based on the needs at each site. It is anticipated that federal funding will be available to support some of the necessary improvements to these facilities.

Human Services

The Human Services area is separated into two sections: The Department of Social and Health Services (DSHS) and Other Human Services. The DSHS budget is displayed by program division in order to better describe the costs of particular services provided by the Department. The Other Human Services section displays budgets at the department level, and includes the Department of Corrections, the Department of Labor and Industries, the Employment Security Department, the Health Care Authority, the Department of Health, and other human services related agencies.

Vendor Rate Increase

The budget provides \$128.7 million in state and federal funds to support a 2 percent vendor rate increase on July 1, 1999, and again on July 1, 2000. This cost-of-living increase will be provided to individuals and organizations that contract with several state agencies to provide certain social and health services.

Department of Social & Health Services

Children and Family Services

The budget provides \$2.6 million from General Fund-State and \$195,000 from General Fund-Federal to develop short-term housing for homeless teenagers in "Hope Centers" and long-term housing in "Responsible Living Skills Centers," where teens will learn self-sufficiency skills. Funding for chemical dependency assessments and treatment is provided through the Division of Alcohol and Substance Abuse. The Washington State Patrol will facilitate communication with the Missing Children's Clearinghouse, and the Washington State Institute for Public Policy will conduct a study to review the effectiveness of the program.

Amounts of \$13.4 million General Fund-State and \$8.3 million General Fund-Federal are provided for foster care enhancements. Increased funding is provided to cover inflation of rates paid for foster care over and above the vendor rate increase and to pay for first aid/CPR and HIV/AIDS training for foster parents. When foster children damage a foster parent's property, the state currently reimburses for these damages at depreciated value. The budget provides resources for reimbursements to be paid at the replacement value of property.

The budget provides \$306,000 from General Fund-State and \$78,000 from General Fund-Federal for specialized training for caseworkers involved in child sexual abuse cases. The budget includes funding in the Criminal Justice Training Commission for training of law enforcement and prosecutors involved in child sexual abuse cases. The Washington State Institute for Public Policy will coordinate a workgroup that will develop protocols for child sexual abuse investigations.

The budget provides \$2.3 million in state general funds to assist counties in responding to the increasing number of truancy, child in need of services (CHINS), and at-risk youth (ARY) petitions filed since the implementation of the Becca Bill. This increase brings the total direct appropriation for county implementation of the Becca Bill to \$6.9 million. Additional funds are available for

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truancy, CHINS, and ARY petitions through revenue provided to the counties in the County Criminal Justice Assistance Account.

The budget provides \$205,000 from the state General Fund to maintain funding for the Family Policy Council at the current level. State funding in the Children's Administration base budget will replace federal funds that are eliminated from the Family Policy Council. These federal funds remain available to the state and will be utilized by the Children's Administration.

Juvenile Rehabilitation Administration

A total of \$2.7 million in state and federal funding is provided to resume parole services for lower risk offenders. The Washington State Institute for Public Policy is directed to study the outcomes of lower risk offenders who receive parole services compared to those who do not. The results of that study will be used to decide if parole services will be revised or continued for lower risk offenders.

Funding for the Community Juvenile Accountability Act (CJAA) grants to local governments is increased by \$2.5 million. The grants are intended to be an incentive to local communities to implement interventions proven by research to be effective in reducing recidivism among juvenile offenders. The Juvenile Rehabilitation Administration's base budget contains \$5 million in funding for the CJAA grants. The additional \$2.5 million is provided to expand the number and types of CJAA grants.

The amount of \$1 million from the state General Fund is provided to create a new juvenile crime prevention program. In addition to this new funding, several existing grant programs (including mentoring, Team Child, Skagit County Delinquency Prevention Project, and federal Byrne programs) are consolidated into the new program.

Mental Health Division

A total of \$6.2 million in state and federal funds is authorized to be distributed among the Regional Support Networks (RSNs) according to a formula which they and the Mental Health Division agree will best maintain the availability of viable community alternatives to state hospital use. With this funding and the vendor rate increase, total 1999-01 funding for the community mental health system will exceed the fiscal year 1999 level by approximately \$29 million (5.0 percent).

A total of \$2.1 million in state and federal funds is provided for implementation of Chapter 297, Laws of 1998, Partial Veto (2SSB 6214). This 1998 legislation is expected to increase the number of persons receiving evaluation and treatment in the state psychiatric hospitals by approximately 7.5 percent (104 beds), and to result in an approximately 6 percent increase in workloads for community evaluation and treatment facilities.

The budget provides \$1.7 million in state and federal funds to implement Chapter 214, Laws of 1999 (SSB 5011), which seeks to improve the coordination and delivery of services to persons being released from state prisons who pose a potential danger to themselves or others because of a mental illness. The budget provides funding for improved pre-release screening and planning for such offenders; and for expanded post-release mental health and community re-integration services.

Developmental Disabilities Division

The budget provides \$16 million in state and federal funds to enhance current services to children and adults with developmental disabilities. These funds are to be used for priorities identified by the developmental disabilities Stakeholders Advisory Group. At least 60 percent of this new funding is to be used to increase the number of people receiving residential, employment, family support, or other direct services.

A total of \$9.8 million in state and federal funding is authorized for increased outpatient, residential, and diversion services for persons with developmental disabilities who would likely otherwise need to reside in one of the state psychiatric hospitals. As a result of this initiative, the number of persons with developmental disabilities residing in the state hospitals is to decrease to the lowest level in many years.

The sum of \$2.3 million in state and federal funding is provided in the Developmental Disabilities Division budget for job training and placement, or other productive daytime activities, for the approximately 800 young people with developmental disabilities who are expected to graduate from special education programs during the 1999-01 biennium. An additional \$2.0 million is provided for this purpose in the Vocational Rehabilitation budget.

The budget authorizes \$3.3 million for increased rates for community residential placements in adult family homes. This funding is expected to increase access to adult family homes for people with developmental disabilities.

Funding totaling \$3.9 million in state and federal monies is provided to develop intensively-supervised residential placements for 48 persons with developmental disabilities who have a history of arson, or of physically or sexually abusive behaviors.

Long-Term Care

The 1999-01 budget provides \$1.5 billion for an average of 45,000 people each month to receive publicly-funded long-term care in their own homes, assisted living facilities, adult family homes, and nursing homes. This is 9.1 percent more people than received such services during the 1997-99 biennium. By contrast, the total state population is projected to grow by 2.4 percent over the same period, and the population aged 75 and older is projected to grow by 4.7 percent.

The budget provides a total of \$38.4 million in state and federal funding to increase homecare worker wages by 50 cents per hour in July 1999, and by an additional 50 cents per hour in July 2000. Most workers should see a total increase of 16 percent in their hourly compensation over the course of the biennium. DSHS programs utilizing homecare workers that are consequently affected by this increase include Aging and Adult Services and Developmental Disabilities.

A total of \$26.2 million in state and federal funding is provided to increase nursing home payment rates, which will increase by an average of 2.1 percent each year.

A total of \$11.6 million in state and federal funding is provided to employ approximately 70 more state and Area Agency on Aging case management staff as well as Aging and Adult Services staff. This will result in a 15 percent increase in the ratio of Area Agency on Aging case managers to persons served. These staff will perform functions such as assessment and eligibility determination,

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care planning, service coordination, and monitoring of the delivery of in-home and community residential services.

The amount of \$650,000 from the state General Fund is provided for a 25 percent increase in funding for the recruitment, training, and supervision of volunteers to assist senior and disabled citizens with transportation and household tasks.

Economic Services

In combination with child care funding shifts in the Division of Children and Family Services, the budget reduces state general funds for the WorkFirst program by \$246.2 million and replaces these funds with federal welfare funds. Funding for the state Maintenance of Effort (MOE) is set at 80 percent of historical spending, the federally required level.

The budget provides \$10.0 million from General Fund-Federal for WorkFirst eligible families to access housing support to obtain and keep stable housing. Resources are included to provide short-term housing assistance to eligible families to avoid their entry on the welfare cash assistance caseload.

A total of \$5.9 million from General Fund-Federal is provided for programs to reduce the prevalence of drug-affected infants and improve the health and welfare of substance abusing mothers and their infants. Additional funding for these programs is provided in the Division of Alcohol and Substance Abuse.

The budget provides \$4.5 million from General Fund-Federal for expected increases in child care provider rates in response to increases in the minimum wage and for targeted enhancements to providers impacted by federal child care food assistance reductions.

Alcohol and Substance Abuse

As mentioned above, a total of \$3.4 million (\$3.1 million state General Fund) is provided for programs to reduce the prevalence of drug-affected infants and improve the health and welfare of substance abusing mothers and their infants. The programs involve intensive case management, family planning and child development services, and expanded treatment and support services. Funding is included to expand the Parent-Child Assistance Program developed by the University of Washington. Additional federal funding for these programs is provided in the Economic Services Administration Program.

The budget provides \$3.9 million from the state General Fund for 50 additional drug and alcohol involuntary treatment act (ITA) beds. This funding will increase the ITA beds available in Washington from 65 to 115.

A total of \$2.6 million (\$1.6 million state General Fund) is provided for a pilot project offering drug and alcohol treatment to recipients of Supplemental Security Income. This enhancement is expected to be offset by savings in medical assistance services for these clients.

Medical Assistance

The 1999-01 budget provides a total of \$4.4 billion in state and federal funds for an average of about 750,000 people per month to receive medical care through Medicaid and other DSHS medical

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assistance programs. While this is only a 2.3 percent increase over the number of persons covered during the 1997-99 biennium, total Medical Assistance expenditures are projected to increase by about 11 percent in 1999-01 as a result of substantial increases in managed care and prescription drug costs.

A total of \$11.7 million in state and federal funds is provided to implement the Children's Health Insurance Program (CHIP). Washington's program will provide partially subsidized medical, dental, mental health, and chemical dependency coverage for children in families with incomes between 200 percent and 250 percent of the federal poverty level (about \$33,000 to \$41,000 per year for a family of four). An estimated 10,000 children are expected to be enrolled in the program by April 2001.

The budget provides \$11.3 million in federal funds authority to implement a federal Medicaid waiver, which would result in 90 percent federal funding for coverage of family planning services for people with incomes up to 200 percent of the federal poverty level. In the 2001-03 biennium and thereafter, the program should result in state savings of at least \$10 million through reduced maternity and children's medical costs.

A total of \$19.4 million in state and federal funds is provided to increase payment rates for nursing facilities operated by rural public hospital districts. This will result in increased funding for a range of rural health initiatives across the state.

Vocational Rehabilitation

As noted above, a total of \$2.0 million (\$0.4 million state General Fund) is provided for job training and placement services for young people with developmental disabilities who graduate from special education programs in 1999-01. In addition, \$5.4 million (\$0.6 million state General Fund) is provided to reflect increases in the federal basic support employment grants. These increases will provide job training and placement services for approximately 5,000 more people with disabilities each year during the 1999-01 biennium.

Administration and Supporting Services

The budget reduces administration in the Department of Social and Health Services by a total of \$2.4 million (\$1.6 million state General Fund). In order to implement the reduction, transfers may be made from the department's program administration budgets to the central administration budget.

Other Human Services

Basic Health Plan

The budget provides an additional \$8.1 million from the Health Services Account (HSA) to increase enrollment in the subsidized Basic Health Plan from 130,000 to 133,000 by January 2000 and to remain at that level for the remainder of the 1999-01 biennium. Another \$7.9 million from the HSA is included to return to the pre-1998 subsidy scale for families with incomes between 125 percent and 200 percent of poverty (approximately \$21,000 to \$33,000 for a family of four).

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Department of Corrections

A total of \$8.3 million from General Fund-State is provided to implement Chapter 196, Laws of 1999 (E2SSB 5421), which makes a variety of changes to the supervision of offenders in the community. Specific changes include:

- Expands the offenders subject to departmental supervision to include all persons convicted of a sex offense, violent offense, crime against a person, or felony drug offense;
- For crimes committed on or after July 1, 2000, all felony offenders subject to departmental supervision will fall under “community custody” status, which allows both the court and the Department of Corrections (DOC) to set affirmative conditions of supervision and enforce those conditions;
- Requires DOC to adopt and use graduated sanctions for violators and creates an administrative hearings process for review of the use of those sanctions;
- Authorizes DOC to contract with county clerks or other entities for collection duties associated with offenders under supervision for unpaid debt;
- Reduces the length of supervision for offenders under the First-Time Offender Waiver from one year to two years, or the end of treatment conditions not to exceed two years; and
- Allocates community resources based on risk of individual offenders to reoffend.

In addition to staff and other resources provided in the funding for the Offender Accountability Act, the budget provides \$4.0 million from the state General Fund for additional community corrections officers (CCOs) and associated staff based on a new workload study. That study indicated that the hours the average CCO has available to supervise offenders has been reduced in recent years.

A total of \$7.5 million (\$2.3 million from the state General Fund and \$5.2 million from the Public Safety and Education Account) is provided to fund the first phase of the Offender Based Tracking System (OBTS) replacement project. Since 1984, OBTS has been the primary information system used by the department to achieve its mission. The OBTS services over 5,000 users who supervise 14,500 incarcerated offenders and more than 50,000 offenders in the community. A feasibility study recommended replacing the system using four build-and-implement phases. Each phase will provide measurable benefits through full production use before the next phase begins.

In their 7 percent budget reductions presented to the Governor, the department identified a variety of initiatives that could result in significant cost savings. The budget assumes many of those savings and is reduced a total of \$15.9 million to reflect savings achieved by: further cost-containment efforts around health care and food services; facility highest and best use analysis; regionalizing business operations; reducing administration costs in educational contracts; utilizing other funds to support correctional operations; implementing a non-custody staffing model; and consolidating administrative functions at certain facilities.

Criminal Justice Training Commission

The amount of \$2.4 million from the Public Safety and Education Account is provided for the Criminal Justice Training Commission (CJTC) to expand the Basic Law Enforcement Academy from 469 hours to 720 hours. The expansion will allow CJTC to provide additional hours of instruction in such areas as: firearms, defensive tactics, criminal procedures, community policing, and domestic violence. Additionally, the budget provides funding for increased costs associated with providing supervisory and management training to local law enforcement personnel.

Employment Security

A total of \$3.0 million from General Fund-Federal is provided to implement a coordinated model for delivering employment services. This system, known as one-stop, will provide unemployed workers with access to all reemployment services in one location.

The budget provides \$1.4 million from the Employment Services Administrative Fund to enhance services to unemployed insurance claimants. This funding will expand upon six pilot projects that provide intensive workshops for uninsured claimants.

Department of Health

The budget adds a total of \$1.0 million from the state General Fund to expand the breast and cervical cancer screening program for low-income women to include women between the ages of 40 and 49.

An amount of \$829,000 from the Tobacco Settlement Account is provided to develop a long-range plan for a tobacco prevention and cessation program.

Department of Labor and Industries

A total of \$5.0 million from the Medical Aid Account is provided for the implementation of an occupational safety and health impact grants program. Under the program, grants will be awarded for workplace safety education and training, developing technical solutions to worker injury problems, the application of hazard controls, and innovative programs to address workplace safety priorities.

Natural Resources

Salmon Recovery

On March 16, 1999, the National Marine Fisheries Service added seven populations of Washington salmon and steelhead to the endangered species list. The salmon populations, or evolutionarily significant units, cover a wide geographic area in Washington. Species listed include: Puget Sound chinook; Upper and Lower Columbia River chinook; Middle Columbia River steelhead; Columbia River chum; Hood Canal chum; and Ozette Lake sockeye. Activities that adversely impact salmon and salmon habitat including harvesting fish, hatcheries, hydropower generation, and habitat alteration will need to comply with the Endangered Species Act.

Ensure Coordination and Accountability

Salmon Recovery Grant Funding

The capital budget provides \$119.9 million (\$82.9 million General Fund-Federal, \$37.0 million other funds) to the Salmon Recovery Funding Board for grants for salmon restoration projects and activities. These funds will be allocated to the highest priority projects across the state to remove fish passage barriers, restore fish habitat, reduce water quality degradation, and support community-based restoration efforts.

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Enhance Non-Regulatory Approaches

Watershed Planning Grants

The Watershed Planning Act of 1998 established a three-phase process to organize watershed planning groups, conduct watershed assessments, and develop recommendations for implementation. The operating budget provides \$5.5 million for all existing planning groups to complete the three planning phases and for watershed groups that have indicated an interest in planning to organize and conduct watershed assessments.

Lead Entity Grants

The operating budget provides \$2.5 million from the Salmon Recovery Account for grants to lead entities established under the Salmon Recovery Act of 1998. Lead entities will assess current habitat conditions in watersheds, identify potential salmon restoration projects, and prioritize projects for implementation.

Commercial License Buy-Back

In fiscal year 1998, the state provided a 25 percent match to federal funds appropriated for commercial license buyback. The Department of Fish and Wildlife purchased 391 commercial licenses, from more than 1,000 licenses offered for sale. The operating budget provides \$2.3 million from the Salmon Recovery Account to match \$7 million of federal funds to continue the commercial license program in each fiscal year of the 1999-01 biennium.

Small Landowner Riparian Easements

The state Forest Practices Board is proposing revisions to the forest practices rules to protect salmon and water quality in accordance with Chapter 4, Laws of 1999, 1st Sp.S., Partial Veto (ESHB 2091 - forest practices/salmon recovery). The revised rules include increased setbacks from streams. The capital budget provides \$10 million in federal funds to purchase riparian easements from small timber owners to mitigate the economic impact of the revised rules.

Conservation Reserve Enhancement Program

Under the Conservation Reserve Enhancement Program (CREP), the federal government pays agricultural landowners for long-term leases of riparian areas. State funds are used to match federal and private funds for riparian habitat enhancement in areas enrolled in the program. The capital budget provides \$5 million in state bond funding to continue the state's participation in CREP.

Water Rights Purchase

The capital budget provides \$1 million in state bond funding for a pilot project to assess the effectiveness of water rights purchase for increasing the amount of water available in stream uses. The Department of Ecology will report on the program and make recommendations for continuation prior to the 2001-03 biennium.

Maintain State Agency Capacity

Fish and Wildlife Enforcement

In 1998, the Department of Fish and Wildlife reduced the enforcement program due to federal funding reductions and a state Wildlife Account shortfall. The operating budget provides \$2.5 million in state general funds to hire back 20 enforcement officers to focus on enforcement of laws related to protection of fish habitat and illegal harvest of salmon and steelhead.

Forest Practices Improvements

The Department of Natural Resources, timber industry, federal government, local governments, and tribes have negotiated changes to the state Forest Practices Rules. Changes include increased stream setbacks, changes to road maintenance and abandonment requirements, and increased monitoring. The operating budget provides \$4.3 million from the Salmon Recovery Account, \$300,000 from the state General Fund, and \$7 million in federal funds to the Department of Natural Resources, Department of Ecology, and Department of Fish and Wildlife to implement the revised rules in accordance with Chapter 4, Laws of 1999, 1st Sp.S., Partial Veto (ESHB 2091 - forest practices/salmon recovery).

Limiting Factors Analysis

Under the Salmon Recovery Act of 1998, the Conservation Commission began analyzing the limiting factors to salmon recovery. The operating budget provides \$2.0 million from the Salmon Recovery Account to complete the analysis in each region. Information will be entered into a database that will overlay salmon presence with limiting factors such as barriers or degraded habitat to help guide future project and funding decisions.

Water Rights Decision Making

A decrease in dedicated funds will reduce the Department of Ecology's water rights program staff. As watershed plans are completed, local watershed groups will request that the Department begin issuing water rights decisions. The operating budget provides \$1.7 million in General Fund-State to backfill the reductions due to the loss of dedicated funds and to add staff to reduce the water rights decision backlog.

Setting Pollutant Levels for Water

There are currently over 600 water bodies in the state that do not meet state water quality standards. The operating budget provides \$1.5 million to implement Chapter 11, Laws of 1999, 1st Sp.S. (SB 5670 - noxious weed herbicides), for the Department of Ecology to assess pollutants entering these water bodies and establish the total maximum daily load for pollutants.

Technical Assistance

Local governments and volunteer groups have an increasing need for technical assistance in the areas of water quality, water resources, and habitat restoration. The operating budget provides \$700,000 General Fund-State, \$3.5 million from the Salmon Recovery Account, and \$1 million in federal funds to the Conservation Commission, Department of Ecology, and Department of Fish and Wildlife for coordinated technical assistance related to salmon recovery.

1999-01 State Operating Budget (ESSB 5180)

Other Natural Resources

Keeping State Parks Open

The operating budget provides an additional \$9.0 million General Fund-State to operate and maintain state parks facilities and provide additional ranger safety training and equipment.

Washington Conservation Corps

The Washington Conservation Corps program was scheduled to sunset on June 30, 1999. The operating budget provides \$4.0 million General Fund-State and \$3.5 million in other funds to continue the program.

Department of Fish & Wildlife Business Practices

A business practices assessment completed in November of 1998 identified a number of inadequate business systems at the department. The operating budget provides \$1.8 million General Fund-State to improve these essential systems.

Transportation

The majority of funding for transportation services is included in the transportation budget, not in the omnibus appropriations act. The omnibus appropriations act includes only a portion of the funding for the Washington State Patrol and the Department of Licensing. Therefore, the notes contained in this section are limited. For additional information, please see the Transportation Budget section of this document.

Washington State Patrol

A total of \$2.9 million from the Fire Service Training Account is provided to implement Chapter 117, Laws of 1999 (2SSB 5102), which requires the Washington State Patrol to implement a plan for providing basic level (firefighter I training) to full-time and volunteer firefighters throughout the state. The actual implementation plan for providing the training will be developed by the state Fire Protection Policy Board.

A total of \$964,000 in state, federal, and local funds is provided for a full-time methamphetamine response team consisting of seven detectives, one sergeant, and a clerical support staff person. The team will respond to, secure, and process hazardous clandestine methamphetamine labs, collaborate with other law enforcement agencies, and provide methamphetamine training to police, emergency medical personnel, and others whose jobs put them at risk of coming into contact with methamphetamine labs or users.

The budget includes \$720,000 for the Task Force on Missing and Exploited Children created by Chapter 168, Laws of 1999 (2SSB 5108). Upon request, the task force will provide direct case management, technical assistance, training, information sharing, and other services to local law enforcement in cases involving missing and exploited children.

Department of Licensing

An amount of \$368,000 is provided to implement Chapter 192, Laws of 1999 (ESB 5720), which establishes a real estate research center at an institution for higher education. The center will provide value-added information to licensees, industry, and the public on real estate issues.

The sum of \$275,000 is provided to establish a new licensing program for designers of on-site wastewater treatment systems under Chapter 263, Laws of 1999 (2SSB 5821). Under the program, system designers and local health inspectors will be certified to the same level of competency.

For the Firearm Program, the sum of \$762,000 is provided to eliminate the data entry backlog of pistol transfer records and for additional staff to input records received in the future in a timely manner.

Public Schools

Compensation

Cost-of-Living -- \$267.3 million General Fund-State

Funding is provided for a 3.0 percent cost-of-living increase for the 1999-00 school year and another 3.0 percent increase in the 2000-01 school year for all K-12 state-funded certificated and classified staff.

Beginning Teacher Salaries -- \$30.9 million General Fund-State

The state uses a salary allocation schedule for teacher compensation purposes. The schedule provides increases for additional years of experience and education. The budget adjusts the salary schedule by allocating funds for the following increases: 7 percent for beginning teachers with no experience; 5 percent for teachers with one year of experience; 4 percent for teachers with two and three years of experience; 3 percent for teachers with four years of experience; and 2 percent for teachers with five years of experience. This provides additional salary increases for about 24 percent of teachers. Including the cost-of-living increases and the learning improvement days, the beginning teacher salary on the schedule increases from \$22,950 to \$26,487 by the 2000-01 school year, a 15.4 percent increase.

Senior Teacher Salaries -- \$40.3 million General Fund-State

The state salary schedule currently provides experience increments to the 15th year. Funds are provided to add a row at the 16th year with a 2 percent increment. This applies to teachers in the BA+90 column and beyond and provides additional salary for about 38.5 percent of teachers.

Health Benefit Inflation -- \$123.3 million General Fund-State

Funding is provided for health benefit inflation by increasing the monthly benefit amount from the current \$335.75 per month per full-time equivalent employee to \$388.02 per month for the 1999-00 school year and \$423.57 per month for the 2000-01 school year.

1999-01 State Operating Budget (ESSB 5180)

Professional Development

Learning Improvement Days -- \$74.6 million General Fund-State

Funding is provided for three learning improvement days to be added to the annual contract of each certificated instructional staff. The state salary schedule is adjusted to include the additional days, and this is equivalent to a 1.7 percent increase in the salary schedule. The three extra days are provided to implement education reform to improve student learning. In the 1997-99 biennium, funding was provided for similar purposes on a dollar per student basis and served to provide approximately 2.1 extra days. (Certificated instructional staff are composed mainly of teachers, and also include counselors, librarians, nurses, and other educational staff associates.)

Performance Bonus for Teachers -- \$327,000 General Fund-State

Funds are provided for a 15 percent salary bonus for teachers achieving national certification by the National Board for Professional Teaching Standards. This board has established a performance-based system to recognize highly accomplished teachers. Teachers may achieve national certification through a year-long process and rigorous assessments that demonstrate their advanced knowledge and skills. Currently, 12 teachers have attained this certification in Washington State, and funds are provided for a total of 23 teachers in the 1999-00 school year and 45 in the 2000-01 school year.

Mentor/Beginning Teacher Assistance Program -- \$3.8 million General Fund-State

The mentor teacher program pairs up beginning teachers with experienced teachers to help the beginning teacher become successful. State funds are used to provide training, stipends, and substitutes to allow release time for the team to observe exemplary teaching. Funding for this program has eroded over time due to lack of inflation and workload adjustments and budget reductions. The additional appropriation restores funding to the 1985-86 level and increases the total budget for this program to \$6.8 million for next biennium, increasing the funding per team from the current rate of \$782 to approximately \$1,780.

Increase Classroom Resources/Lower Class Size

Increased Classroom Resources -- \$27.3 million General Fund-State

Funds are provided to increase the basic education staff ratio for grade 4, funding 261 more certificated instructional staff per year. Currently, the state allocates 54.3 certificated instructional staff per 1,000 full-time equivalent students in grades K-3 and 46 per 1,000 for grades 4-12. The budget creates a combined ratio of 53.2 certificated instructional staff for grades K-4. Districts are funded at the 53.2 ratio if they staff up to the ratio. The combined K-4 ratio provides districts with flexibility to deploy staff as needed in grades K-4. (Certificated instructional staff are composed mostly of teachers and also include counselors, librarians, nurses, and other educational staff associates.)

Learning Assistance Program -- \$19.3 million General Fund-State

The Learning Assistance Program currently allocates funds to school districts for students in grades K-9. The budget provides an additional \$19.3 million to extend the program to the 11th grade. The additional funds are allocated on the same formula basis as the current K-9 program. Ninety-two percent of the allocation is based on the number of students scoring in the lowest quartile on

nationally-normed tests and 8 percent is allocated to school districts whose percent of students eligible for free and reduced-price lunch exceeds the state average percent.

Continuing Education Reform

The Academic Achievement and Accountability Commission -- \$340,000 General Fund-State

This Commission is created by Chapter 388, Laws of 1999 (SSB 5418), to replace the Commission on Student Learning, and \$340,000 is provided for its operation. The function of the new commission is to provide oversight of the new accountability system, establish and revise performance goals, and make recommendations regarding interventions, assistance, and recognition of schools and school districts.

Reading Corps for Struggling Schools -- \$16.0 million General Fund-State

Funds are provided for Reading Corps grants for schools in which significant numbers of students do not perform well on the Washington Assessment of Student Learning. The grants are to provide reading programs for low-performing students in grades K-6. The reading programs may be provided before, during, or after the school day, and on Saturdays, summer, intercessions, or other vacation periods. The programs are to be proven, research-based programs provided by mentors or tutors and shall include pre-and-post testing to determine the effectiveness of the programs.

Mathematics Helping Corps -- \$2.0 million General Fund-State

Funds are provided to establish a Mathematics Helping Corps to assist school districts with low mathematics scores on the Washington Assessment of Student Learning. The Helping Corps would consist of regional school improvement coordinators and mathematics school improvement specialists working out of educational service districts to provide assistance to individual schools in implementing education reform to improve student learning.

Summer Accountability Institutes -- \$1.0 million General Fund-State

Funds are provided for five Summer Accountability Institutes. These institutes are provided for school district staff by the Superintendent of Public Instruction and the Commission on Student Learning to make available: current research on assessment data; advice from experts to assist districts in implementing education reform; and accountability goals in the areas of reading, math, communications, and writing.

Providing Funding Stability

Levy Equalization -- \$17.9 million General Fund-State

Funds are provided to implement Chapter 317, Laws of 1999 (SSB 5298), which, beginning with calendar year 2000, sets levy equalization at 12 percent for all districts requiring an above-average property tax rate for a 12 percent levy. Currently, districts are eligible for levy equalization if they require a property tax rate for a 10 percent levy that exceeds the statewide average property tax rate for a 10 percent levy. The 74 districts in the highest quartile of property tax rates for a 10 percent levy are eligible for 12 percent levy equalization. This bill makes an additional 146 school districts eligible for 12 percent levy equalization.

1999-01 State Operating Budget (ESSB 5180)

Miscellaneous

K-20 Operations and Support -- \$9.7 million General Fund-State

The sum of \$5.7 million is provided for K-20 Network infrastructure and equipment maintenance and depreciation incurred by school districts and educational service districts. Also, \$4.0 million is provided for technical support to ensure that the K-12 portion of the K-20 network operates reliably. These funds will be used primarily for technical personnel located at educational service districts, the Department of Information Services, and two staff at the Office of the Superintendent of Public Instruction. The K-20 Network was initiated by the state in the 1995-97 biennium to create a telecommunications backbone to provide better access to the Internet and to connect together all the school districts and higher education institutions.

School Security -- \$7.0 million General Fund-State; \$4.0 million Safety and Education Account

During the Regular Session of the Legislature, \$2.0 million was provided for alternative school grants and \$2.0 million was provided for teacher training in dealing with disruptive students. Both programs were funded from the Public Safety and Education Account. Also, continuing a program from the 1997-99 biennium, \$5.9 million was provided from the Public Safety and Education Account for school security grant program that provides security monitors in schools. In the May Special Session of the Legislature, an additional \$7.0 million from the state General Fund was provided for school safety in Chapter 12, Laws of 1999, 1st Sp.S. (EHB 2304). Of this amount, \$4.0 million is for additional alternative school grants and a new intervention and prevention grant program, and \$3.0 million is to increase the existing school security grant program.

School Nurses -- \$5.2 million Health Services Account

Funds are provided to establish a corps of nurses housed in the educational service districts in the state. The function of the nurse corps is to provide services in the most needy schools not having available nurse services, and to provide training for school staff in the provision of health services to students. Distribution and functions of the nurses is to be determined by the Superintendent of Public Instruction.

Higher Education

Enrollment Increases

The amount of \$60.6 million from the state General Fund is provided to address increasing enrollment demand. Higher education enrollments are increased by a total of 8,277 full-time equivalent student enrollments: 2,971 enrollments in the baccalaureate institutions; 4,806 enrollments in the Community and Technical Colleges (CTCs); and 500 enrollments in a high demand pool that will be allocated by the Higher Education Coordinating Board (HECB). Included in these totals are 800 new enrollments to support the opening of Cascadia Community College in Fall 2000. New enrollments are fully funded at the HECB average cost of instruction, with the CTCs also receiving an additional \$500 for each new student. New undergraduate enrollments at the branch campuses are funded at the upper division cost-of-instruction level.

Support for New Enrollments

Supporting new enrollments, the sum of \$6.0 million from the state General Fund is provided to start new branch campus degree programs, to open the new Cascadia Community College, and to operate and lease other new higher education facilities. The new funding also supports expanded programs at the Puyallup campus of Pierce College and a new higher education consortium in North Snohomish, Island, and Skagit counties.

Technology and High Demand Programs

Appropriations totaling \$20.7 million from the state General Fund target programs to increase higher education capacity to provide training and degree programs in information technology and other high market demand areas, leveraging state resources with private funds. The state's K-20 telecommunications network receives operations funding. At the University of Washington, next generation Internet research and Internet connectivity are funded. Advanced technology research initiatives are funded at the two research universities.

Compensation

Annual 3 percent salary increases effective July 1, 1999, and July 1, 2000, are provided for all higher education employees. In addition to these increases, \$10 million from the state General Fund is provided to help baccalaureate institutions recruit and retain quality instructional and research faculty and staff. Baccalaureate institutions may also grant additional salary increases from funds identified by their governing boards. Community and Technical Colleges (CTCs) receive \$10 million from the state General Fund to address part-time faculty salary disparity, with a requirement for local matching funds at a level to be set by the State Board for Community and Technical Colleges. The CTCs also receive \$3.5 million for faculty salary increments and \$1.9 million to extend retirement benefits to part-time faculty teaching at least half-time.

Financial Aid

A total of \$32.6 million from the state General Fund is appropriated to increase student financial aid in the State Need Grant, Educational Opportunity Grant, Washington Scholars, and Community Scholarships Matching Grant programs as well as to establish two new financial aid programs. The new College Promise Scholarship program will provide for scholarships to high-performing high school seniors who meet financial eligibility criteria, and a new program is established to provide up to one year's educational expense reimbursement for teachers obtaining master's degrees.

Tuition Policy

Tuition increase rates established in the budget bill for 1999-01 are based upon projected growth in the state's per capita personal income. Institutions' governing boards are granted the authority to set tuition rate increases up to a maximum increase of 4.6 percent in academic year 1999-00 and 3.6 percent in academic year 2000-01. Tuition rate increases may vary by student category, and tuition rates may also vary based on time of day or week, delivery method, or campus, to encourage full use of educational facilities and resources.

Other Education

Washington State Arts Commission

The amount of \$750,000 is provided in two stages to implement the recommendations of the Governor's Blue Ribbon Arts Task Force. Of that amount, \$250,000 is provided in fiscal year 2000 for arts organizations, the Arts in Education program, and art in underserved communities. The remaining \$500,000 is provided in fiscal year 2001 for these programs based on completion of a strategic plan in fiscal year 2000.

Washington State Historical Society

One-time funding of \$100,000 is provided for the Lewis & Clark Bicentennial Committee to continue planning, coordinating, and developing educational programs and special events to commemorate the bicentennial anniversary of Lewis and Clark's journey to the Northwest. Various Puget Sound area cities will also receive funding to replace historic elm trees that were planted in honor of World War I veterans.

Eastern Washington State Historical Society

Almost \$1 million is provided for an addition to the Cheney-Cowles Museum in Spokane. This funding covers temporary collection relocation during construction and operations and maintenance of the addition after construction.

Special Appropriations

Year 2000

A total of \$19.6 million is authorized for planning and contingencies associated with the year 2000 computer issue. Funding will be used for projects requested by agencies and for any unforeseen emergencies.

Okanogan County Criminal Justice Costs

The sum of \$1.2 million is provided from the Public Safety and Education Account to Okanogan County for extraordinary criminal justice costs associated with the adjudication of an aggravated murder case.

Across-the-Board Salary Increases

Funding has been provided for salary increases of 3 percent July 1, 1999, and 3 percent July 1, 2000, for state employees. The budget provides \$98.5 million from the General Fund-State and \$109.3 million from other funds for these increases.

Personnel Resource Board Salary Adjustments

Amounts of \$13.1 million from General Fund-State and \$26.3 million from other funds are provided for additional salary increases for classified state employees. Under Chapter 319, Laws of 1996 (SSB 6767), the Legislature identified the following criteria for reclassifying classified employees: salary inequities, recruitment and retention, increased duties and responsibilities, and compression and inversion. The Washington Personnel Resources Board identified 26 job groups for reclassifications based on these criteria in 1998. Funding is provided for salary increases for all 26 job groups beginning July 1, 1999. About 5,460 employees will receive these salary increases.

Salary Survey

The budget provides \$5.6 million General Fund-State and \$14.5 million other funds to increase the salaries of classified state and higher education employees so that no job class is more than 25 percent behind its market rate. The market rate for classified job classes is determined by a salary survey conducted by the Department of Personnel. About 2,660 classified higher education employees and 3,670 classified state employees will receive these increases July 1, 1999.

Salary Increases for the Office of the Attorney General

The sum of \$3.4 million from General Fund-State and \$3.4 million from other funds is provided for salary increases for assistant attorneys general to address recruitment and retention difficulties.

Employee Health Benefits

The budget provides \$40 million General Fund-State and \$44.4 million from other funds for the increased costs of health and other insurance benefits for state and higher education employees. In addition, funding is provided to increase the subsidy provided to retired state, higher education, and K-12 employees who purchase benefits through the Health Care Authority and who are at least 65 years of age.

1999-01 State Capital Budget (SHB 1165)

1999-01 Capital Budget Highlights

The 1999-01 Capital Budget was enacted as Chapter 379, Laws of 1999, Partial Veto (SHB 1165). Governor Locke's partial veto eliminated the section on salmon recovery and two language provisions. Chapter 13, Laws of 1999, 1st Sp.S., Partial Veto (E2SSB 5595), restored the funding for salmon recovery vetoed in the capital budget. The legislation authorizing the issuance of bonds to finance the bonded portion of the capital budget was enacted as Chapter 380, Laws of 1999 (SHB 1166).

The capital budget totals \$2.297 billion with \$987.3 million of that total supported by state bonds that are subject to the 7 percent debt limit. The remaining \$1.3 billion balance of the budget is financed by a variety of cash sources and other bonds that are not subject to the state debt limit. Bonds are subject to the 7 percent debt limit if the principal and interest payments on the bonds are paid from the state General Fund or other appropriated funds in the state treasury. There is a total of \$161 million in the category of bonds not subject to the state debt limit. These bonds include: 1) \$36.3 million for a new Washington State University Spokane Health Science building, funded from the interest earnings from the Agricultural Lands Trust; 2) \$44.8 million for a new University of Washington law school building, funded from the lease revenues from the Metropolitan Tract; and 3) \$80.0 million for improvements to the University of Washington Medical Center, funded from hospital operating income.

Some of the larger cash sources used to fund the capital budget include: Common School Construction Account (\$326.7 million); Public Works Trust Fund (\$213.2 million); federal funds (\$121 million); State Water Quality Account (\$60.0 million); Timber Trust Revenues (\$73 million); and Water Pollution Control Revolving Account (\$79.2 million).

The 1999-01 Capital Budget provides a moderate growth in capital expenditures over the previous biennium while staying within the guidelines of the 7 percent debt limit. The state-bonded portion of the budget increased 7.8 percent over the prior capital budget. A growing concern in the decision on the level of state bonds is maintaining an affordable growth rate in the debt service payments supported by the state General Fund. A goal is to have the principal and interest payments supported by the state General Fund to be within the spending growth rate under Initiative 601. The other funds category grew at a higher rate than the bonded portion of the budget. The other funds category increased by about 26 percent over the previous capital budget. The high growth rate in this category was due, in part, to the increase in federal money for salmon recovery efforts and the use of non-debt limit bonds for the University of Washington.

Capital Budget Appropriations

Dollars in Millions

	1993-95	1995-97		1997-99	1999-01
State Bonds	940	790	935	987	
Other Funds	713	849	1,038	1,310	
Total	1,653	1,639		1,973	2,297

Increase the State's Commitment to Low-Income Housing

Approximately \$80 million is provided to housing for low-income and special needs people, housing for homeless children and their families, and housing for farmworkers. This is a significant increase over past capital budget appropriations.

Housing Trust Fund	\$61.8 million
Farmworker Housing	8.0
Homeless Children	5.0
Convention Center Mitigation	5.0
Total	\$79.8 million

Restore and Repair Community and Technical College Buildings

The sum of \$229 million is provided for major renovations, construction and restoration of community and technical college buildings. This budget reflects an increase of more than 33 percent from the previous capital budget appropriations. These funds include \$64.4 million for roof, facility, and site repairs and minor improvements and \$18 million to replace dilapidated portable classroom buildings.

School Construction

An amount of \$326 million is provided to construct and renovate buildings for the state's public school system. This amount will fully fund all the anticipated requests from school districts for the state matching share of school construction projects. Of this amount, \$10 million is to apply construction management techniques to provide better quality and value to school buildings.

The total appropriation is supported by a variety of fund sources: \$78 million from timber revenues; \$39 million from the 1999 supplemental operating budget; \$138 million from the end-of-the-year operating budget savings from state agencies; \$59 million from the Trust Land Transfer program; and \$11 million from interest earnings.

Salmon Recovery Program

Funds totaling \$137 million are provided to respond to the listing of salmon and steelhead under the federal Endangered Species Act. These funds will be allocated to a variety of projects across the state to remove fish passage barriers, restore fish habitat, reduce pollution, and provide more water for fish to survive. This program will also build partnerships with local communities by providing grants in a coordinated way to better use limited resources to help restore the salmon. Chapter 13, Laws of 1999, 1st Sp.S. (E2SSB 5595), provides \$120 million to the Salmon Recovery Funding Board after the Governor vetoed the original capital budget appropriation for salmon recovery. The veto was used so the Legislature could resolve differences on which organization would allocate the money and how the money would be allocated. Those differences were resolved in the special session and the money was restored with the passage of E2SSB 5595. The amount of \$17 million was included in the capital budget for specific salmon recovery projects. These programs include: \$5 million for the Conservation Reserve Enhancement Program; \$10 million to purchase riparian easements from small forest landowners; \$1 million to purchase water rights to increase stream flows; and \$1 million to remove the Goldsborough Dam, which is creating a fish passage barrier in the south Puget Sound.

1999-01 State Capital Budget (SHB 1165)

Higher Education

The university system is provided \$524 million to increase access to higher education through expansion of branch campuses and construction and modernization of buildings at the existing four-year university campuses.

The expansions of the branch campuses include: 1) University of Washington (UW) Bothell and Cascadia Community College \$100.2 million; 2) UW Tacoma \$36.9 million; 3) Washington State University (WSU) Spokane \$36.6 million; and 4) WSU Vancouver \$27.3 million.

Major new construction and modernization projects include: UW Law School (\$69.0 million); UW Suzzallo Library (\$39.3 million); WSU Teaching and Learning Center (\$28.9 million); Eastern Washington University (EWU) Monroe Hall (\$11.0 million); Central Washington University (CWU) design for a new music building (\$2.3 million); Western Washington University (WWU) Campus Services Building (\$10.1 million); and WWU design for a new Communications Building (\$3.8 million).

The capital budget also authorizes: 1) \$1.0 million for the creation of a new innovative education center North Snohomish Island and Skagit Counties (NSIS), made up of a consortium of two- and four-year institutions, to provide higher education degree programs in Everett; 2) \$4.0 million for design and land acquisition for a consortium facility in Yakima between Yakima Valley Community College, CWU, and WSU; and 3) \$17 million for construction of a new building to be shared between Edmonds Community College and CWU on the Edmonds campus.

Human Services

The 1999-01 Capital Budget provides funding for the redevelopment and expansion of the state's prison system in order to accommodate the growing inmate population. The Department of Corrections (DOC) received funds for the completion of the 1,936-bed Stafford Creek Corrections Center in Grays Harbor County (\$22.5 million). Other major new construction projects include: 1) expansion of the Special Offenders Center at the Monroe Correctional Complex (\$38.8 million); and 2) construction of Mental Health, Special Needs, Reception and Youthful Offender Program space at the Washington Corrections Center for Women in Purdy (\$23.3 million). In addition, DOC received design funds for a 512-bed expansion at the Twin Rivers Corrections Center to be constructed in future biennia (\$4.7 million).

The Legislature also appropriated funds for the construction of a new Legal Offender Unit at Western State Hospital (\$43.9 million) and design of a new Special Commitment Center at McNeil Island (\$2.5 million).

Preservation of Existing State Buildings

The budget provides more than \$400 million for the repair and preservation of state-owned facilities of which \$290 million is supported by debt limit bonds. Approximately 30 percent of the state debt limit bond appropriation is dedicated to preservation of existing buildings.

Developing Local Infrastructure

The sum of \$913 million provides infrastructure for local governments through a variety of grant and loan programs. Improving the infrastructure has been an important element in economic

development and continues to be a high priority for the capital budget. Local infrastructure is often viewed as roads and water systems. However, state assistance extends beyond these basic services to include recreation, social service, cultural, and heritage facilities.

State Parks and Washington Wildlife and Recreation

Funding of \$138 million is provided to improve public access to recreation and preserve open space and habitat for wildlife. The amount of \$27.9 million is to preserve historic facilities and develop new recreation opportunities at state parks. An amount of \$48.0 million, funneled through the Washington Wildlife and Recreation Program, will provide new state and local parks, build trails, provide water access and preserve critical wildlife habitat. An amount of \$66 million is used to transfer sensitive and unharvestable timber lands from school trust status to recreation and habitat purposes. This program, called Trust Land Transfer program, will generate approximately \$59 million of revenues to the School Construction Account.

Projects Funded by Alternative Financing Contracts

In addition to appropriations for capital projects, the budget authorizes state agencies to enter into financial contracts for acquisition of land and facilities and to enter into long-term lease agreements. Thirty-one projects are authorized totaling \$103.9 million.

1999 Transportation Budget (ESHB 1125)

1999-01 Transportation Budget - ESHB 1125
Chapter 1, Laws of 1999 PV, 1st Special Session
(Dollars in Thousands)

TOTAL APPROPRIATED FUNDS

	1997-99 Estimated Expenditures	1999-01 Enacted
Joint Legislative Audit and Review Committee	1,500	
Legislative Transportation Committee	4,172	4,283
LEAP Committee	420	900
Joint Legislative Systems Committee	111	
Special Appropriations to the Governor	2,000	
Department of Trade and Economic Development	126	
Office of Financial Management	58	
Board of Pilotage Commissioners	275	290
Utilities and Transportation Commission	222	111
Washington Traffic Safety Commission	6,907	11,494
County Road Administration Board	87,268	111,044
Transportation Improvement Board	223,031	237,418
Marine Employees' Commission	354	356
Transportation Commission	804	807
State Parks and Recreation Commission	4,431	3621
Department of Agriculture	314	327
Washington State Patrol	243,217	231,050
Department of Licensing	144,377	159,456
Department of Transportation	2,284,113	3,282,519
Freight Mobility Strategic Investment Board		600
Blue Ribbon Commission on Transportation		1,800
Senate Transportation Committee		2,586
Statewide Total	3,003,700	4,048,662

1999-01 TRANSPORTATION BUDGET HIGHLIGHTS

ESHB 1125 as Enacted
May 27, 1999

Transportation Budget Comparisons
(Dollars in Millions)

1997-99 Transportation Funding

1997-99 Funding	\$ 2,896
1998 Supplemental Budget	\$ 181
1999 Supplemental Budget	<u>\$ (73)</u>
Total 1997-99 Funding	\$ 3,004

1999-01 Transportation Funding

1999-01 Budget (ESHB 1125 as Enacted)	\$ 4,049
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- Referendum 49 authorized the sale of \$1.9 billion in bonds.
- 1999-2001 Transportation Budget assumes the sale of up to \$682 million in Referendum 49 authorized bonds.

1999 Transportation Budget (ESHB 1125)

Local Government

A total of \$196 million in 1999 - 2001

- **\$85 million** is provided for the state program share of local freight mobility projects (contained in the WSDOT/TransAid budget).
- **\$38 million** is provided for distribution to cities of over 2,500 population.
- **\$20 million** is provided to counties for corridor projects.
- **\$20 million** is provided for distribution to counties.
- **\$10 million** is provided to capitalize the State Infrastructure Bank.
- **\$8 million** is provided for county rural arterial preservation projects.
- **\$5 million** is provided for pavement programs in cities of less than 2,500 population.
- **\$5 million** is provided for local roadway and pedestrian improvement projects related to school safety.
- **\$5 million** is provided for city fish passage barrier removal and habitat restoration projects.

Rural Economic Development

A total of \$69.8 million in 1999 -2001

The following appropriations are contained within WSDOT and CRAB budgets.

- **\$19.3 million** is provided to accelerate the retrofitting of height-restricted bridges and highways that are closed to freeze thaw restrictions.
- **\$15 million** in Federal Surface Transportation Program Funds is targeted for rural economic development.
- **\$10 million** in additional funds is provided to CRAB (County Road Administration Board) Rural Arterial Program for a county freight and goods transportation system.
- **\$10 million** is put into the State Infrastructure Bank to capitalize the account. The bank will provide these funds as low interest loans and will serve as a revolving account for cities and counties.
- **\$6 million** is provided to the Freight Rail Program in loans or grants to preserve or restore rail lines.
- **\$5 million** is dedicated to a Small Cities Pavement Program for cities of less than 2,500 population for street improvements.
- **\$4.5 million** in the Rural Mobility Grant Program leverages local dollars to preserve and enhance rural public transportation, including links to rural communities.
- Other transportation investments, such as the state program for freight mobility, will assist in getting rural communities' products to urban markets. In addition, state highway preservation funding and Transportation Improvement Board and County Road Administration Board funding provide substantial investments in rural communities.

Highlights of Transportation Agency Budgets

Department of Transportation - \$3.3 Billion

Efficiency Savings

- \$22 million in savings is realized due to the implementation of various efficiency measures throughout the agency.

State Highways

- \$1.23 billion is provided for state highway improvements:
 - HOVs: \$248 million for design, right of way and construction of core HOV projects on I-5, I-405, SR 16, SR 167, and SR 520;
 - Corridor Program: \$114 million for design, right of way and construction of corridor projects, including SR 509, SR 519, SR 522, SR 525, SR 395 North-South Corridor Spokane;
 - Freight Mobility: \$85 million for Freight Mobility Strategic Investment Board (FMSIB) identified freight mobility projects on the state highway system (including WSDOT share), including SR 519 intermodal access, I-90 snowshed, completing SR 509 to I-5, etc.;
 - Capacity: \$326 million for statewide highway capacity improvements; \$50 million to support the SR 16 Narrows Bridge public/private initiative for a new Narrows Bridge.
 - Safety: \$170 million to improve the safety of state highways;
 - Economic Initiatives: \$194 million for economic initiatives, including all-weather roads, improvements on the freight and goods system (SR 18) bridge height restrictions, etc.; and
 - Environmental: \$43 million for environmental projects, including fish passage barriers, storm water runoff, wetland banking and noise walls.
- \$606 million is provided for highway preservation to repave roadways, repair and rebuild bridges, repair unstable slopes, etc.
- \$256 million is provided for the maintenance of state highways, including snow and ice removal, patching roadways, pavement striping, maintaining traffic signals, etc.

Washington State Ferries - Capital: Total Budget = \$285.2 million

- \$18 million is provided for accelerated terminal preservation.
- \$96.7 million is provided for expanded passenger-only ferry service from Southworth and Kingston to Seattle. This amount includes starting construction of terminal facilities and five passenger-only boats. (Approximately 1.3 boats can be built in the 1999-01 biennium.)

Washington State Ferries - Operating: Total Budget = \$303 million

- \$1 million is provided for expanded Bremerton auto ferry weekend service.
- \$2.1 million is provided for weekend passenger-only service.
- \$3.2 million is provided for expanded passenger-only service from Southworth and Kingston to Seattle.

1999 Transportation Budget (ESHB 1125)

Rail - Operating: Total Budget = \$33.1 million

- \$6.3 million is provided for a second round trip between Seattle and Vancouver B.C.
- \$17.6 million is provided to continue the two state-sponsored round trips between Seattle and Portland and one round trip from Seattle to Vancouver B.C.

Rail - Capital: Total Budget = \$93 million

- Nearly \$49 million is provided for track improvements to improve train service and leverage partnership funding.
- \$3 million is provided to purchase up to six additional passenger cars to increase capacity on existing train sets.
- \$15 million is provided for the King Street maintenance facility.
- \$6 million is provided for light-density freight rail line loans and grants.
- \$9.4 million is provided to renovate King Street Station.

Highway Management and Facilities/Plant Construction & Supervision: Total Budget = \$71 million

- \$22.5 million is provided for facility construction.
- \$1.4 million is provided for Year 2000/disaster business plans.
- The department is authorized to use certificates of participation to acquire and remodel a facility for the Southwest regional headquarters.

Aviation: Total Budget = \$4.4 million

- \$1.5 million is provided for safety inspections, airport assistant grants, aviation planning, and equipment maintenance and replacement.

Traffic Operations: Total Budget = \$29.5 million

- \$2.9 million is provided for additional low cost enhancements and the service patrol program.

Traffic Operations - Capital: Total Budget = \$9.6 million

- \$4.3 million is provided as federal match for projects related to traveler information investments and commercial vehicle operations.
- \$3.3 million is provided to continue implementation of the Commercial Vehicles Information Systems Network (CVISN).

Transportation Management: Total Budget = \$110.8 million

- \$7.5 million is provided for information technology projects.

Transportation Planning, Data, and Research: Total Budget = \$30.5 million

- \$4.5 million is provided for statewide travel forecasting and statewide transportation planning and traffic counts.

Public Transportation: Total Budget = \$25.4 million

- \$10.1 million is provided for the Commute Trip Reduction (CTR) program.

1999 Transportation Budget (ESHB 1125)

- \$1.5 million is provided for additional CTR tax credits.
- \$250,000 is provided for the Agency Council on Coordinated Transportation (ACCT) grant program, and up to \$750,000 will be provided if General Fund match is provided.
- \$4.5 million is provided for rural mobility projects.
- \$2.7 million is provided for the high capacity planning grants.

TransAid - Capital: Total Budget = \$161.9 million

- \$85 million is provided for freight mobility projects.
- \$1.4 million is provided for the Tibbets Creek project.
- \$10 million is provided for Columbia River dredging.
- \$300,000 is provided for the Chehalis Basin Flood Management Study.
- \$6.7 million is provided for the State Infrastructure Bank.
- \$20 million is provided for county corridor congestion relief.
- \$5 million is provided for small city (2,500 population or less) pavement preservation programs.
- \$5 million is provided for a city fish passage barrier removal and habitat restoration program.
- \$5 million is provided for enhanced safety for schools, which includes sidewalks, signals and channelization.
- The total includes \$15 million of non-appropriated federal funds which will be used for rural economic development projects relating to the transportation infrastructure.

Washington State Patrol - \$231 Million

Field Operations: Total Budget = \$160.9 million

- \$1.4 million is provided for the emergency communication system.
- \$1.6 million is provided for 18 new Community Oriented Policing Services (COPS) Troopers.

Support Services Bureau: Total Budget = \$67.9 million

- \$1 million is provided, in addition to the agency's existing technology replacement funding, for replacing identified outdated technology.
- \$877,000 is provided for replacement of pursuit vehicles at 110,000 miles.
- \$617,000 is provided for eight new communication staff.

Capital: Total Budget = \$2.3 million

- Funding is provided for minor works, repaving of the drive course, and the Naselle detachment office.

Department of Licensing - \$159.5 Million

Management and Support Services: Total Budget = \$11.3 million

Vehicle Services Division: Total Budget = \$59.2 million

- \$528,000 is provided to increase audit functions.

1999 Transportation Budget (ESHB 1125)

Information Systems Division: Total Budget = \$9.5 million

- \$1.1 million is provided for technology infrastructure.

Driver Services Division: Total Budget = \$79.4 million

- \$445,000 is provided for license service office counter upgrades.
- \$2.4 million is provided for the replacement of the outdated automated testing system.
- \$2.9 million is provided for a new improved, secure driver's license.
- \$2 million is provided for 25 new licensing service office staff to reduce wait time.
- \$553,000 is provided to upgrade the licensing service offices' lobby management system to assist the public in more timely processing of driver's licenses.

Other Agencies

Traffic Safety Commission: Total Budget = \$11.5 million

- \$3.5 million is provided from TEA-21 incentive grants for safety programs.
- \$25,000 is provided for the implementation of a bicycle and pedestrian safety education program related to the Cooper Jones Act of 1998.

State Parks and Recreation - Capital: Total Budget = \$2.7 million

- Funding is provided for improvement projects on State Parks roadways.

Transportation Commission: Total Budget = \$807,000

- Funding is provided at current funding levels for the administration of the commission.

Legislative Evaluation and Accountability Program: Total Budget = \$900,000

- \$630,000 is provided to assist in the implementation of the Local Government Finance Reporting project and the Transportation Infrastructure Database and Reporting System.

Utilities and Transportation Commission: Total Budget = \$111,000

- One-year funding is provided, and second-year funding levels will be determined by the findings of an interim study on the transportation functions currently performed by the UTC.

Transportation Improvement Board: Total Budget = \$237 million

- Funding is provided for transportation improvements on state, city and county arterials.

Freight Mobility Strategic Investment Board: Total Budget = \$600,000

- Funding is provided for the administration of the board in prioritizing and overseeing state and local freight mobility projects.

County Road Administration Board: Total Budget = \$111 million

- Funding is provided for capital projects, which includes \$8 million for projects related to the freight and goods system on county roads.

1999 Transportation Budget (ESHB 1125)

Blue Ribbon Commission on Transportation: Total Budget = \$1.8 million

- Funding is provided for the commission to continue fulfilling its mission of determining long-term solutions and strategies for transportation policies and funding.

Senate Transportation Committee: Total Budget = \$2.6 million

- Funding is provided to the Senate Transportation Committee for operations and administration.
- Funding is provided to conduct a Road Jurisdiction Study in which a task force of House and Senate Transportation members will be formed to study the issues surrounding the redesignation of state and local routes.
- Funding is provided for the committee to oversee the program accountability reviews of the Department of Transportation, the Department of Licensing, and the Washington State Patrol programs.

Legislative Transportation Committee: Total Budget = \$4.3 million

- \$2.5 million is provided to the House Transportation Committee for operations and administration.
- \$1.8 million is provided to the Legislative Transportation Committee for operations and administration.
- Membership on the LTC will be 12 Senate members and 12 House members (six from each caucus), with six members from each house on the executive committee (three from each caucus).
- Funding is provided to conduct a Road Jurisdiction Study in which a task force of House and Senate Transportation members will be formed to study the issues surrounding the redesignation of state and local routes.
- Funding is provided for the committee to oversee the program accountability reviews of the Department of Transportation, the Department of Licensing, and the Washington State Patrol programs.

The following agencies are funded at current levels:

Department of Agriculture
Board of Pilotage Commissioners
State Parks and Recreation Commission - Operating
Marine Employees Commission

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Session Law to Bill Number Table

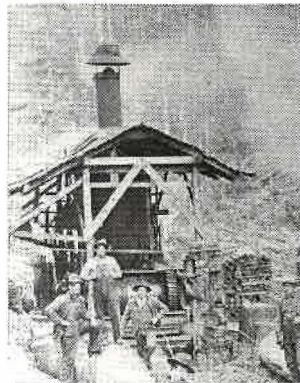
Gubernatorial Appointments

Legislative Leadership

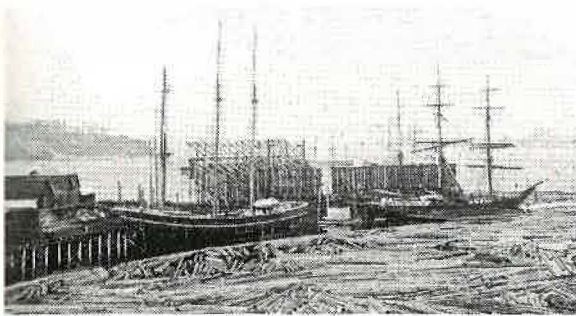
Standing Committee Assignments



Much of the state's timber was transported by rail from the logging camps, and then large amounts were shipped predominantly by tall ships. Pictured below is the port of Seattle in the late 1890s. Photos courtesy of Washington State Library.



Bordeaux, WA logging camp, circa 1900. Photo courtesy of Washington State Library.



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C	19	L 99	School district debt reduction	SB 5567
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C	82	L 99	Higher education tuition/veterans	SSB 5215
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C 109	L 99	Public works/subcontractors	HB 1766
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C 123	L 99	State library commission	ESSB 5348
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C 127	L 99	Physician assistants	SB 5702
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C 157	L 99	Write-in voting	SHB 1592
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C 160	L 99	Foster parent training	SHB 1668
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C 165	L 99	Public facilities districts	2SSB 5452
C 166	L 99	Disruptive students	2SHB 2085
C 167	L 99	Firearms on school premises	SSB 5214
C 168	L 99	Missing/exploited children	2SSB 5108
C 169	L 99	Higher education innovation/quality	SHB 1013
C 170	L 99	Antiharassment actions/jurisdiction	HB 1199
C 171	L 99	Worker fall protection	SHB 1224
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C 174	L 99	Parenting plan modification	ESHB 1514
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C 178	L 99 PV	Supported employment	SHB 1811
C 179	L 99	Impaired dentist account	SHB 1838
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C 185	L 99	Workers' compensation death award	SSB 5147
C 186	L 99	Surplus computer donations	ESSB 5175
C 187	L 99	Private school employees	SSB 5213
C 188	L 99	Child mental health treatment	SSB 5279
C 189	L 99	Liquor code violations	SSB 5304
C 190	L 99	Home care/hospice licensure	SB 5499
C 191	L 99	Anarchy and sabotage	SSB 5671
C 192	L 99	Real estate research	ESB 5720
C 193	L 99	Export cigarette sales	ESB 5897
C 194	L 99	School director eligibility	SB 5911
C 195	L 99	Higher education purchases for resale	SB 6025
C 196	L 99	Offender supervision	E2SSB 5421
C 197	L 99 PV	Drug/alcohol crime sentencing	E2SHB 1006
C 198	L 99	School safety provisions	SHB 1153
C 199	L 99 PV	Driver's license renewal	SHB 1212
C 200	L 99	Intersection stops	HB 1321
C 201	L 99	Motorist information signs	HB 1322
C 202	L 99	Transportation safety plan	SHB 1324
C 203	L 99	Low-income rental housing/taxes	SHB 1345
C 204	L 99	Reports to transportation secretary	HB 1463
C 205	L 99	Whidbey Island game farm	SHB 1485
C 206	L 99	HOV lane violations	HB 1554
C 207	L 99	Transporting explosives	SHB 1559
C 208	L 99	Farm machinery tires	HB 1561
C 209	L 99	Real estate excise tax	HB 1664
C 210	L 99	Surplus real property	HB 1703
C 211	L 99 PV	Machinery and equipment tax	ESHB 1887
C 212	L 99	Construction services/tax	HB 2261
C 213	L 99	Highway information signs	SB 5005
C 214	L 99	Dangerous mentally ill offender	SSB 5011
C 215	L 99	Public transportation information	SSB 5064
C 216	L 99	Freight mobility board	SSB 5153
C 217	L 99	WSP employment agreements	2SSB 5171
C 218	L 99	Scenic byways designation	SSB 5273
C 219	L 99	Lightweight tire studs	SB 5384
C 220	L 99	Leasehold excise tax	ESSB 5661
C 221	L 99	Bingo and raffles/taxation	SSB 5745
C 222	L 99	Hunter safety program funding	SSB 6052
C 223	L 99	TRS plan 3 investment gains	HB 1023
C 224	L 99	Emergency medical services levy	HB 1154
C 225	L 99	Environmental restoration	SHB 1204
C 226	L 99	Investment board record checks	HB 1420
C 227	L 99	Investment board trust funds	HB 1421
C 228	L 99	Investment board/securities	HB 1422

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C 229	L 99	GA department director's duties	SHB 1494
C 230	L 99	Refunding bonds	HB 1495
C 231	L 99	Fire death/injury reports	HB 1556
C 232	L 99	Surface water permits/rights	HB 1642
C 233	L 99	Recording documents	SHB 1647
C 234	L 99	Irrigation districts	SHB 1677
C 235	L 99	Warm water fish culture	2SHB 1716
C 236	L 99	Technical assistance documents	SHB 1777
C 237	L 99	Water masters	SHB 1826
C 238	L 99	Sellers of travel	ESHB 2090
C 239	L 99	Shrimp fishery	ESHB 2107
C 240	L 99	Licensing director duties	HB 2200
C 241	L 99	Commissions/legislative member	HB 2207
C 242	L 99	Storm water control grants	ESHB 2239
C 243	L 99	Fishing/hunting license fees	SB 5020
C 244	L 99	Public employment retirement system	SSB 5029
C 245	L 99	Okanogan County superior court	ESB 5036
C 246	L 99	Open public meetings	SB 5095
C 247	L 99	Pesticide registration commission	SB 5125
C 248	L 99	Electric utility liability	SSB 5154
C 249	L 99 PV	Public recreational lands	SSB 5179
C 250	L 99	Port district annexations	SSB 5219
C 251	L 99	Aquatic weeds management	ESSB 5290
C 252	L 99	Underground mine tailings	SB 5307
C 253	L 99	Passenger rail service	ESB 5371
C 254	L 99	Cultural arts, stadium districts	SB 5385
C 255	L 99	Aquatic plant management	ESSB 5424
C 256	L 99	Ferry employee salary survey	SB 5502
C 257	L 99	Forest lands in watersheds	2SSB 5536
C 258	L 99	Fish and wildlife enforcement	SSB 5638
C 259	L 99	Primary election dates	SSB 5640
C 260	L 99	State voters' pamphlet	SB 5643
C 261	L 99	Municipal officers/contracts	SB 5731
C 262	L 99	Dairy nutrient management	ESSB 5803
C 263	L 99	On-site wastewater treatment	2SSB 5821
C 264	L 99	Gift of life award	SSB 5828
C 265	L 99	Investment board funds value	SSB 6012
C 266	L 99	Public corporation property tax	SB 6065
C 267	L 99	Homeless children and families	E2SHB 1493
C 268	L 99	Transportation improvement board	SHB 1304
C 269	L 99	Transportation funding	SHB 1053
C 270	L 99	Trip permit fee surcharge	HB 2201
C 271	L 99	Vehicle registration payment	SHB 2053
C 272	L 99	Occupational driver's license	SHB 1774
C 273	L 99	School credit enhancement	E2SSB 5345
C 274	L 99	Drivers' licenses	SB 5374

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C	275	L 99	Motorcycle handlebars	SB 5358
C	276	L 99	Scenic vistas act	SB 5382
C	277	L 99	License fraud	SSB 5706
C	278	L 99	Vehicle wreckers/acquisitions	SSB 5666
C	279	L 99	Agricultural college lands	SSB 6090
C	280	L 99	Conservation corps	SB 5255
C	281	L 99	Liquor licenses	SSB 5364
C	282	L 99	Professional athletics	SSB 5553
C	283	L 99	Whistleblowers	SSB 5672
C	284	L 99	Bond issuance validity	SSB 5728
C	285	L 99	K-20 telecommunications network	ESB 5789
C	286	L 99	Public employee retirement system	SB 5837
C	287	L 99	Digital signatures	ESB 5962
C	288	L 99	Emergency reserve fund	SSB 6063
C	289	L 99	Unsolicited commercial e-mail	2SHB 1037
C	290	L 99	Software/public inspection	HB 1042
C	291	L 99	Dairy and food laws	EHB 1151
C	292	L 99	Illegal drug manufacture	SHB 1163
C	293	L 99	Statewide custody contracts	SHB 1183
C	294	L 99	Economic development activity	HB 1192
C	295	L 99	Nonprofit organization capital projects	SHB 1222
C	296	L 99	Judgments	EHB 1232
C	297	L 99	State employee relocation	SHB 1282
C	298	L 99	Elections	SHB 1291
C	299	L 99	Rural development	EHB 1313
C	300	L 99	Dairy commission	HB 1432
C	301	L 99	Milwaukee Road corridor	HB 1550
C	302	L 99	Airport rental/use charges	ESHB 1562
C	303	L 99	County court funding	HB 1599
C	304	L 99	False political advertising	SHB 1673
C	305	L 99	Conservation districts	SHB 1747
C	306	L 99	Port district authority	SHB 1848
C	307	L 99	Internet service provider tax	HB 2081
C	308	L 99	Drivers' license issuance	HB 2259
C	309	L 99 PV	Operating budget	ESSB 5180
C	310	L 99	Personal flotation devices	EHB 1014
C	311	L 99	Rural county tax incentives	ESHB 2260
C	312	L 99	Long-term care residents	SSB 5864
C	313	L 99	School construction management	HB 1831
C	314	L 99	School construction debt	EHB 1832
C	315	L 99 PV	School district organization	E2SHB 1477
C	316	L 99	School district immunity	ESB 5109
C	317	L 99	Local assistance school funds	SSB 5298
C	318	L 99	Medicaid payments to schools	SSB 5626
C	319	L 99	Truancy	ESSB 5988
C	320	L 99	Border counties higher education tuition	SHB 1016

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C 321	L 99	Community colleges	2SHB 2061
C 322	L 99	Counterfeit intellectual property	EHB 1007
C 323	L 99	Clemency and pardons	SHB 1068
C 324	L 99	Offender medical release	HB 1299
C 325	L 99	Inmate funds' deductions	E2SHB 1143
C 326	L 99	Sexually violent offense/records	2SHB 1176
C 327	L 99	Prostitute patrons' cars	ESHB 1131
C 328	L 99	Assault on transit	HB 1442
C 329	L 99	Inmate DNA testing	HB 1757
C 330	L 99	Exceptional sentences	HB 1849
C 331	L 99	Traffic offenses	SSB 5399
C 332	L 99	Execution witnesses	SSB 5513
C 333	L 99	Occupational therapy	SHB 1113
C 334	L 99	Medicare supplemental insurance	HB 1539
C 335	L 99	Surgical technologists	SHB 1864
C 336	L 99	Disabled self-directed care	SHB 1880
C 337	L 99	Epinephrine administration	SHB 1992
C 338	L 99 PV	Foster parent liability insurance	SHB 1619
C 339	L 99	Child abuse protection/treatment	HB 1810
C 340	L 99	TANF employability screens	HB 1936
C 341	L 99	Marine recreation land/dredging	SHB 1701
C 342	L 99	Salmon stamp programs	2SHB 1871
C 343	L 99	Capitol furnishings preservation	2SHB 1132
C 344	L 99	Higher education tuition waiver	SHB 1015
C 345	L 99	Higher education financial aid	2SHB 1140
C 346	L 99	UW property	ESHB 1991
C 347	L 99	Excellence in mathematics	SHB 1569
C 348	L 99 PV	Board of education recommendations	SHB 1770
C 349	L 99	Crimes in airspace/jurisdiction	HB 1388
C 350	L 99	Early childhood assistance	SHB 1935
C 351	L 99	Traffic safety	SHB 1971
C 352	L 99	Sentencing corrections	HB 1544
C 353	L 99	Nursing facility reimbursement	E2SHB 1484
C 354	L 99	Long-term care financial information	2SHB 1116
C 355	L 99	Boarding home accreditation	HB 1194
C 356	L 99	Nonprofit homes for aging/tax exemption	SHB 1969
C 357	L 99	Small business tax reporting	HB 1741
C 358	L 99	Tax code update	SHB 1623
C 359	L 99	Mobile home landlord-tenant	HB 1378
C 360	L 99	Guardianship proceedings	SHB 1525
C 361	L 99	State employee whistleblower	SHB 2005
C 362	L 99	Retirement system option	SHB 1024
C 363	L 99	Trout purchase by state	2SHB 1681
C 364	L 99	Dentist continuing education	HB 1699
C 365	L 99	State agency printing	HB 1827
C 366	L 99	Part-time health commissions	HB 1863

Session Law to Bill Number Table

C	367	L 99	Remains in abandoned cemetery	SHB 1951
C	368	L 99	Financial information privacy	SHB 1250
C	369	L 99	Year 2000 liability	EHB 2015
C	370	L 99	Children's health insurance	SSB 5416
C	371	L 99	Child dependency proceedings	SSB 5744
C	372	L 99	Reports to the Legislature	SB 5915
C	373	L 99	Student assessments	E2SSB 5825
C	374	L 99	Temporary worker housing	ESSB 5599
C	375	L 99	Higher education student child care	SSB 5277
C	376	L 99	Nursing home bed capacity	SSB 5967
C	377	L 99	Health care workplace violence	SSB 5312
C	378	L 99	Accountants/continuing education	SB 5628
C	379	L 99 PV	Capital budget	SHB 1165
C	380	L 99	General obligation bonds	SHB 1166
C	381	L 99	Specialty fertilizer labels	ESSB 5208
C	382	L 99	Fertilizer registration	ESSB 5866
C	383	L 99	Commercial fertilizer	ESHB 2095
C	384	L 99 PV	Developmental disabilities trust fund	ESSB 5693
C	385	L 99 PV	Special needs transportation	ESHB 1798
C	386	L 99	School alternate financing	HB 1833
C	387	L 99	Retired teachers/substitutes	HB 1761
C	388	L 99	School accountability/assistance	SSB 5418
C	389	L 99 PV	Child abuse investigations	SB 5127
C	390	L 99 PV	Family/children's ombudsman	SSB 6001
C	391	L 99	Infectious disease testing	HB 1080
C	392	L 99 PV	Public hospital facility payment	SSB 5968
C	393	L 99	Tobacco product manufacturers	ESB 5485
C	394	L 99	Workers' compensation employer obligation	HB 1524
C	395	L 99	Injured workers' vehicles	HB 1261
C	396	L 99	Workers' compensation benefit errors	EHB 1894
C	397	L 99	Unified family court	SHB 1663
C	398	L 99 PV	Long-term vehicle impounds	ESB 5649
C	399	L 99 PV	Crab fishery catch records	ESSB 5508
C	400	L 99	Water rights permits	HB 1549
C	401	L 99	Campaign finance/reporting	E2SSB 5931
C	402	L 99 PV	Commute trip reduction	SSB 5781
C	403	L 99	Homestead valuation	HB 1233

First Special Session

C	1	L 99 E1 PV	Transportation budget	ESHB 1125
C	2	L 99 E1	Highway bonds	HB 1203
C	3	L 99 E1	(Salary Commission recommendations)	
C	4	L 99 E1 PV	Salmon and water/forest practices	ESHB 2091
C	5	L 99 E1	Timber tax credit	HB 2303
C	6	L 99 E1	Transient sex offenders	ESHB 1004

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C	7	L 99 E1	Oil spill response tax	ESHB 2247
C	8	L 99 E1	Destroyed property/taxation	SHB 2273
C	9	L 99 E1	Agriculture production/tax	HB 2295
C	10	L 99 E1	Maximum levy calculation	EHB 2297
C	11	L 99 E1	Noxious weed herbicides	SB 5670
C	12	L 99 E1	School safety programs	EHB 2304
C	13	L 99 E1 PV	Salmon recovery funding board	2E2SSB 5595

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see Senate Ways & Means

see Senate Commerce, Trade, Housing & Financial Institutions

Standing Committee Assignments

see House Agriculture & Ecology

House Health Care

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Carolyn Edmonds
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see House Criminal Justice & Corrections; Children & Family Services

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Albert Bauer
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Jim Horn
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Betti Sheldon
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Senate Human Services & Corrections

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Rosa Franklin
Jeanne Kohl-Welles
Jeanine Long
Julia Patterson
Larry Sheahan
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Mary Lou Dickerson
Luke Esser
Jim Kastama
Patricia Lantz
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Joyce McDonald
Lynn Schindler

see House Commerce & Labor

House Local Government

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Patricia "Pat" Scott, *Co-Chair*
Mark Doumit, *V. Chair*
Thomas M. Mielke, *V. Chair*
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Doug Ericksen
Ruth Fisher
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House Natural Resources

Jim Buck, *Co-Chair*
Debbie Regala, *Co-Chair*
David H. Anderson, *V. Chair*
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John Pennington
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Michael Heavey, *Chair*
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Senate Labor & Workforce Development

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Bob Oke
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see Senate State & Local Government

Senate Natural Resources, Parks & Recreation

Ken Jacobsen, *Chair*
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James Hargrove
Bob Morton
Bob Oke
Dino Rossi
Sid Snyder
Harriet Spanel
Val Stevens

Standing Committee Assignments

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Marc Boldt
Tom Campbell
Richard DeBolt
Bill Grant
Shirley Hankins
Phyllis Gutierrez Kenney
Lynn Kessler
Barbara Lisk
Dave Mastin
Val Ogden
John Pennington
Erik Poulsen
Dave Quall
Mark G. Schoesler
Brian Sullivan
Velma Veloria
Mike Wensman
Cathy Wolfe

House State Government

Cathy McMorris, *Co-Chair*
Sandra Romero, *Co-Chair*
Tom Campbell, *V. Chair*
Mark Miloscia, *V. Chair*
Hans Dunshee
Kathy Haigh
Kathy Lambert
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House Technology, Telecommunications & Energy

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Erik Poulsen, *Co-Chair*
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Laura Ruderman, *V. Chair*
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Jerome Delvin
Jim Kastama
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Jeff Morris
Aaron Reardon
Brian Thomas
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Senate Rules

Lt. Governor Brad Owen,
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R. Lorraine Wojahn, *V. Chair*
Albert Bauer
Jeri Costa
Alex Deccio
Tracey Eide
Rosa Franklin
Calvin Goings
Patricia Hale
Harold Hochstatter
Jim Horn
Stephen Johnson
Dan McDonald
George Sellar
Betti Sheldon
Sid Snyder
Harriet Spanel

Senate State & Local Government

Julia Patterson, *Chair*
Georgia Gardner, *V. Chair*
Patricia Hale
Mary Margaret Haugen
Jim Horn
Adam Kline
Bob McCaslin

see Senate Energy, Technology & Telecommunications

House Transportation

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Christopher Hurst
John Lovick
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Maryann Mitchell
Jeff Morris
Edward Murray
Val Ogden
Cheryl Pflug
Renee Radcliff
Sandra Romero
Lynn Schindler
Shay Schual-Berke
Patricia "Pat" Scott
Mary Skinner
Alex Wood

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Jeri Costa
Tracey Eide
Bill Finkbeiner
Michael Heavey
Jim Horn
Ken Jacobsen
Stephen Johnson
Bob Morton
Bob Oke
Julia Patterson
Margarita Prentice
George Sellar
Larry Sheahan
Tim Sheldon
Paul Shin
Dan Swecker

see

**House Appropriations,
Capital Budget, Finance**

Senate Ways & Means

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Albert Bauer, *V. Chair*

Lisa Brown, *V. Chair*

Darlene Fairley

Karen Fraser

Jim Honeyford

Adam Kline

Jeanne Kohl-Welles

Jeanine Long

Dan McDonald

Marilyn Rasmussen

Pam Roach

Dino Rossi

Betti Sheldon

Sid Snyder

Harriet Spanel

Pat Thibaudeau

James West

Shirley Winsley

R. Lorraine Wojahn

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